PROTECTIVE COVENANTS AND RESTRICTIONS

COOK INLET SHORES PHASE FOUR, PART 1

LOTS 11 – 18, BLK 1

KRD PLAT NO 2008 – 104

PART A: Preamble

WHEREAS, the undersigned is the owner of the properties comprising COOK INLET SHORES PHASE FOUR, PART 1, LOTS 11 – 18, BLK 1, KRD Plat No 2008 – 104 (“COOK INLET SHORES PHASE FOUR, PART 1”); and

WHEREAS, the undersigned in its desire to assure the continued development of COOK INLET SHORES PHASE FOUR on a high level for the benefit of future property owners and the protection of property values herein, does desire to place on and against all real property within COOK INLET SHORES PHASE FOUR, PART 1 certain protective covenants regarding the improvements and/or use of same;

NOW, THEREFORE, the undersigned hereby establishes and files for record the following declarations, reservations, protective covenants, limitations, conditions and restrictions regarding the use and/or improvements of the property located in COOK INLET SHORES PHASE FOUR, PART 1.

PART B: Area of Application

B-1 FULLY PROTECTED RESIDENTIAL AREA

The covenants in Part C in their entirety shall apply to COOK INLET SHORES PHASE FOUR, PART 1, Lots 11 – 18, BLK 1, KRD Plat No 2008 – 104.

B-2 EFFECTIVE DATE

The restrictive covenants, limitations and conditions hereinafter set forth and applicable to the area herein-above described shall take effect upon recording and shall supersede any other covenants recorded separately on the plat.

PART C: Residential Area Covenants

C-1 LAND USE AND BUILDING TYPE

No lot shall be used except for residential purposes, excluding those lots designed by Salamatof Natives Association, Inc. (“SNA”) for multi-family units or commercial enterprises at a future time. No building shall be commenced, erected, altered, places or maintained upon the property other than one detached single family dwelling not to exceed two stories in height (measured at ground level and not counting a basement or daylight basement) and a private garage. Those lots located in future development to be designated by SNA may be used for multifamily units, or small commercial enterprises.

C-2 FENCES, ETC.

No fence, wall hedge, or other structure shall be erected, placed or altered on any lot nearer to the street than the minimum front building setback lines, unless the height is restricted to 4 feet or less on that portion between the street and the front setback line.

C-3 BUILDING LOCATION

No building shall be located on any lot nearer to the front lot line or nearer to the side street line than the minimum building setback lines shown on the recorded plat provided; however, no building shall be located on any lot nearer than forty (40) feet to the front lot line, or nearer than twenty-five (25) feet to any side street line. No building shall be located nearer than fifteen (15) feet to any interior lot line, except that no side yard shall be required for an attached garage or other permitted accessory building located forty (40) feet or more from the minimum building setback line. For the purpose of this covenant, eaves, steps, and open porches shall not be considered as part of the building, provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot, provider further that the owner of two or more adjoining lots may disregard the provision prohibiting building with fifteen (15) feet of an interior lot line of their adjoining lots. No building shall be located nearer than twenty (20) feet from rear lot line.

C-5 AUTOMOBILES

No vehicle may be abandoned or allowed to remain on any lot or street offsetting any lot for more than 7 days, and all vehicles used in connection with any lot must be licensed. No heavy equipment may be parked on any lot or street except during a time that is working in the subdivision.

C-6 STORAGE OF MOTOR HOMES, RV’S ETC.

All motor homes, RV’s, 4-wheelers, snow machine’s, riding mowers, and other recreational vehicles shall be stored in the most inconspicuous manner possible, preferably in a permanent out building. Motor homes may only be left on lots for a period of five (5) months during the summer season unless there is a permanent residence on the lot.

C-7 STORAGE OF EQUIPMENT AND MATERIAL

No lot or street may be used for the storage of any equipment, material or merchandise used or to be sold in a trade or business with the exception of those designated by SNA as commercial lots.

C-8 CLEARING

No owner shall be permitted to clear a lot of more than 50% of healthy standing trees of size and beauty except that trees may be thinned and under growth cleared. Any lawn areas shall be maintained on a regular basis or removed. All stumps and debris will be disposed of in a timely manner.

C-9 SANITARY FACILITIES

All dwellings shall have indoor sanitary facilities and underground disposal systems. No outhouse or above ground disposal systems shall be permitted on any lot.

C-10 WATER

Every owner shall have the right to drill for a water well and have an individual water system located and installed in accordance with the requirements, standards and recommendations of the Local, State & Federal controlling agencies.

C-11 RE-SUBDIVISION

The area of a lot shall not be reduced in size by re-subdivision, except that owners of three contiguous lots may divide the inner or middle lots in such a way as to increase the size of two remaining outside lots, which remaining lots shall then be treated for all purpose pertinent to the building and use restrictions herein as enlarged single lots.

C-12 EASEMENTS

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat.

C-13 NUISANCES

No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may be or may become an annoyance of a nuisance to the neighborhood.

C-14 TEMPORARY STRUCTURES

C-15 OUT BUILDING LOCATION

All greenhouses, smokehouses, saunas and other permanent out building shall be kept in the most inconspicuous location as possible.

C-16 CONSTRUCTION

All houses must be enclosed and exteriors finished within twelve (12) months of the time of the beginning of construction. All houses must be on a permanent foundation. Exterior paint scheme will be “earth friendly”, i.e. not hot pink, orange, purple, or other color that does not blend well with the neighborhood.

C-17 SIGNS

No sign in excess of 15 square feet may be displayed except in the case of developer advertising. All political signs will be removed within five (5) days of the election and displayed not more than twenty-one (21) days of the election. Commercial enterprises constructed on designated lots are exempt from this covenant.

C-18 OIL AND MINING OPERATIONS

No oil and mining operations are allowed except by SNA or its assigns

C-19 GARBAGE AND REFUSE DISPOSAL

No lot or dedicated Right-of-way shall be used or maintained as a dumping ground for rubbish, trash, garbage, refuse and other waste (“Garbage”). Garbage shall be kept in sanitary approved bear resistant containers. All equipment for the storage of Garbage shall be kept in a clean sanitary condition. No incinerators or burning barrels for disposal of Garbage are allowed.

C-20 SIGHT DISTANCE

No trees, hedges, shrubs, wall, fences, or any other obstruction of any kind shall be planted, constructed, or permitted to remain within such distance of intersections as to unreasonably obstruct the sight lines of street or intersections.

C-21 GRAVEL

No removal of sand or gravel from dedicated Right-of-ways shall be permitted.

C-22 DRAINAGE

All driveways and walkways from streets shall conform to the natural drainage and shall be culverted when necessary. Any alteration of the natural drainage shall become the responsibility of the party changing the natural grades. Said party shall make all necessary provisions for the proper water runoff.

C-23 ANIMALS

No animals, sled dogs, livestock, poultry, or horses of any kind shall be raised, bred or kept on any lot; except that dogs, cats or other normal household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes. All permitted pets shall be confined to their owner’s control at all times. All animal feces shall be disposed of in a manner not to be offensive to neighbors.

PART D: Homeowner Association

D-1 FORMATION

After four (4) lots have been sold, there shall be created a homeowners association. After formation, each owner, by purchasing any lot in the subdivision shall automatically become a member of the association and shall be bound by the terms and conditions of these covenants and restrictions, the articles and bylaws of the association, and such rules and regulation as may be promulgated and adopted by the association under the articles and bylaws. On transfer, conveyance, or sale by an owner of all of his or her or its interests in any subdivision lot, the owner’s membership in the association shall cease and terminate. Prior to the actual organization or incorporations of the association contemplated by the terms of these protective covenants and restrictions, SNA shall have the right, at its option, to perform the duties and assume the obligations and otherwise exercise the powers conferred by this instrument to SNA directly.

D-2 RESPONSIBILITIES

The homeowner association shall be responsible for maintenance for roads until such time that a governmental agency maintains them. The association shall also be responsible for reviewing the plans for all proposed new construction, additions, or modifications. The association shall be responsible to ascertain that the plans and subsequent construction meet the minimum building requirements set forth in these protective covenants and restrictions. Any property owner seeking to construct a new home or other appurtenant structure, or to add to or modify any portion of the exterior of an existing home, shall submit the plans to the association for review. No construction, change modification, or alteration for which plans are to be submitted to the association shall commence until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the association as to the topography, size, estimates of cost, and such other facts as the association considers necessary, appropriate, and relevant to maintain property values of nearby properties. In the event the association fails to approve or disapprove the design and location plan within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required and full compliance with this section will be deemed to have occurred.

D-3 GENERAL AND SPECIAL ASSESSMENTS

1. By Acceptance of the deed or other instrument of conveyance for his, her, or its lot within the subdivision, each lot owner shall be deemed to covenant and agree to pay to the association annual assessments and special assessments for capital improvements. Such assessments shall be fixed, established, and collected from time to time as provided in these protective covenants and restrictions. The annual and special assessments, together with such interests and costs of collection as provided below, shall be a continuing lien on the property affected and shall also be a personal obligation of the owner of the property on the date when the assessment is due. Unless changed by a vote of two-thirds of the lot owners, the annual assessment for any lot in the subdivision shall be that amount last approved by two-thirds of the lot owners but never greater than 1% of the assessed value determined by the Kenai Peninsula Borough.
2. On the vote of the members of the association in the manner set forth below, the association may levy, in addition to annual assessments, a special assessment or assessments in any calendar year applicable to that year only, for the purpose of defraying in whole or in part the cost of construction or reconstruction or expected repair or replacement of a described capital improvement. Any special assessment must be approved by the board of directors of the association and have the assent of two-thirds of the votes of the lot owners at a meeting called for that purpose. Written notice of the meeting called for such purpose shall be sent to all members of the association at least thirty (30) days in advance of the date of the meeting, setting forth the purpose of the meeting.
3. It shall be the duty of the association to notify all owners or contract purchaser of lots within the subdivision, whose address shall be supplied to the association, by sending written notice to each of the owners within thirty (30) days after the date on which the assessment has been fixed and levied, giving the amount of the charge or assessment for the current year, when the same shall be due, and the amount due for each lot or partial lot owned by each such owner. Failure of the association to levy an assessment or charge for any one year shall not affect the right of the association to issue assessments in future years. Failure to deliver or levy an assessment due to lack of an address for the owner of any particular lot within the subdivision shall not discharge the obligation of any such owner from paying the assessment, and it shall be the obligation of any such owner to notify the association of the owner’s current address.
4. Any general or special assessment levied as set forth in these protective covenants and restrictions shall become a lein on the affected real estate as soon as the assessment is due and payable as set forth above. In the event any owner fails to pay the assessment when due, the assessment shall bear interest at 10.4% per annum from the date when the assessment is due until it is paid in full. Any such lien shall continue for a period of seven years from the date of delinquency and no longer, unless within that time period legal proceedings shall be instituted to collect the assessments, in which even the lien shall continue until the termination of the legal proceeding s and the sale of the property under the execution of the judgment establishing the same. In the event legal proceedings are commenced to collect any such assessment, or if the services of an attorney are retained by the association in connection with same, the nonpaying owner or owners shall be obligated to pay all costs incurred, plus reasonable actual attorney feed, which costs and fees shall become a portion of the assessment.
5. The assessments levied by the association shall be used exclusively for the purpose of promoting the recreation, health, safety, enjoyment, and welfare of the residents in the subdivision and, in particular, for the improvement and maintenance of property, service, and facilities devoted to the above stated purpose and related to the use and enjoyment of the homes situated in the subdivision. Without limiting the generality of the above statement of purpose, the assessments shall be applied by the association to the payment of the costs to:
6. Enforce any and all building and land-use restrictions that exist as of the date of these protective covenants and restrictions or which may be lawfully imposed on or against any of the property in the subdivision.
7. Pay expenses to carry out the above, such as attorney fees, manager’s fees, expenses of liability, fire, and other insurance, bookkeeping and accounting expenses, and any and all other expenses that may from time to time be deemed necessary to carry out the intent of this declaration by the association.

PART E: General Provisions

E-1 REMEDIES FOR VIOLATIONS

SNA, the homeowners association, and any lot owner shall have the right to proceed at law or in equity to compel a compliance with the terms thereof or to prevent the violation or breach of any of the terms. Failure to promptly enforce any of these conditions, covenants, or restrictions shall not bar enforcement. Whenever SNA, or any person entitled to enforce any rights, hereunder, engages in legal proceedings to enforce the same, and prevails in said proceedings, the person violating said restrictions by acceptance of the title to any of the above-described property does hereby agree to pay the prevailing party reasonable attorney fees and court costs as are awarded by the court.

E-2 SEVERABILITY

The invalidation of any of these covenants or restrictions by judgment or court order shall in no way affect any of the other provisions, all of which shall remain in full force and effect.

E-3 AMENDMENT

The covenants and restrictions of this declaration shall run with and bind the land for the term of twenty (20) years from the date this declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration may be amended during the first twenty (20) years period by an instrument signed by not less than 90% of the lot owners and thereafter by an instrument signed by not less than 75% of the lot owners. Any amendment must be recorded.

E-4 CANCELLATION OF PREVIOUSLY FILED COVENANTS

By signing this declaration, the declarant does hereby cancel and cause to have no further effect any prior covenants or restrictions recorded with respect to the real property described above.

 Dated this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_, 2009,

 Salamatof Native Association, Inc.

 By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Penny Carty, President

STATE OF ALASKA )

 ) ss.

THIRD JUDICIAL DISTRICT )

 The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, 2009 by Penny Carty, President of Salamatof Native Association, Inc. an Alaska corporation, on behalf of the corporation.

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 Notary Public in and for Alaska

 My commission expires: \_\_\_\_\_\_\_\_\_\_\_\_