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**MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ALYESKA RESORT**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ALYESKA RESORT (this "Declaration") is made as of December 17<sup>th</sup>, 2008 by ALYESKA RESORT DEVELOPMENT L.L.C., an Alaska limited liability company ("Declarant"), HOTEL ALYESKA L.L.C., an Alaska Limited liability company, ALYESKA SKI RESORT L.L.C., an Alaska limited liability company, ALYESKA HOLDINGS I, L.L.C., an Alaska limited liability company, ALYESKA HOLDINGS II, L.L.C., an Alaska limited liability company, and ALYESKA HOLDINGS AI, L.L.C., (jointly "Consenting Parties").

**RECITALS**

A. Declarant and/or the Consenting Parties own the real property located in the Municipality of Anchorage, Alaska, that is described on Exhibit A attached hereto and made a part hereof (the "Initial Property").

B. Declarant desires to create a planned community on the Property through this Declaration, as the same may be amended from time to time and the Consenting Parties agree that the portion of the Initial Property owned by them shall be subject to this Declaration. The Property and all improvements thereon shall be referred to as the Property and/or the "Project."

C. The Project possesses great natural beauty which Declarant intends to preserve through the use of a coordinated plan of development and the terms of this Declaration. It is anticipated that the plan will provide for comprehensive land planning, harmonious and appealing landscaping, improvements, and the establishment of separate Maintenance Associations and Condominium Associations (as hereinafter defined) for portions of the Project. It is intended and assumed that each purchaser of property in the Project will be motivated to preserve these qualities through community cooperation and by enforcing not only the letter but also the spirit of this Declaration. This Declaration is designed to complement local governmental regulations, and where conflicts occur, the more restrictive requirements shall control. To achieve such results, Declarant deems it necessary and desirable to subject the Property to the covenants, conditions, restrictions, reservations, easements, assessments, charges and liens set forth in this Declaration.

D. It is desirable for the efficient management and preservation of the value and appearance of the Project to create a master non-profit corporation to which shall be assigned the powers and delegated the duties of managing certain aspects of the Project; maintaining and administering the Common Elements; administering, collecting and disbursing funds pursuant to the provisions regarding assessments and charges hereinafter created and referred to; and to perform such other acts

as shall generally benefit the Project and the Owners. Alyeska Resort Master Homeowners Association (“Master Association”), a master property owners association and a non-profit corporation, will be incorporated under the laws of the State of Alaska for the purpose of exercising the powers and functions aforesaid.

E. It is anticipated that certain Sites contained in the Project will be developed into Common Interest Communities, including Planned Unit Developments. The relationship between Lots which are developed into separate Common Interest Communities, including Planned Unit Developments and Sites which are not so developed will be described hereinafter.

F. Each Owner shall receive fee title to his Site and a Membership in the Maintenance Association appurtenant to his Site.

## DECLARATION

In consideration of the foregoing, Declarant hereby declares as follows:

### ARTICLE 1 DECLARATION

1.1. Declaration. Declarant hereby creates a planned community (defined above as the “Project”) named “Alyeska Resort” on the Property (as such term is defined below) and declares that the Property shall be held, sold and conveyed subject to the covenants, conditions, restrictions, reservations, easements, assessments, charges, liens and other provisions of this Declaration.

1.2. Covenants Running with the Land. All covenants, conditions, restrictions, reservations, easements, charges, liens and other provisions of this Declaration are covenants running with the land, or equitable servitudes, as the case may be. The obligations, burdens and benefits created by this Declaration shall bind and inure to the benefit of Declarant, the Owners (as such term is defined below), the Master Association, any applicable Maintenance Association, Condominium Association and all other parties having any right, title or interest in the Property or any portion thereof and their respective successors, assigns, heirs, devisees, executors, administrators and personal representatives.

### ARTICLE 2 DEFINITIONS

2.1. Basic Definitions. As used in this Declaration, the following terms shall have the meaning given to them in this Section 2.1, unless the context expressly requires otherwise.

2.1.1. “Act” means the Common Interest Ownership Act, Section 34.08.10 et seq. Seq., Alaskan Statutes as to any Common Interest Ownership regimes maintained on any of the Lots, as the same may be amended from time to time.

2.1.2. “Additional Property” means any real property, the ownership of which is acquired by the Declarant and upon which the Declarant voluntarily elects to impress with these Covenants, Conditions and Restrictions.



2.1.3. "Alyeska Ski Resort L.L.C.," is the owner or lessee of the Alyeska Ski Resort as defined below.

2.1.4. "Alyeska Ski Resort" is that portion of the Alyeska Ski Resort used for skiing, snowboarding, mountain biking, mountain coasters, zip-lines and any other recreational facilities and activities located on real property owned by Alyeska Ski Resort L.L.C., as it may be expanded from time to time (by whatever name it may from time to time be known) located on the real property more particularly described on Exhibit "B" attached hereto and owned or leased by Alyeska Ski Resort L.L.C., or Alyeska Resort Management Company (hereinafter "ARMCO").

2.1.5. "Alyeska Ski Resort Special Membership" shall mean that membership of the Alyeska Ski Resort L.L.C., or its assigns in the Master Association as more fully described in Section 16.2 below.

2.1.6. "Annual Commercial Space/Lodge Room Real Estate Assessment Rate" has the meaning set forth in Section 6.3 below.

2.1.7. "Annual Real Estate Assessment" has the meaning given to that term in Section 6.3 below. This Annual Real Estate Assessment does not apply to Alyeska Ski Resort L.L.C., except as expressly provided herein.

2.1.8. "Annual Residential Real Estate Assessment Rate" has the meaning set forth in Section 6.3 below.

2.1.9. "Annual Undeveloped Land Real Estate Assessment Rate" has the meaning set forth in Section 6.3 below.

2.1.10. "Architectural Review Committee" means the Committee established pursuant to Article 8.

2.1.11. "Architectural Review Guidelines" or "Guidelines" shall mean the written review standards promulgated by the Architectural Review Committee as provided in the subarticle 8.5 below.

2.1.12. "Area" means with respect to Residential Sites, Commercial Spaces, Lodge Rooms, the Resort Parcel and Undeveloped Land, the total square footage of such property as determined by reference to documents recorded in the office of the Anchorage Recording District or, in the event that no documents setting forth such square footage have been recorded or such documents are in conflict, the following, which shall be determined by the Executive Board in its sole and absolute discretion:

2.1.12.1. With respect to a Residential Site, the number of square feet of residential space contained within the perimeter, walls, floors, ceilings, windows and doors of such Residential Site;



2.1.12.2. With respect to Commercial Space, the number of square feet of commercial space contained within the perimeter walls, floors, ceilings, windows and doors of such Commercial Space;

2.1.12.3. With respect to Lodge Rooms, the number of square feet of space contained within the perimeter walls, floors, ceilings, windows and doors of such Lodge Room;

2.1.12.4. With respect to the Resort Parcel, the number of square feet of the surface area of the Resort Parcel; and

2.1.12.5. With respect to Undeveloped Land, the number of square feet of the surface area of such Undeveloped Land.

The "Area" of any property (i) shall not include the square footage of (a) any common elements appurtenant to such property, (b) any roadways or right-of-ways or (c) any land covered by or owned by Alyeska Ski Resort L.L.C. and used by Alyeska Ski Resort L.L.C., as part of its ski operations and (ii) shall be rounded to the nearest whole number.

2.1.13. "Articles" means the Articles of Incorporation of the Alyeska Resort Master Owners Association, as the same may be amended from time to time ("Master Association").

2.1.14. "Assessment" means an Annual Real Estate Assessment, a Real Estate Transfer Assessment, a Commercial Assessment, a Master Association Assessment, a Resort Owner Assessment, a Special Assessment, a Limited Assessment and/or a Default Assessment levied pursuant to Article 6 below or any other assessment described herein or allowed hereby.

2.1.15. "Assessment Lien" means the lien of the Master Association on a Site as described in Section 6.12 below,

2.1.16. "Association" has the meaning given to that term in the Act as it relates to Common Interest Ownership as.

2.1.17. "Board" shall mean the "Executive Board" as defined below.

2.1.18. "Bylaws" means the Bylaws of the Master Association, as the same may be amended from time to time.

2.1.19. "Commercial Assessment" has the meaning given to that term in Section 6.7 below.

2.1.20. "Commercial Director" has the meaning given to that term in Section 5.2 below.



2.1.21. "Commercial Lot" has the meaning set forth in Chapter 21.09 of the Ordinances of the Municipality of Anchorage, and is a Lot which is intended to be divided into Fragment Lots as defined below.

2.1.22. "Commercial Space" means the Site or any portion of any Site in which:

2.1.22.1. a wholesale, retail or service business is operated;

2.1.22.2. an office is operated or an administrative function is conducted;

2.1.22.3. a conference or meeting facility is operated;

2.1.22.4. a maintenance or service facility is operated; or

2.1.22.5. a Resort Support Facility is operated,

including, without limitation, any space within a Lodge, other than a Lodge Room, that is used for any of the foregoing purposes. Notwithstanding the foregoing, neither Lodge Rooms, Employee Housing Units nor Community Facilities shall be deemed Commercial Spaces.

2.1.23. "Common Elements" or "Common Area" means any real estate within Alyeska Resort and any improvements or fixtures located on such real estate that are:

2.1.23.1. owned by the Master Association; or

2.1.23.2. owned by a Person other than the Master Association, but in which the Master Association has rights of use or possession pursuant to (a) this Declaration, or (b) a lease, license, easement or other agreement.

2.1.24. "Common Expenses" means:

2.1.24.1. any and all costs, expenses and liabilities incurred by or on behalf of the Master Association, including, without limitation, costs, expenses, and liabilities for (a) acquiring, owning, leasing, selling, encumbering, managing, operation, insuring, improving, repairing, replacing and maintaining the Common Elements or any other property of the Master Association; (b) carrying out any of the purposes of, and exercising any of the powers of, the Master Association as described in any Master Association Document, including, without limitation, those purposes and powers described in Section 3.2 below; (c) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (d) levying, collecting and enforcing the assessments, charges and liens imposed pursuant hereto; (e) promoting Alyeska Resort as part of the Alyeska Resort ski area; (f) maintaining and enhancing property values within Alyeska Resort; (g) taking any action it deems necessary or appropriate to protect the general welfare of Owners, Guests and the general public; (h) regulating and managing Alyeska Resort; and (i) operating the Master Association; and



2.1.24.2. reserves for any such costs, expenses and liabilities.

Act. 2.1.25. "Common Interest Ownership" has the meaning given to that term in the

Act. 2.1.26. "Common Interest Community" has the meaning given to that term in the

2.1.27. "Community Facility" means any facility that is operated by a non-profit, a for-profit, governmental or quasi-governmental entity and that provides athletic, cultural, recreational, entertainment or other services to Owners, Guests or the general public. A for-profit Community Facility may be designated as a Commercial Lot by the Executive Board in the event that the purpose of the Community Facility is to make a profit. "Community Facilities" including, without limitation, all:

2.1.27.1. theaters;

2.1.27.2. libraries;

2.1.27.3. chapels;

2.1.27.4. schools;

2.1.27.5. Community centers;

2.1.27.6. recreational facilities, athletic facilities, parks, playing fields, nature centers, trails, open spaces and wetlands;

2.1.27.7. child care facilities and teen centers; and

2.1.27.8. medical and emergency service facilities,

that are operated by a nonprofit, not-for-profit, governmental or quasi-governmental entity, "Community Facilities" shall also include the real property described on Exhibit C attached hereto, if any, and all lakes, streams, ponds and improvements of other facilities located herein or thereon.

2.1.28. "Condominium" has the meaning given to that term in the Act.

2.1.29. "Condominium Association" has the meaning given to that term in the Act.

2.1.30. "Condominium Unit" means a Unit within a Condominium.

2.1.31. "Declarant" means Alyeska Resort Development L.L.C., an Alaska limited liability company, and its successors and assigns.

2.1.32. "Declarant Control Period" has the meaning given to that term in Section 5.4 below.



2.1.33. "Declarant Rights" means any rights reserved to Declarant under this Declaration or any other Master Association Document, including, without limitation, all Special Declarant Rights.

2.1.34. "Default Assessment" has the meaning given to that term in Section 6.10 below.

2.1.35. "Developer" shall mean any person, other than Declarant, who owns one or more Sites in the Project for the purpose of selling or leasing them to members of the general public.

2.1.36. "Director" means a duly elected or appointed member of the Executive Board.

2.1.37. "Employee Housing Unit" means any Residential Site or any portion of any other Site restricted for use only as employee housing.

2.1.38. "Executive Board" means the Board of Directors of the Master Association.

2.1.39. "Fragment Lot" means a Lot into which a Commercial Lot is subdivided in accordance with Anchorage Ordinances Article 21, Chapter 15, Section 134.

2.1.40. "Function" means (i) any activity, function or service required or permitted under this Declaration to be undertaken or performed by Declarant (including, without limitation, those activities, functions and services which Declarant has designated, contracted with, or otherwise engaged a private or public entity to perform); and (ii) any activity, function or service otherwise undertaken or performed by Declarant, or any public or private entity whom Declarant has designated, contracted with or otherwise engaged to perform such activity, function or service .

2.1.41. "Guest" means any family member, employee, agent, independent contractor, lessee, customer or invitee of an Owner.

2.1.42. "Improvement" shall mean Structures, as defined herein, plants such as trees, hedges, shrubs and bushes and landscaping of every kind. "Improvement" shall also mean any excavation, fill, ditch, division, dam or other thing or device which affects or alters the natural flow of surface or subsurface water from, upon, under or across any portion of the Project. "Improvement" shall also mean any utility line, conduit, pipe or other related facility or equipment.

2.1.43. "Initial Property" means the real property located in the Municipality of Anchorage, Alaska, that is described on Exhibit A attached hereto and made a part hereof.

2.1.44. "Lessee" shall mean the person or persons, entity or entities who are the lessees under a ground lease of any part or all of a Site or the lessees of any space within a building on any Site (all such leased property hereinafter referred to as the Leased Premises).



Each Lessee shall be the holder of holders of a particular class or membership in the Declaration as set forth in the Amended and Restated Articles of this Declaration.

2.1.45. "Limited Assessment" has the meaning given to that term in Section 6.9 below.

2.1.46. "Lodge" means

2.1.46.1. a structure on any Site or any portion of a Site that is used as a hotel, motel or inn; or

2.1.46.2. a structure on any Site, other than a Residential Site, in which short-term overnight accommodations are provided.

Notwithstanding the foregoing, in no event shall a Vacation Club Facility be considered a Lodge.

2.1.47. "Lodge Room" means a room or suite in a Lodge designated for separate overnight occupancy by one or more Guests.

2.1.48. "Lot" shall mean any one of the Fragment Lots contained in any Commercial Lot in the Project. One or more Lots may be improved in such a manner as to constitute a "phase" in the development of the Project, or Units in Condominium or a Planned Unit Development.

2.1.49. "Maintenance Association" shall mean any incorporated or unincorporated association of Lot or Unit Owners (other than the Master Association) which is formed by operation of law or by the execution and filing of certain documents to facilitate the management, maintenance and/or operation of any portion of the Project (i) which portion of the Project is owned by a group of Lots within a Commercial Lot, (ii) when portions of the Project is owned by a group of owners of Condominium Units or who are members of such association; or (iii) which portion of the Project is owned by such association for the benefit of a group of owners who are members of such association. Any association of Unit owners of a Commercial Lot, of Fragment Lots, of Condominium Project in the Project shall be referred to herein as a "Maintenance Association."

2.1.50. "Majority," whether or not capitalized, means any percentage greater than fifty percent (50%).

2.1.51. "Member" means a member of the Master Association.

2.1.52. "Owner" means the record holder of legal title to the fee simple interest in any Site, Lot, Commercial Lot, Fragment Lot, Condominium Unit, Planned Development Unit or portion thereof, including a Time Share Estate located in the Project. If there is more than one record holder of legal title to a Site, Commercial Lot, Fragment Lot, Condominium Unit, Planned Development Unit each record holder shall be an Owner. The term "Owner" includes Declarant to the extent that Declarant is the record holder of legal title to the fee



simple interest in any Site, Commercial Lot, Fragment Lot, Condominium Unit or Planned Development Unit.

2.1.53. "Person" means any natural person, corporation, partnership, limited liability company, association, trust, trustee, governmental or quasi-governmental entity or any other person or entity recognized as being capable of owning real property under the laws of the State of Alaska.

2.1.54. "Planned Development Unit" shall mean a Lot, Site, Building Parcel or other Parcel forming part of a Common Interest Ownership regime the title to which Lot, Site, Building Parcel or other Parcel includes underlying real property and is evidenced by a conveyance in real property and is intended to be conveyed to the Owner of such Lot, Site, Building Pad or other Parcel subject to the declarations creating such Planned Unit Development.

2.1.55. "Planned Unit Development" shall mean any development which maintains the characteristics of a Common Interest Ownership as described in the Act but shall provide that each Unit includes the private ownership of the real property underlying such Unit.

2.1.56. "Property" means:

2.1.56.1. the Initial Property; and

2.1.56.2. any other real property that is later made subject to this Declaration.

2.1.57. "Residential Director" has the meaning given to that term in Section 5.2 below.

2.1.58. "Residential Site" means any Site that contains:

2.1.58.1. one single-family dwelling the construction of which is substantially complete and which may be occupied by the Owner of such Site; or

2.1.58.2. a multi-family dwelling that is not a Common Interest Community, for which the construction is substantially complete and which may be occupied.

The term "Residential Site" includes, without limitation, a residential Condominium Unit and a Residential Planned Development Unit.

2.1.59. "Resort Director" has the meaning given to that term in Section 5.2 below.

2.1.60. "Resort Parcel" means that parcel of real property located within the Initial Property that is described as the Resort Parcel on Exhibit A attached hereto and made a part hereof, if any.



2.1.61. "Resort Parcel Assessment" has the meaning given to that term in Section 6.11 below.

2.1.62. "Rules and Regulations" means any instrument adopted by the Master Association or the Architectural Review Committee for the regulation and management of Alyeska Resort, as the same may be amended from time to time.

2.1.63. "Site means any one of the following parcels of real property that is located within Alyeska Resort:

2.1.63.1. a Fragment Lot;

2.1.63.2. a Commercial Lot;

2.1.63.3. a Condominium Unit;

2.1.63.4. a Planned Development Unit;

2.1.63.5. a platted Lot that is not within Common Interest Community; or

2.1.63.6. an unplatted parcel of real property that is not within a Common Interest Community, the fee simple interest of which may be conveyed in its entirety to another Person without violating the subdivision regulations of the Municipality of Anchorage, Alaska, as in effect from time to time.

Notwithstanding the foregoing, any such parcel of real property owned, held or used in its entirety (a) by the Master Association, (b) as common elements for an Association for another Common Interest Community located within Alyeska Resort, (c) by any governmental or quasi-governmental entity, (d) solely for or in connection with the distribution of electricity, gas, water, sewer, telephone, cable television or any other utility service, or (e) solely for access to or through any property within Alyeska Resort, shall not be considered a Site. A single unplatted parcel of real property containing ten (10) or more contiguous acres shall be considered one Site, even though various parts thereof can be conveyed without violating the subdivision regulations of the Municipality of Anchorage, Alaska.

2.1.64. "Special Assessment" has the meaning given to that term in Section 6.8 below.

2.1.65. "Special Declarant Rights" means the rights reserved by Declarant in Article 13 below.

2.1.66. "Subowner" shall mean any person or persons, entity or entities who occupy or use a Site or portion thereof pursuant to a license, concession agreement or other arrangement with an Owner or Lessee or who have any right, title or interest in a Site, including a mortgage or beneficiary, as the case may be, under a mortgage or deed of trust encumbering a Site.



2.1.67. "Successor Declarant" means by any Person who succeeds to any rights of Declarant hereunder.

2.1.68. "Supplemental Declaration" means additional covenants, conditions and restrictions which may be placed on the Property or any portion thereof by one or more instruments recorded in the Anchorage Recording District prior to the time Declarant transfers or conveys said property to the Master Association or any other Person which further restrict the use, density, or design of the applicable property.

2.1.69. "Time Share Estate" has the meaning given to that term by Alaska Law or the Municipality of Anchorage Ordinances.

2.1.70. "Transfer" means whether or not the same is in writing or is recorded, means and includes: (i) any grant assignment, transfer, exchange, conveyance or consummated sale of any ownership or title to a Site situated in the Alyeska Resort; or (ii) the leasing, letting, conveyance, assignment, transfer or consummated sale of a possessory interest in a Site or zoned density. For purposes of Section 6.6, a Transfer subject to assessment shall also include a sale, conveyance, or transfer of majority or controlling interest in a corporation, limited liability company, partnership, limited partnership, joint venture, trust or other association or organization where such organization or association owns a Site or Sites located in Alyeska Resort, and the fair market value of that Site or Sites or zoned density represents more than one half of the total fair market value of all tangible assets of such entity, organization or association. Real Estate Transfer Assessment for such Transfers shall be based upon the fair market value of the Site or Sites at the time of Transfer. Said Real Estate Transfer Assessment shall be due and payable at the time of any such Transfer and contemporaneously therewith.

2.1.71. "Undeveloped Land" means any Site or any portion of a Site that does not contain a building for which a certificate of occupancy has been issued by the appropriate governmental authority, excluding the Resort Parcel.

2.1.72. "Unit" means if it is located in a Common Interest Community the meaning given to that term in the Act; otherwise it shall have the same meaning as Lot.

2.1.73. "Vacation Club" means a corporation, limited liability company, partnership, joint venture or other entity that is owned by members, whose ownership/membership interests in the corporation, limited liability company, partnership, joint venture or that entity are evidenced by points, shares or other interests that entitle the members to overnight accommodations within a Vacation Club Facility.

2.1.74. "Vacation Club Facility" means a building or portion of a building:

2.1.74.1. that is owned by a Vacation Club; and

2.1.74.2. in which overnight accommodations are provided to members of the Vacation Club on the basis of the members' Vacation Club Points.



2.1.75. "Vacation Club Points" are points, shares or other ownership/membership interests in a Vacation Club that entitle the owner thereof to overnight accommodations within a Vacation Club Facility.

2.2 Gender and Number. Whenever the context of this Declaration so requires:

2.2.1. words used in the masculine gender shall include the feminine and neuter genders;

2.2.2. words used in the feminine gender shall include the masculine and neuter genders;

2.2.3. words used in the neuter gender shall include the masculine and feminine genders;

2.2.4. words used in the singular shall included the plural; and

2.2.5. words used in the plural shall include the singular.

2.3. Definitions that Reference Status. If a capitalized term used in this Declaration is defined as having the meaning given to that term in a particular Alaska statute or Municipality of Anchorage Ordinance, the meaning given to that term in this Declarations shall be the meaning given to that term in the particular Alaska statute or ordinance as of the date of this Declaration, regardless of any later amendments to that particular Alaska statute or ordinance.

### **ARTICLE 3 ALYESKA RESORT MASTER ASSOCIATION**

3.1. Formation of the Alyeska Resort Master Owners Association. On or before the date on which Declarant first conveys a Site within Alyeska Resort to a Purchaser, Declarant shall form the Master Association.

3.2. Purposes and Powers.

3.2.1. Alyeska Resort Master Owners Association's purposes are:

3.2.1.1. to acquire, own, lease, sell, transfer, grant easements over, encumber, manage, operate, insure, improve, repair, replace and maintain the Common Elements and all other property of the Master Association;

3.2.1.2. to provide certain facilities and services to Owners, Guests and the general public;

3.2.1.3. to administer and enforce the covenants, conditions, restrictions, reservations and easements created hereby;

3.2.1.4. to levy, collect and enforce the Assessments, charges and liens imposed pursuant hereto;



3.2.1.5. to promote Alyeska Resort as a four-season destination resort Community;

3.2.1.6. to maintain and enhance property values within Alyeska Resort;

3.2.1.7. to take any action it deems necessary or appropriate to protect the general welfare of Owners, Guests and the general public;

3.2.1.8. to enter into agreements with other Persons, including, without limitation, easements, licenses, leases and other agreements with other Associations and with governmental and quasi-governmental entities, which provide for the sharing of expenses among the Master Association and such other Persons for improvements, facilities and services that serve the Master Association and such other Persons; and

3.2.1.9. to regulate and manage the Master Association.

3.2.2. Unless expressly prohibited by law or any of the Master Association Documents, the Master Association may:

3.2.2.1. take and all actions that it deems necessary or advisable to fulfill its purposes, including, without limitation, the hiring and termination of employees, agents and independent contractors;

3.2.2.2. exercise any powers conferred by the Act or any Master Association Documents; and

3.2.2.3. exercise all powers that may be exercised in Alaska by nonprofit corporations including, without limitation, the power to borrow money and to secure any such borrowing with the Common Elements and the Master Association's other assets.

3.2.3. Without in any way limiting the powers of the Master Association as described in paragraph 3.2.2 above, the Master Association may, but is not obligated to, charge use fees for the use of any Common Elements and for the use of any facilities or services provided by the Master Association.

3.2.4. Without in any way limiting the powers of the Master Association as described in paragraph 3.2.2. above, the Master Association may, but is not obligated to, make capital improvements to the Common Elements.

3.2.5. The Master Association may provide facilities and services itself or it may contract with private, governmental or quasi-governmental Persons to provide facilities or services.



### 3.3. Alyeska Resort Master Owners Association Documents.

3.3.1. This Declaration creates the planned Community know as Alyeska Resort and creates certain covenants, conditions, restrictions, reservations, easements, assessments, charges and liens applicable to the Master Association. The Articles create the Alyeska Resort Master Owners Association. The Bylaws provide for the regulation and management of the Alyeska Resort Master Owners Association, and the Rules and Regulations provide for the regulation and management of Alyeska Resort.

3.3.2. If there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. If there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. If there is any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

3.4. Books and Records. Upon reasonable prior written request, the Master Association shall allow Owners, Mortgagees, and their respective agents to inspect current copies of the Master Association Documents and the books, records, budgets and financial statements of the Master Association during normal business hours and under other reasonable circumstances. The Master Association may charge a reasonable fee for copying such materials.

## **ARTICLE 4 MEMBERSHIP AND VOTING**

4.1. Membership. Every Owner shall be a member of the Master Association, and, except as provided in Section 16.2 below regarding Alyeska Ski Resort L.L.C., or its successor or assigns, a Person who is not an Owner may not be a member of the Master Association. Owners may also be members of Maintenance Associations or other Condominium Associations.

4.2. Associates. The Owner of any residential property or wholesale, retail or service business and the Association of any Common Interest Community, in each case that is not otherwise a Member, shall be entitled to become an associate (an "Associate") of the Master Association by (a) giving written notice to the Executive Board to such effect and (b) complying with the provisions of the Bylaws governing Associates.

### 4.3. Voting in General.

4.3.1. The votes in the Master Association shall be allocated as described in this Section 4.3. and Sections 4.4. through 4.8. and Section 16.2 below. Notwithstanding any other provisions of this Declaration, no votes shall be allocated to Associates.

4.3.2. Subject to Article 16.2 below, there shall be five categories for allocating votes in the Master Association:



4.3.2.1. Residential Sites;

4.3.2.2. Commercial Spaces;

4.3.2.3. Lodge Rooms;

4.3.2.4. the Resort Parcel; and

4.3.2.5. Undeveloped Land

4.3.3. The votes allocated to a Residential Site, a Commercial Space, a Lodge Room, the Resort Parcel or Undeveloped Land shall be held by the Owner(s) of such Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped Land, as the case may be, and may not be separated from the Residential Site, Commercial Space, Lodge Room, Parcel or Undeveloped Land to which the votes are allocated. The votes allocated to a Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped Land may be transferred or encumbered only in connection with the conveyance or encumbrance of the fee simple interest in such Residential Site, Commercial Space, Lodge Room, Resort Parcel or Undeveloped land. Any transfer or encumbrance of votes in the Master Association, other than as permitted in this paragraph 4.3.3., shall be void and have no force and effect.

4.3.4. Notwithstanding the terms and conditions of this paragraph 4.3.3. above, the Owner of a Residential Site, Commercial Space, Lodge Room, the Resort Parcel or Undeveloped Land, may appoint an agent to vote the votes allocated to the Owner's Residential Site, Commercial Space, Lodge Rooms, the Resort Parcel or Undeveloped Land by duly executed proxy, in such form as the Master Association may reasonably require, timely delivered to the Master Association. An Owner may appoint a Maintenance Association or Condominium Association as agent to vote.

4.3.5. Class voting shall be allowed for the election of Residential Directors, Commercial Directors and the Resort Director pursuant to Article V below, but for no other purpose.

4.3.6. Cumulative voting shall not be allowed in the election of Directors or for any other purpose.

4.3.7. There shall be no votes allocated to (i) that portion of any Site that is a Community Facility or an Employee Housing Unit or (ii) Undeveloped Land which has not been assigned any equivalent Units, commercial space or cafeteria space under the Alyeska Resort Master Plan.

4.3.8. In any instance in this Declaration where fractional voting is permitted, if the number of votes allocated to any Person is not a whole number, such Person shall be entitled to vote the number of votes allocated to such Owner, rounded to the nearest lower whole number. In no event shall be entitled to cast less than a whole number of votes.



#### 4.4. Residential Voting.

4.4.1. Each Residential Site shall be allocated one vote for each single family dwelling or equivalent space located on such Residential Site, regardless of the number of Owners of that Residential Site. Except as provided in paragraph 4.4.2. below, fractional voting shall not be allowed for any votes allocated to a Residential Site. If the Owners of a Residential Site cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Residential Site casts the votes for that Residential Site, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Residential Site, unless an Owner of that Residential Site makes an objection thereto to the Person presiding over the meeting when the votes are cast. If more than the votes allocated to a Residential Site are cast for any Residential Site, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.4.2. Notwithstanding the terms and conditions of paragraph 4.4.1. above, if a Residential Site is owned in Time Share Estates, fractional voting shall be allowed for the votes allocated to that Residential Site. The votes allocated to a Residential Site shall be allocated proportionally among the Time Share Estates upon the following formula: the Area of the Residential Site multiplied by a fraction, the numerator of which is the number of weeks the Owner is permitted to use the Residential Site as the Owner of the Time Share Estate and the denominator of which is the total number weeks available.

4.4.3. Except as set forth in paragraph 4.4.4. below, in any election of Residential Directors, the Owner of a Residential Site shall have a number of votes equal to the number of Residential Directors for which that Owner may vote by virtue of its ownership of that Residential Site multiplied by the number of votes allocated to that Residential Site.

4.4.4. If a Residential Site is owned in Time Share Estates, the Owner of a Time Share Estate shall have, in any election of Residential Directors, a number of votes equal to the product obtained by multiplying:

4.4.4.1. the number of votes allocated to that Time Share Estate pursuant to paragraph 4.4.2 above; by

4.4.4.2. the number of Residential Directors for which the Owner may vote by virtue of its ownership of the Time Share Estate.

#### 4.5. Commercial Voting.

4.5.1. Each Commercial Space shall be allocated one vote for each 500 square feet of Area of such Commercial Space [owners of less than 500 square feet shall have one vote and sums in excess of 500 feet but less than a full additional 500 feet shall be rounded down to the nearest 500 foot sum e.g., the owners of 750 commercial feet would have one vote and the square footage would be rounded down to 500 square feet], regardless of the number of Owners of that Commercial Space. If the Owners of a Commercial Space cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their



right to vote on such matter. If any Owner of a Commercial Space casts the votes for that Commercial Space, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Commercial Space, unless an Owner of that Commercial Space makes an objection thereto to the Person presiding over the meeting when the votes are cast. If more than the votes allocated to a Commercial Space are cast for any Commercial Space, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.5.2. The Owner of a Commercial Space may appoint its lessee in that Commercial Space as its agent to vote all or any portion of the votes allocated to that Commercial Space by proxy in accordance with the terms and conditions of paragraph 4.3.4. above. In that regard, fractional voting shall be allowed for the votes allocated to a Commercial Space. Notwithstanding the foregoing, if more votes are cast for a Commercial Space than are allocated to that Commercial Space, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.5.3. In any election of Commercial Directors, the Owner of a Commercial Space shall have a number of votes equal to the product obtained by multiplying:

4.5.3.1. the number of votes allocated to that Commercial Space; by

4.5.3.2. the number of Commercial Directors for which Owner may vote by virtue of its ownership of that Commercial Space.

#### 4.6. Lodge Room Voting.

4.6.1. Each Lodge Room shall be allocated a combined and total one vote.

4.6.2. Fractional voting shall not be allowed for votes allocated to a Lodge Room. If the Owners of a Lodge Room cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of a Lodge Room casts the votes for that Lodge Room, it will thereafter be presumed for all purposes that the Owner was acting with the authority and consent of all other Owners of that Lodge Room, unless an Owner of that Lodge Room makes an objection thereto to the Person presiding over the meeting when the votes are cast. If at any meeting more votes are cast for a Lodge Room than are allocated to that Lodge Room, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.6.3. In any election of Commercial Directors, the Owner of a Lodge Room shall have a number of votes equal to the product obtained by multiplying:

4.6.3.1. the number of votes allocated to the Lodge Room, by

4.6.3.2. the number of Commercial Directors for which the Owner may vote by virtue of its ownership of the Lodge Room.



4.7. Resort Parcel Voting.

4.7.1. The Resort Parcel shall be allocated one vote for each 10,000 square foot of Area of the Resort Parcel, regardless of the number of Owners of the Resort Parcel. The actual number of votes based upon square feet owned shall be determined as provided in Section 4.5 above.

4.7.2. If the Owners of the Resort Parcel cannot agree among themselves as to how to cast their votes on a particular matter, they shall lose their right to vote on that matter. If any Owner of the Resort Parcel casts the votes for the Resort Parcel, it will thereafter be presumed for all purposes that the Owner was acting with the consent and authority of all other Owners of the Resort Parcel, unless an Owner of the Resort Parcel makes an objection thereto to the Person presiding over the meeting when the votes are cast. If the Owners of the Resort Parcel cast more votes for the Resort Parcel than are allocated to the Resort Parcel, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.8. Undeveloped Land Voting.

4.8.1. Undeveloped Land shall be allocated one vote for each 10,000 square foot of Area of the Undeveloped Land, regardless of the number of Owners of such Undeveloped Land. The actual number of votes based upon square feet owned shall be determined as provided in Section 4.5 above.

4.8.2. If the Owners of Undeveloped Land cannot agree among themselves as to how to cast the votes on a particular matter, they shall lose their right to vote on such matter. If any Owner of Undeveloped Land casts the votes for that Undeveloped Land, it will thereafter be presumed for all purposes that the Owner was acting with the consent and authority of all other Owners of such Undeveloped Land, unless an Owner of such Undeveloped Land makes an objection thereto to the Person presiding over the meeting when the votes are cast. If the Owners of Undeveloped Land cast more votes for such Undeveloped Land than are allocated thereto, none of such votes shall be counted and all of such votes shall be deemed null and void.

4.8.3. In any election of Commercial Directors, the Owner of Undeveloped Land shall have a number of votes equal to the product obtained by multiplying:

4.8.3.1. the number of votes allocated to such Undeveloped Land; by

4.8.3.2. the number of Commercial Directors for which the Owner may vote by virtue of its ownership of such Undeveloped Land.



**ARTICLE 5  
EXECUTIVE BOARD**

**5.1. Powers of the Executive Board.**

5.1.1. Except as provided in this Declaration, the Articles and the Bylaws, the Executive Board may act on behalf of the Master Association in all instances.

5.1.2. The Executive Board may not act on behalf of the Master Association to:

5.1.2.1. amend this Declaration;

5.1.2.2. terminate the Master Association, this Declaration or the planned Community created by this Declaration;

5.1.2.3. elect Directors to the Executive Board, other than to fill a vacancy for the unexpired portion of a Director's term; or

5.1.2.4. determine the qualifications, powers and duties, or terms of office of Directors;

**5.2. Number of Directors.** Subject to Section 5.4 below, the Executive Board shall consist of the following seven (7) Directors:

5.2.1. three (3) Directors elected by and representing Owners of Residential Sites (the "Residential Directors");

5.2.2. three (3) Directors elected by and representing the Owners of Commercial Spaces, the Lodge Rooms and Undeveloped Land (the "Commercial Directors"); and

5.2.3. one (1) Director appointed by and representing the Owners of the Resort Parcel (the "Resort Director").

**5.3. Election of Directors.**

5.3.1. Subject to the terms and conditions of Sections 5.4 and 5.5 below, the Residential Directors shall be elected as follows:

5.3.1.1. The terms of the Residential Directors shall be staggered. At the initial election or appointment of the Residential Directors, the Residential Directors shall be divided into two classes. The first class shall consist of two (2) Residential Directors, and the second class shall consist of one (1) Residential Director.



5.3.1.1.1. The initial two (2) Residential Directors in the first class will hold office until the election or appointment of their respective successors at the 2009 annual meeting. Thereafter, each Residential Director in the first class shall hold office for a term of two (2) years and the Owners of the Residential Sites shall elect such Residential Directors at the annual meeting held in years ending in an odd number.

5.3.1.1.2. The initial Residential Directors in the second class will hold office until the election or appointment of his successor at the 2010 annual meeting. Thereafter, the Residential Director in the second class shall hold office for a term of two (2) years and the Owners of Residential Sites shall elect such Residential Director at the annual meeting held in years ending in an even number.

5.3.2. Subject to the terms and conditions of Sections 5.4 and 5.5 below, the Commercial Directors shall be elected as follows:

5.3.2.1. The terms of the Commercial Directors shall be staggered. At the initial election or appointment of the Commercial Directors, the Commercial Directors shall be divided into two classes. The first class shall consist of two (2) Commercial Directors, and the second class shall consist of one (1) Commercial Director.

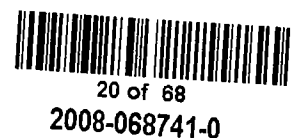
5.3.2.1.1. The initial Commercial Directors in the first class will hold office until the election or appointment of such their respective successors at the 2009 annual meeting. Thereafter, each Commercial Director in the first class shall hold office for a term of two (2) years and the Owners of the Commercial Spaces, Lodge Rooms and Undeveloped Land shall elect such Commercial Directors at the annual meeting held in years ending in an odd number.

5.3.2.1.2. The initial Commercial Director in the second class will hold office until the election or appointment of his successor at the 2010 annual meeting. Thereafter, the Commercial Director in the second class shall hold office for a term of two (2) years and the Owners of Commercial Spaces, Lodge Rooms and Undeveloped Land shall elect such Commercial Director at the annual meeting held in years ending in an even number.

5.3.3. Subject to the terms and conditions of Section 5.4 and 5.5 below, the Owners of the Resort Parcel may appoint, remove and replace the Resort Directors at any time by providing prior written notice thereof to the Master Association.

#### 5.4. Declarant Control Period.

5.4.1. Subject to the terms and conditions of paragraphs 5.4.2. and 5.4.3. below, but notwithstanding anything else to the contrary contained in and this Declaration or in any other Master Association Document, Declarant shall have the exclusive right to appoint and



remove all Officers and Directors during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Master Association and ending on the earlier of:

5.4.1.1. the date that is ten (10) years after the last conveyance of a Site by Declarant to a Purchaser in the ordinary course of business; or

5.4.1.2. the date that is twenty (20) years after the date this Declaration is recorded in the Anchorage Recording District.

5.4.2. Declarant may voluntarily surrender its right to appoint and remove Officers and Directors prior to the expiration of the Declarant Control Period, but, in that event, Declarant may require, for the remainder of the Declarant Control Period, that specific actions of the Master Association or the Executive Board, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

5.4.3. During the thirty (30) day period immediately preceding the date on which the Declarant Control Period expires, the Owners shall elect an Executive Board of seven (7) Directors, at least a majority of who must be Owners other than Declarant or designated representatives of Owners other than Declarant.

#### 5.5. Removal of Directors.

5.5.1. Directors appointed by Declarant may be removed, with or without cause, solely by Declarant.

5.5.2. Each Residential Director, other than Residential Directors appointed by Declarant, may be removed, with or without cause, by a sixty-seven percent (67%) or greater vote of all votes allocated to the Residential Sites that are entitled to vote for that Residential Director and that are represented at a meeting of the Owners of those Residential Sites at which a quorum is present.

5.5.3. Each Commercial Director, other than Commercial Directors appointed by Declarant, may be removed, with or without cause, by a sixty-seven percent (67%) or greater vote of all votes allocated to the Commercial Spaces, Lodge Rooms and Undeveloped Land that are entitled to vote for that Commercial Director and that are represented at a meeting of the Owners of those Commercial Spaces, Lodge Rooms and Undeveloped Land at which a quorum is present.

5.5.4. The Resort Director, other than the Resort Director appointed by Declarant, may be removed, with or without cause, by the Owners of the Resort Parcel.

5.5.5. Directors may not be removed, except as provided in paragraphs 5.5.1 through 5.5.4 above.



5.6. Replacement of Directors.

5.6.1. Vacancies on the Executive Board created by the removal, resignation or death of a Director appointed by Declarant shall be filled by a Director appointed by Declarant.

5.6.2. Except with respect to a Resort Director appointed by Declarant, a vacancy on the Executive Board created by the removal, resignation or death of the Resort Director shall be filled by a Director appointed by the Owner of the Resort Parcel.

5.6.3. Except with respect to a Residential Director or a Commercial Director appointed by Declarant, a vacancy on the Executive Board created by the removal, resignation or death of (i) a Residential Director shall be filled by a Director appointed by unanimous vote of the Residential Directors then holding office or (ii) a Commercial Director shall be filled by a Director appointed by unanimous vote the Commercial Directors then holding office. In the event that any such vacancy is unable to be filled in accordance with the provisions of this paragraph, such vacancy shall remain unfilled for the remainder of the unexpired term of the Director that whose removal, resignation or death created such vacancy.

5.6.4. Any Director elected or appointed pursuant to this Section 5.6.4 shall hold office for the remainder of the unexpired term of the Director that such Director replaced.

5.6.5 No Director shall be liable in damages to any Person submitting requests for approval or to any Owner by reason of any act, approval, disapproval, or failure to approve or disapprove in regard to any matter within its jurisdiction hereunder.

**ARTICLE 6  
ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS**

6.1. Obligations for Assessments and Other Charges.

6.1.1. Each Owner, by accepting a deed to a Site, Unit or a Time Share Estate (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Master Association all Assessments and other charges that the Master Association is required or permitted to levy or impose on such Owner or such Owner's Site, Unit or Time Share Estate pursuant to this Declaration or any other Master Association Document.

6.1.2. Notwithstanding the definition of the term "Owner":

6.1.2.1. a Person who acquired a Site, Unit or Time Share Estate in a foreclosure sale shall be personally liable for all Assessments and other charges that the Master Association is required or permitted to levy or impose on that Site, Unit or Time Share Estate or on the Owner of that Site, Unit or Time Share Estate commencing on the date of the foreclosure sale; and



6.1.2.2. a Person who acquired a Site or Time Share Estate by deed-in-lieu of foreclosure shall be personally liable for all Assessments and other charges that the Master Association is required or permitted to levy or impose on that Site, Unit or Time Share Estate or on the Owner of that Site, Unit or Time Share Estate commencing on the date on which the Owner of the Site, Unit or Time Share Estate executes the deed-in-lieu of foreclosure.

6.1.3. No Owner shall be exempt from liability for any Assessment or other charges by waiving the use or enjoyment of any Common Element or by abandoning a Site, Unit or Time Share Estate against which such Assessments or other charges are made.

6.1.4. Each Owner shall be personally liable for all Assessments and other charges levied on such Owner or such Owner's Site, Unit or Time Share Estate during the period of such Owner's ownership of the Site, Unit or Time Share Estate. If there is more than one Owner of a Site, Lot, Unit or Time Share Estate, each Owner shall be jointly and severally liable with the other Owners of the Site, Unit or Time Share Estate for all Assessments and other charges levied on the Site, Unit or any Owner of the Site, Unit or Time Share Estate.

6.1.5. Each Assessment or other charge, together with interest thereon and all costs and expenses incurred by the Master Association to collect such Assessment or other charge, including all fees and disbursements of attorneys, accountants, appraisers, receivers and other professionals engaged by the Master Association in connection therewith, may be recovered by a suit for a money judgment by the Master Association without foreclosing or waiving any Assessment Lien securing the same.

6.1.6. Except as set forth in paragraph 6.1.7 below, but notwithstanding anything else to the contrary contained in this Declaration, neither the Master Association nor any Sub-Association may levy or collect:

6.1.6.1. any Annual Real Estate Assessment with respect to (a) any Site that is restricted for use exclusively as Employee Housing Units or used as one or more Community Facilities, or (b) that portion of any Site that is restricted for use exclusively as an Employee Housing Units or used as a Community Facility;

6.1.6.2. any Sales Assessment, Recreation Assessment, Commercial Assessment, Master Association Assessment, Limited Assessment or Special Assessment with respect to any Employee Housing Unit or any Community Facility;

6.1.6.3. any Real Estate Transfer Assessment with respect to (a) the Fair Market Value of any Site, Unit or Time Share Estate that is restricted for use exclusively as Employee Housing Units or used as one or more Community Facilities, or (b) the Fair Market Value of that portion of any Site, Unit or Time Share Estate that is restricted for use exclusively as an Employee Housing Unit or used as Community Facility; or

6.1.6.4. any Assessment with respect to Undeveloped Land which has not been assigned any equivalent Units, commercial space or cafeteria space under the Alyeska Master Plan.



6.1.7. Notwithstanding anything to the contrary contained in paragraph 6.1.6 above, if, after a Transfer, a Site, Unit or Time Share Estate or a portion of a Site, Unit or Time Share Estate that was restricted for use as an Employee Housing Unit or used by the Transferor as a Community Facility prior to the Transfer ceases to be restricted for use as an Employee Housing Unit or to be used as a Community Facility, as appropriate, then the Master Association may levy and collect, and the Transferee of the Site, Unit or Time Share Estate shall be liable for:

6.1.7.1. Annual Real Estate Assessments with respect to the Site, Unit or Time Share Estate or the portion of the Site, Unit or Time Share Estate that is no longer restricted for use as an Employee Housing Unit or the Transferee no longer uses a Community Facility, commencing on the date on which the Site, Unit or Time Share Estate is no longer restricted or the Transferee ceases such use;

6.1.7.2. Sales Assessments, Recreation Assessments, Commercial Assessments, Master Association Assessments, Limited Assessments and Special Assessments with respect to the Site, Unit or Time Share Estate or portion of the Site, Unit or Time Share Estate that is no longer restricted for use as an Employee Housing Unit or the Transferee no longer uses as a Community Facility, commencing on the date on which the Site, Unit or Time Share Estate is no longer restricted or the Transferee ceases such use; and

6.1.7.3. a Real Estate Transferee Assessment with respect to the Fair Market Value of the Site, Unit or Time Share Estate or the portion of the Site, Unit or Time Share Estate that is no longer restricted for use as an Employee Housing Unit or the Transferee no longer uses as a Community Facility, which will be due and payable to the Master Association within five (5) days following the date on which the Site, Unit or Time Share Estate is no longer restricted or the Transferee ceases such use and the Transferee receives written notice of such assessment.

6.1.8. Notwithstanding anything else to the contrary contained in this Declaration, (i) the Master Association shall be exempt from all Assessments and (ii) the Owner of the Resort Parcel shall be exempt from Assessments other than the Resort Parcel Assessment.

## 6.2. Budgets.

6.2.1. Prior to the first levy of an Assessment, and, thereafter, on or before January 31 of each calendar year, the Executive Board shall adopt a proposed annual budget for the Master Association for the following calendar year that sets forth:

6.2.1.1. the Executive Board's estimates of Common Expenses for the next calendar year; and

6.2.1.2. the amount of funds for such Common Expenses that the Executive Board proposes to raise through all Assessments.

6.2.2. Within thirty (30) days after adopting a proposed annual budget, the Executive Board shall deliver a summary of the proposed annual budget to all Owners and set a date

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for a meeting of the Owners to consider ratification of the proposed annual budget. The date of such meeting shall not be less than fourteen (14) days, nor more than sixty (60) days, after the delivery of the summary of the proposed annual budget to the Owners. Unless at that meeting sixty-seven percent (67%) of all votes within the Master Association, whether or not a quorum is present, rejects the proposed annual budget, the proposed annual budget shall be deemed ratified. In the event that the proposed annual budget is rejected, the annual budget last ratified by the Owners shall be deemed renewed for the next calendar year and shall remain in full force and effect until such time as the Owners ratify a subsequent annual budget proposed by the Executive Board.

6.2.3. If the Executive Board deems it necessary or advisable to amend an annual budget that has been ratified by the Owners under paragraph 6.2.2 above, the Executive Board may adopt a proposed amendment to the annual budget, deliver a summary of the proposed amendment to all Owners and set a date for a meeting of the Owners to consider ratification of the proposed amendment. The date of such meeting shall not be less than fourteen (14) days, nor more than sixty (60) days, after the delivery of the summary of the proposed amendment. Unless at that meeting sixty-seven percent (67%) of all votes within the Master Association, whether or not a quorum is present, rejects the proposed amendment, the proposed amendment shall be deemed ratified.

### 6.3. Annual Real Estate Assessments.

6.3.1. On or about February 15 of each year the Master Association shall levy and collect from each Owner, with respect to each Residential Site, Commercial Space, Lodge Room and parcel of Undeveloped Land owned by such Owner, an annual assessment (the "Annual Real Estate Assessment") in an amount equal to the sum of:

6.3.1.1. with respect to each Residential Site owned by such Owner, the product obtained by multiplying (a) the Area of such Residential Site by (b) the Annual Residential Real Estate Assessment Rate;

6.3.1.2. with respect to each Commercial Space and Lodge Room owned by such Owner, the product obtained by multiplying (a) the Area of such Commercial Space or Lodge Room by (b) the Annual Commercial/Lodge Room Real Estate Assessment Rate;

6.3.1.3. with respect to each parcel of Undeveloped Land owned by such Owner, the product obtained by multiplying (a) the Area of such parcel of Undeveloped Land by (b) the Annual Undeveloped Land Real Estate Assessment Rate.

6.3.2. If a Site is owned in Time Share Estates, the Master Association shall allocate the Annual Real Estate Assessment payable with respect to such Site among the Owners of the Time Share Estates on the basis of the duration of such Time Share Estates. Accordingly, each Owner of a Time Share Estate in a Site shall be responsible for that portion of the Annual Real Estate Assessment payable with respect to such Site equal to the product obtained by multiplying:



6.3.2.1. the Annual Real Estate Assessment payable with respect to that Site;

6.3.2.2. a fraction, the numerator of which is the number of weeks the Owner is permitted to use the Site as the Owner of the Time Share Estate, and the denominator of which is 52.

6.3.3. Based on budget estimates, the Executive Board shall determine and set forth in its annual budget the "Annual Residential Real Estate Assessment Rate," the "Annual Commercial/Lodge Room Real Estate Assessment Rate" and the "Annual Undeveloped Land Real Estate Assessment Rate" required to produce the total Annual Real Estate Assessments set forth in such budget, on the condition that (i) the Annual Commercial/Lodge Room Real Estate Assessment Rate shall be no less than the Annual Residential Real Estate Assessment Rate and (ii) the Annual Undeveloped Land Real Estate Assessment Rate shall be no greater than one-tenth (1/10) the Annual Residential Real Estate Assessment Rate. Unless and until such time as the Executive Board adopts different rates, (i) the "Annual Residential Real Estate Assessment Rate shall be one dollar and fifty cents (\$1.50) per square foot, (ii) the "Annual Commercial/Lodge Room Real Estate Assessment Rate: shall be three dollars (\$3.00) per square foot and (iii) the "Annual Undeveloped Land Real Estate Assessment Rate" shall be fifteen cent (\$.15 per square foot.

6.3.4. The Master Association shall give Owners written notice of the amount of any dues, assessments or charges hereunder and the same shall become due and payable the earlier of (i) thirty (30) days after such notice shall have been given or (ii) March 15 of each year. Any such amounts not paid when due and payable shall bear interest at a rate set by the Master Association but not to exceed the maximum interest rate allowed by law.

6.3.5. Notwithstanding anything to the contrary set forth above, the Master Association may grant an exemption from the Annual Real Estate Assessment for any Site that is exempt from taxation pursuant to applicable state and local law, as the same may be amended from time to time, or any comparable statute.

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6.5. Intentionally left blank.

6.6. Real Estate Transfer Assessment.

6.6.1 Upon the Transfer of any Site, the seller of such Site shall pay the Master Association an amount equal to one percent (1%) of the fair market value of the Site or Sites or zoned density at the time of Transfer. Said Real Estate Transfer Assessment shall be due and payable at the time of any such Transfer and contemporaneously therewith..

6.7. Commercial Assessments.

6.7.1. On or about February 15 of each year, the Master Association shall levy and collect from the Owner of each Commercial Space an annual assessment (the "Commercial Assessment") in an amount equal to \$10,000, or such other amount as the Executive Board shall reasonably deem appropriate.



6.7.2. Each Owner's Commercial Assessment shall be due and payable by such Owner without notice from the Master Association. Any amounts not paid by March 15 of each year shall bear interest at twelve percent (12%) per annum.

6.8. Special Assessments.

6.8.1. The Assessments that the Master Association may levy and collect pursuant to this Section 6.8 are referred to in this Declaration as "Special Assessments."

6.8.2. If, at any time, the Executive Board believes that Common Expenses for a calendar year will exceed the revenues of the Master Association for that calendar year, then the Executive Board may cause the Master Association to levy and collect a Special Assessment in an amount equal to the amount of such excess.

6.8.3. If the Master Association levies a Special Assessment, the Owners of each Site, Unit (or each Time Share Estate in a Site) shall pay to the Master Association, when and in such installments as the Executive Board deems necessary or appropriate, an amount equal to the product obtained by multiplying:

6.8.3.1. the amount of the Special Assessment, by

6.8.3.2. a fraction, the numerator of which shall be the amount of the Annual Real Estate Assessment levied against such Owners' Site, Unit (or Time Share Estate) during that calendar year, and the denominator of which shall be the amount of all annual Real Estate Assessments levied against all Sites during that calendar year.

6.9. Limited Assessments.

6.9.1. The Assessments that the Master Association may levy pursuant to this Section 6.9 are referred to in this Declaration as "Limited Assessments."

6.9.2. After the adoption of an annual budget, the Association shall levy and collect a Limited Assessment to cover expenses incurred by the Association attributable to the operation, maintenance, repair, replacement or alteration of improvements and services exclusively benefiting one or more, but fewer than all, of the Sites. The Limited Assessments shall be levied only against the Owners of such benefited Sites.

6.9.3. If the Master Association levies a Limited Assessment, the Owners of each Site against which the Limited Assessment is assessed shall pay to the Master Association, when and in such installments as the Executive Board deems necessary or appropriate, an amount equal to the product obtained by multiplying:

6.9.3.1. the Limited Assessment, by

6.9.3.2. either (a) a fraction, the numerator of which shall be the amount of the Annual Real Estate Assessment levied against such Owner's Site (or Time Share Estate) during that calendar year, and the denominator of which shall be the amount



of the Annual Real Estate Assessment levied against all Sites against which such Limited Assessment is assessed during that calendar year or (b) a fraction representing such other equitable proportion as the Executive Board deems reasonably appropriate.

6.10 Default Assessments.

6.10.1. Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by:

6.10.1.1. the negligence or misconduct of an Owner or such Owner's Guest;  
or

6.10.1.2. a violation of any covenant or condition of a Master Association Document by an Owner or such Owner's Guest, the Master Association may levy an Assessment against such Owner's Site or Time Share Estate.

Any such Assessment levied by the Master Association and each fine, penalty, fee or other charge imposed upon an Owner for the violation of any covenant or condition of any Master Association Document by an Owner or such Owner's Guest are each referred to herein as a "Default Assessment."

6.10.2. With respect to any Default Assessment, or portion thereof, levied other than as a late charge, the Owner of the Site or Time Share Estate against which the Master Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Sites or Time Share Estates against which Default Assessments have been levied shall pay such Default Assessments when required by the Master Association.

6.11. Resort Parcel Assessment.

6.11.1. On or about February 15 of each year, the Master Association shall levy and collect from the Owner of the Resort Parcel an annual assessment (the "Resort Parcel Assessment") in an amount equal to \$10,000 or such other amount as the Board of Directors shall determine. For any period of less than a year, the Owner of the Resort Parcel shall be assessed a prorated Resort Parcel Assessment equal to the product of (i) the Resort Parcel Assessment multiplied by (ii) a fraction, the numerator of which is the number of days during such period and the denominator of which is 365. Notwithstanding anything set forth in this Declaration to the contrary, the Resort Parcel Assessment shall not be increased without the prior written consent of the Owner of the Resort Parcel.

6.11.2. The Resort Parcel Assessment shall be due and payable by the Owner of the Resort Parcel within thirty (30) days of prior written notice from the Master Association. Any amounts not paid by within thirty (30) days shall bear interest at twelve percent (12%) per annum.



6.12. Alyeska Resort Assessments.

6.12.1. Subject to the provisions of paragraph 6.1.8, in addition to the other Assessments described in this Article 6, the Master Association may, from time to time, levy and collect from Owners one or more assessments for any lawful purpose (each, a "Master Association Assessment"), on the condition that each Master Association Assessment is approved by the affirmative vote of a majority of all votes in the Master Association.

6.12.2. If the Master Association levies a Master Association Assessment, the Owners of each Site (or each Time Share Estate in a Site) shall pay to the Master Association, when and in such installments as the Executive Board deems necessary or appropriate, an amount equal to the product obtained by multiplying:

6.12.2.1. the amount of the Master Association Assessment, by

6.12.2.2. a fraction, the numerator of which shall be the amount of the Annual Real Estate Assessment levied against such Owners' Site (or Time Share Estate) during that calendar year, and the denominator of which shall be the amount of all Annual Real Estate Assessments levied against all Sites during the calendar year.

6.13. Assignment of Assessments. The Master Association shall have an unrestricted right to assign its right to receive Assessments and other future income, either as security for obligations of the Master Association or otherwise.

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6.14. Assessment Lien.

6.14.1. The Master Association shall have a lien on each Site or Time Share Estate for any Assessment levied against that Site or Time Share Estate and any fines, late charges, penalties, interest, attorneys' fees, disbursements and costs of collection imposed against its Owner under any Master Association Document. The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid Master Association acceleration of installment obligations.

6.14.2. An Assessment Lien is prior to all other liens and encumbrances on a Site or Time Share Estate except:

6.14.2.1. liens and encumbrances recorded prior to the recordation of this Declaration;

6.14.2.2. a mortgage or deed of trust which enjoys a first lien priority position ("First Mortgage") which was recorded before the date on which the Assessment sought to be enforced became delinquent, (except to the extent the Act provides otherwise);



6.14.2.3. liens for real estate taxes and other governmental assessments or charges against the Site or Time Share Estate.

6.14.3. The recording of this Declaration constitutes record notice and perfection of an Assessment Lien on each Site or Time Share Estate. No further recordation of any claim of any Assessment Lien is required.

6.14.4. An Assessment Lien is extinguished unless proceedings to enforce the Assessment Lien are instituted within six (6) years after the full amount of the Assessment secured thereby becomes due.

6.14.5. This Section 6.14 does not prohibit:

6.14.5.1. actions or suits to recover sums secured by an Assessment Lien; or

6.14.5.2. the Master Association from taking a deed in lieu of foreclosure.

6.14.6. In any action by the Master Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. A court may order the receiver to pay any sums held by the receiver to the Master Association during the pendency of the action to the extent of the Master Association's Assessments.

6.14.7. An Assessment Lien may be foreclosed in like manner as a mortgage on real estate.

6.15. Waiver of Homestead Exemption. By acceptance of the deed or other instrument of transfer of a Site or Time Share Estate, an Owner irrevocably waives the homestead exemption provided by Alaska Statute 09.38.010.

6.16. Estoppel Certificates; Notices to Mortgagees.

6.16.1. The Master Association shall furnish to an Owner or its designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Master Association registered agent, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Site or Time Share Estate. The statement shall be furnished within thirty (30) calendar days after the Master Association's receipt of the request and shall be binding on the Master Association, the Executive Board and every Owner. If no statement is furnished to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, then the Master Association shall have no right to assert an Assessment Lien upon the Site or Time Share Estate for unpaid Assessments which were due as of the date of the request.

6.16.2. The Master Association shall report to any First Mortgagee any unpaid Assessments remaining unpaid for more than ninety (90) days after the same shall have become due, if such First Mortgagee first shall have delivered to the Master Association a



written request for notice of unpaid Assessments. Any First Mortgagee holding a lien on a Site or Time Share Estate may pay any unpaid Assessment with respect to such Site or Time Share Estate, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such First Mortgagee shall have a lien on the Site or Time Share Estate for the amounts paid with the same priority as a lien of the First Mortgage held by such First Mortgagee.

6.17. Administration of Assessments.

6.17.1. The Master Association shall have the right to inspect and copy all records of any Owner that are related to the Owner's obligation to pay any Assessment or to deliver any information to the Master Association under this Article 6.

6.17.2. The Master Association may adopt any Rules and Regulations that the Executive Board deems necessary or appropriate with respect to the administration of the Assessments, including, without limitation, Rules and Regulations that:

6.17.2.1. require Owners to report information regarding Assessments to the Master Association, including, information that an Owner must obtain from the Owner's lessees, shareholders, partners or members; and

6.17.2.2. relate to the Master Association's right to inspect and copy all records of any Owner that are related to the Owner's obligation to pay any Assessment or to deliver any information to the Master Association under this Article 6.

6.17.3. The Executive Board shall resolve any dispute or question regarding the imposition, application, determination, administration, payment or collection of any Assessment. Any decision made in that regard shall be final and binding on the Master Association and the Owners.

**ARTICLE 7  
MAINTENANCE OF COMMON ELEMENTS AND SITES**

7.1. Maintenance of Common Elements. Except as otherwise provided in this Declaration, the Master Association, or its duly designated agent, shall maintain all Common Elements and the improvements and landscaping located thereon in good order and repair and shall otherwise manage and operate all Common Elements as it deems necessary or appropriate. In this regard the Master Association may:

7.1.1. construct, modify, add to, remove, replace, repair or renovate any improvements that are located on, or constitute a part of, any Common Element;

7.1.2. plant and replace trees, shrubs and other vegetation on any Common Element;

7.1.3. place, maintain and replace signs upon any Common Element;



7.1.4. adopt and enforce Rules and Regulations regulating the use of Common Elements;

7.1.5. impose and collect fees for the use of any Common Element; and

7.1.6. take any other actions that the Master Association deems necessary or appropriate to protect, maintain, operate, manage or regulate the use of Common Elements.

7.2. Maintenance of Sites.

7.2.1. Each Owner shall, at such Owner's sole cost and expense, maintain such Owner's Site and the improvements and landscaping located thereon, or constituting a part thereof, in good order and repair.

7.2.2. The Association for each Common Interest Community located with Master Association, shall, at such Association's sole cost and expense, maintain such Association's common elements.

7.2.3. If, in the reasonable judgment of the Master Association by a majority vote, an Owner fails to maintain its Site or the improvements or landscaping located thereon, or an Association fails to maintain its common elements, in good order and repair, and such failure remains uncured for more than sixty (60) days after the Master Association's delivery of written notice thereof to such Owner or Association, the Master Association may enter upon such Site or such common elements and perform such maintenance or repair as the Master Association deems necessary or appropriate and charge all costs and expenses incurred by the Master Association in connection therewith to such Owner or such Association's members as a Default Assessment.

7.2.4. The Master Association may, without notice, make emergency repairs to and maintain any Site or improvement located thereon, or any Association's common elements, as may, in its judgment, be necessary for the safety of any Person or to prevent damage to any other property including, without limitation, removal snow and ice buildups and repair and remediation of rainwater control mechanisms. The cost of such maintenance and repair shall be charged to the Owner of the Site or such Association's members as a Default Assessment.

**ARTICLE 8  
ARCHITECTURAL REVIEW COMMITTEE**

8.1. Composition of Committee. The Architectural Review Committee is hereby created to enforce the construction requirements and restriction under Article 8 hereof and to otherwise ensure that all Improvements within Alyeska Resort are integrated and comply with the standards and guidelines adopted by the Executive Board or the Architectural Review Committee. The Architectural Review Committee shall, consist of three (3) or more persons appointed by the Executive Board provided, however, during the Declarant Control Period described in Section 5.4, the Declarant shall retain the right to appoint all members of the Architectural Review Committee who shall serve at the discretion of Declarant. The power to "appoint," as provided herein, shall



include without limitation the power to: constitute the initial membership of the Architectural Review Committee; appoint member(s) to the Architectural Review Committee on the occurrence of any vacancy therein, for whatever reason; and remove any member of the Architectural Review Committee, with or without cause, at any time, and appoint the successor thereof. Each such appointment may be made for such term(s) of office, subject to the aforesaid power of removal, as may be met from time to time in the discretion of the appointer. The Executive Board shall use reasonable efforts to cause one of the members of the Architectural Review Committee to be an architect.

8.2. Review by Committee. No Improvements shall be initially constructed, erected, placed, planted, applied or installed upon any Site, or upon any Common Element, unless complete plans and specifications therefore (said Plans and specifications to show exterior design, height, materials, color, and location of the Improvements, plotted horizontally and vertically, location and size of driveways, location, size, and type of landscaping, fencing, walls, windbreaks and grading plan, as well as such other materials and information as may be required by the Committee), shall have been first submitted to and approved in writing by the Architectural Review Committee. The Architectural Review Committee shall exercise its reasonable judgment to the end that all Improvements conform to and harmonize with the existing surroundings, residences, landscaping, structures and laws. In its review of such plans, specifications and other materials and information, the Architectural Review Committee may require that the applicants reimburse the Committee for the actual expenses incurred by the Committee in the review and approval process, with such submittal fees to be set by the Executive Board. Such amounts, if any, shall be levied in addition to other Assessments against the Site for which the request for Architectural Review Committee approval was made, and shall be subject to the Master Association's lien for assessments and subject to all other rights of the Master Association for the collection of such assessments, as more fully provided in this Declaration.

Following the original approved completion of construction upon a Site, an Owner shall not be required to obtain the Architectural Review Committee's approval for planting provided that the Owner shall comply with the Resort Design Guidelines described in Section 8.5 below.

8.3. Required Approval by Any Sub-Association Architectural Committee. In addition to approval of Improvement to Property by the Architectural Review Committee of the Master Association, approval of an Improvement shall also be required by the Architectural Committee of any Sub-Association if and to the extent set forth in the Documents related to such Sub-Association.

8.4. Criteria for Approval. The Architectural Review Committee shall approve any proposed Improvement only if it deems in its reasonable discretion that the Improvements comply with and meet the Resort Design Guidelines, the Improvement in the location indicated will not be detrimental to Alyeska Resort, that the appearance of the proposed Improvement will be in harmony with the surrounding areas of Alyeska Resort and that the Improvement will not detract from the beauty, wholesomeness and attractiveness of Alyeska Resort or the enjoyment thereof by Owners. The Architectural Review Committee may condition its approval of any proposed Improvement upon the making of such changes therein as the Architectural Committee may deem appropriate.



8.5. Resort Design Guidelines. The Declarant, in connection with the filing of this Declaration shall cause to be prepared and recorded Resort Guidelines which shall be available to assist Owners with some of the criteria which the Master Association will use in reviewing proposed Improvements for approval. Maintenance Associations and Condominium Associations may adopt more stringent, but implementing guidelines for Sites, Lots and/or Units within Maintenance or Condominium Associations.

8.6. Procedures. The Architectural Review Committee shall approve or disapprove all requests for approval within forty-five (45) days after the complete submission of all plans, specifications, and other materials and information which the Committee may require in conjunction therewith. If the Architectural Review Committee fails to approve or disapprove any request within forty-five (45) days after the complete submission of all plans, specifications, materials and other information with respect thereto, approval shall not be required and this Article shall be deemed to have been fully complied with.

8.7. Vote and Appeal. A majority vote of the Architectural Review Committee is required to approve a request for approval pursuant to this Article, unless the Committee has appointed a representative to act for it, in which case the decision of such representative shall control. In the event a representative acting on behalf of the Architectural Review committee approved or denies a request for architectural approval, any Owner shall have the right to an appeal of such decision to the full Committee, upon a request therefore submitted to the Committee within thirty (30) days after such approval or denial by the Committee's representative.

8.8. Records. The Architectural Review Committee shall maintain written records of all applications submitted to it and all actions taken by it thereon and such records shall be available to Members for inspection at reasonable hours of the business day.

8.9. Liability. The Architectural Review Committee and the members thereof, as well as any representative of the Committee appointed to act on its behalf, shall not be liable in damages to any Person submitting requests for approval or to any owner by reason of any act, approval, disapproval, or failure to approve or disapprove in regard to any matter within its jurisdiction hereunder.

8.10. Variance. The Architectural Review Committee may grant reasonable variances on or adjustments from any conditions and restrictions imposed by this Article, in order to overcome practical difficulties or prevent unnecessary hardships arising by reason of the application of any such conditions and restrictions. Such variances or adjustments shall be granted only in case the granting thereof shall not be materially detrimental or injurious to the other property or improvements in the neighborhood and shall not militate against the general intent and purpose hereof.

8.11. Waivers. The approval or consent of the Architectural Review Committee, or any representative thereof, to any application for architectural approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent by the Committee, or any representative thereof, as to any application or other matters whatsoever as to which approval or consent may subsequently or additionally be required.



8.12. Enforcement. Any Improvement constructed, which was not approved by the Architectural Review Committee when constructed, whether completed or not, in violation of this Article shall be deemed to be nonconforming. Upon written request from the Executive Board or the Declarant, Owners shall, at their own cost and expense, remove such Improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Executive Board or its designees shall have the right to enter the property, remove the violation, and restore the property to substantially the same conditions as previously existed. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the Site or Unit and collected as a Default Assessment.

## **ARTICLE 9 COVENANTS, CONDITIONS AND RESTRICTIONS**

9.1. Applicability of Covenants, Conditions and Restrictions. Except as otherwise provided herein, the covenants, conditions and restrictions set forth in this Article 9 shall apply to of the Property.

9.2. Land Use Restrictions. In addition to the covenants, conditions and restrictions found in this Article 9, the Master Association, all Owners, Maintenance Associations and the Associations for all Common Interest Communities within the Master Association shall comply with the following, as the same may be amended from time to time:

9.2.1. all covenants, conditions and restrictions set forth in this Declaration and any Supplemental Declarations for Master Association or any portion thereof recorded with the Clerk and Recorder of the Anchorage Recording District, State of Alaska; and

9.2.2. any and all protective covenants, easements, reservations and restrictions of record.

9.3. Construction and Alterations. Without the review and prior written consent of the Architectural Review Committee, no Person shall take any action which requires the prior written approval of the Architectural Review Committee.

9.4. Enforcement of Restrictions.

9.4.1. If the Architectural Review Committee determines, in its sole and absolute discretion, that an Owner is in violation of any term or condition set forth in Section 9.3, it shall notify the Master Association of such violation and the Master Association may take one of the following actions:

9.4.1.1. The Master Association may, by written notice to the Owner, revoke any approval previously granted to the Owner by the Architectural Review Committee, in which event the Owner shall, upon receipt of such notice, immediately cease any construction, alteration or landscaping covered by the approval so revoked.



9.4.1.2. If the violation remains uncured and the Owner does not receive approval from the Architectural Review Committee to reinstate the project pursuant to the procedures set forth in this Article, the Owner shall be responsible for all costs and expenses associated with returning the Site to the condition of the Site before such violation. The Master Association may, but is not obligated to, enter upon the Owner's Site and cure such violation at the Owner's sole cost and expense. If the Master Association cures any such violation, the Owner shall pay to the Master Association the amount of all costs and expenses incurred by the Master Association in connection therewith within thirty (30) days after the Owner receives a Default Assessment therefore from the Master Association.

9.4.1.3. Without prejudice to any other rights and remedies available to it at law or in equity, the Master Association may sue the Owner to enjoin such violation.

9.4.1.4. Without limiting the foregoing, the Master Association shall have all other rights and remedies available to it at law or in equity. All rights and remedies of the Master Association shall be cumulative and the exercise of one (1) right or remedy shall not preclude the exercise of any other right or remedy.

9.4.2. The Master Association may delegate any of its rights under paragraph 9.4.1 above including, without limitation, its Assessment Lien rights, to the Architectural Review Committee.

9.4.3. Neither the Declarant, the Master Association, the Architectural Review Committee, the Alyeska Ski Resort L.L.C., or the Alyeska Resort Ski Area, nor any of their respective members, officers, directors, employees or agents shall be responsible or liable for any defects, errors or omissions in any plans or specifications submitted, revised or approved under this Article 9, nor for any defects, errors or omissions in construction pursuant to such plans and specifications. A consent or approval issued by the Architectural Review Committee means only that the Architectural Review Committee believes that the construction, alteration, installation or other work for which the consent or approval was requested complies with this Declaration. No such consent or approval shall be interpreted to mean that the construction, alteration, installation or other work covered thereby (a) complies with laws, rules, regulations, ordinances or other requirements of any governmental or quasi-governmental authority, (b) is free from defects, errors or omissions or (c) lies within the boundaries of the Site. No consent, approval or permit issued by the Architectural Review Committee shall relieve Owners or other Persons of their obligations to comply with laws, rules, regulations, ordinances and other requirements of governmental or quasi-governmental authorities.

#### 9.5. Nuisances, Hazardous Activities and Unsightliness.

9.5.1. No Person shall conduct any activity in Alyeska Resort which creates a material public nuisance, as determined by the Executive Board.



9.5.2. No Person shall conduct any activity in Ayeska Resort which is or might be materially hazardous to any Person or property. Without limiting the generality of the foregoing:

9.5.2.1. no open fires shall be allowed to exist, unless contained in a customary barbecue grill or other structure approved by the Architectural Review Committee;

9.5.2.2. no firearms may be discharged; and

9.5.2.3. no hunting may be conducted.

9.5.3. No unsightliness shall be permitted in Ayeska Resort. Without limiting the generality of the foregoing:

9.5.3.1. all exterior mechanical equipment lines, wires, pipes and other facilities shall, whenever possible, either be buried or enclosed within a structure approved by the Architectural Review Committee.

9.5.4. The Master Association shall have the power to grant variances from the terms and conditions of this Section 9.5 from time to time as it deems necessary. Normal construction activities and normal commercial activities shall not be considered to violate the terms and conditions of this Section 9.5.

9.5.5. Notwithstanding anything to the contrary contained in this Declaration or in any other Master Association Document, retail stores, restaurants, bars, nightclubs, theaters and other recreational and entertainment facilities may be open for business with the general public during the hours of 5:00 a.m. through 3:00 a.m. Each Owner and the Association of each Common Interest Community within Ayeska Resort (i) acknowledges that Ayeska Resort is a high density pedestrian Community with both residential and commercial uses, which commercial uses are expected to generate a substantial amount of noise, odors and other nuisances and (ii) waives any and all rights or causes of action against Declarant, the Association and the Owners of Commercial Spaces caused by, arising out of or related to any such uses, noises, odors and other nuisances.

9.6. Applicable Laws. Nothing contained herein is intended to excuse any Owner from complying with any applicable law.

9.7. Compliance with Insurance. Except as may be approved in writing by the Master Association, nothing shall be done or kept within Ayeska Resort which may result in an increase in the rates of any insurance, or the cancellation of any insurance, maintained by the Master Association.

9.8. Restriction on Subdivision and Rezoning.

9.8.1. Except as may be permitted under a declaration for a Common Interest Community located within Ayeska Resort that Declarant records in the Third Judicial Filing Records, no portion of the Property shall be subdivided without the prior written consent of  
Master Declaration of Covenants, Conditions and Restrictions for Ayeska Resort



the Master Association, which consent must be evidenced on the plat or other instrument creating the subdivision.

9.8.2. No further covenants, conditions or restrictions shall be recorded by any Owner or other Person against any portion of the Property without the Master Association's prior written consent, which consent shall not be unreasonably withheld, and any covenants, conditions or restrictions recorded without such consent evidenced thereon shall be null and void.

9.8.3. Except as may be permitted under a declaration for a Common Interest Community located within Alyeska Resort that Declarant records in the Anchorage Recording District, no application for rezoning of any portion of the Property, and no applications for variances or use permits, shall be filed with any governmental authority, unless the proposed use of that portion of the Property has been approved by the Master Association and the proposed use otherwise complies with this Declaration and all other Master Association Documents.

9.8.4. The covenants, conditions and restrictions set forth in paragraphs 9.8.1, 9.8.2 and 9.8.3 above shall not apply to Declarant's development, use or operation of the Initial Property or any other property owned by Declarant.

9.9. Common Interest Ownership.

9.9.1. Prior to the recording in the Anchorage Recording District of an instrument submitting any portion of the Property to common interest ownership, the Owner of such property shall submit to the Master Association for its review and approval, copies of the proposed declaration, articles of incorporation and bylaws of the Association. Within thirty (30) days after the submittal of such documents to the Master Association, the Master Association shall approve or disapprove the documents by written notice to such Owner. If such documents are disapproved by the Master Association, the Master Association shall set forth the reasons for such disapproval. If notice of approval or disapproval is not given by the Master Association on or before such thirty (30) day period, such documents shall be deemed to be approved.

9.9.2. The covenants, conditions and restrictions set forth in paragraph 9.9.1 above shall not apply to Declarant's development of the Initial Property or any other property owned by Declarant.

9.10. Mineral Exploration. No portion of the Property shall be used by anyone other than the Declarant or its affiliate in any manner to commercially explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind.

9.11. Wells, Water and Sewage. No water wells shall be permitted on any portion of the Property, without the prior written approval of the Master Association. All buildings, structures and improvements designed for residential, commercial or lodging purposes shall be connected to such water and sewer services as the Master Association may require.



