

PUBLIC OFFERING STATEMENT

SKY LAND AIRPARK



Effective Date: the 17th day of November, 2025

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SPECIFIC STATUTORY INFORMATION REQUIRED FOR ALL COMMON INTEREST COMMUNITIES

Article I of the Declaration (included as **Attachment A** hereto) lists certain defined terms, including some statutory definitions. These terms are capitalized throughout this Public Offering Statement and the statutory definitions are set forth in all capitals to indicate the significance and the source of the language.

1. Name and Address of Declarant and of Common Interest Community:

(a) Declarant:

MASS, LLC
Attn: Stewart Smith
2521 Mountain Village Dr. Suite #B PMB #727
Wasilla, Alaska 99654

- ◆ MASS, LLC is referred to, interchangeably, in this document as the “Declarant” or “MASS, LLC”

(b) Name and Address of the Common Interest Community:

SKY LAND AIRPARK
c/o Stewart Smith
5100 Cordova Street, Suite 207
Anchorage, Alaska 99503

- ◆ Sky Land Airpark is referred to, interchangeably, in this document as the “Project”, “Common Interest Community” or “Sky Land Airpark.”

2. Description of the Common Interest Community:

- ◆ **Sky Land Airpark** is a residential and recreational site condominium community located within the Matanuska-Susitna Borough of Alaska, near the intersection of E. Caswell Lakes Road and S. Fishermans Hop Road. The Property is further described in **Schedule A-1** of the Declaration.
- ◆ In a condominium, a Unit Owner owns a separate Unit as described and defined in the Declaration of Sky Land Airpark which is included as part of this Public Offering Statement (see **Attachment A**). All portions of the Common Interest Community other than Units are known as Common Elements. In a condominium, all of the Common Elements are owned in common by all of the Unit Owners. Ownership of a Unit carries with it three interests: an undivided percentage ownership of the Common Elements as allocated to the Unit in the Declaration, an obligation to pay a percentage share of all Common Expenses of the Common Interest Community, as stated in the Declaration, and a vote in the Association of Unit Owners. In addition, use of some portions of the Common Elements is limited to one or more Units. These are called Limited Common Elements.
- ◆ In a “site condominium,” each Unit consists of a three-dimensional block of airspace and land. The boundaries of the Units are described in Section 4.3 of the Declaration.
- ◆ The Project currently consists of **one hundred forty-seven (147)** Units.

- ◆ *Sky Land Airpark Owners Association, Inc.*, (“**Association**”), is a non-profit corporation organized in the State of Alaska. A *Certificate of Incorporation* has been issued by the State of Alaska and the Alaska Entity Number is: 10196822. Each Unit Owner is automatically a member in the Association.
- ◆ There are no unsatisfied judgments or pending suits against the Association.

3. Maximum Number of Units:

- ◆ The Declarant has reserved the right to create **thirteen (13)** additional Units under the Development Rights, for an aggregate total of **one hundred sixty (160)** Units in the Common Interest Community.
- ◆ If the Declarant develops the Project fully and declares the maximum one hundred sixty (160) Units, there will be a maximum average of approximately 1.145 acres per Unit. [183.15 acres / 160 units= 1.145].
- ◆ One hundred percent (100%) of the Units will be restricted to residential and recreational use only.

4. Development Rights and Conditions or Limitations on Exercise: The Declarant, pursuant to the Declaration, has reserved the following Development Rights, among other rights:

- (a) The right to create Units, Common Elements, or Limited Common Elements within the Common Interest Community in the locations shown on the Plat as "Development Rights Reserved"; and
- (b) The right to subdivide Units or convert Units into Common Elements in the locations shown on the Plat as "Development Rights Reserved"; and
- (c) The right to add property to the Common Interest Community described in **Schedule A-1** of the Declaration as "*Property Not In the Common Interest Community, Subject to Development Rights*", and to create Units, Common Elements, or Limited Common Elements thereon; and
- (d) The right to withdraw from the Common Interest Community any Property identified on the Plat as “Development Rights Reserved”, in which case there is reserved for the benefit of the withdrawn property:
 - (i) A non-exclusive easement for vehicular and pedestrian ingress and egress over and across the roads and any sidewalks and paths located within the Common Interest Community. This shall be for the benefit of the owners, occupants and guests and invitees of each owner or occupant of any lot, dwelling unit or building located on any land withdrawn from the Common Interest Community by Declarant pursuant to its Special Declarant Rights.
 - (ii) A non-exclusive right and easement to connect to and use utility lines which may at any time be constructed within the Common Interest Community for the purpose of servicing property that the Declarant withdraws from the Common Interest Community, to the extent that such utility lines are designed for and adequate to serve improvements on the property that is withdrawn from the Common Interest Community. The easement for construction and placement of

the connections to utility lines shall be at reasonable locations on the Common Elements within the Property remaining in the Common Interest Community. Each Person within the property withdrawn, who connects to such utility lines, shall be responsible for the payment of charges for use and maintenance equitably charged to that Person.

- (iii) The rights provided for in Section (i) and (ii) above with respect to easements are subject to the obligation of the owner of the withdrawn property to pay a reasonable share of the cost of maintenance, repair, and replacement with respect to utility lines, sidewalks, roads and paths. Prior to connecting to such utility lines, streets, paths or sidewalks, the owner of the property withdrawn from the Common Interest Community shall enter into a reasonable agreement with the Association equitably allocating the shared costs and expenses of operation, maintenance, repair and replacement of those Improvements. The easements and rights granted hereby with respect to the streets, sidewalks, paths, and utility lines, shall be easements appurtenant to the portion of the Property that is withdrawn and shall accrue to the benefit of Declarant, its successors and assigns.

The Development Rights are limited as follows:

- (a) The Development Rights may be exercised at any time, but not more than **twenty (20) years** after the recording of the initial Declaration.
- (b) Not more than **thirteen (13)** additional Units may be added to the Common Interest Community under the Development Rights, for an aggregate total of **one hundred sixty (160)** Units in the Common Interest Community.

The Declarant also reserves the following Special Declarant Rights and other rights:

- (i) The right to exercise a Development Right reserved in the Declaration.
- (ii) The right to complete Improvements indicated on the Plat.
- (iii) The right to maintain sales offices, management offices, signs advertising the Common Interest Community, and model Unit(s).
- (iv) The right to use or grant easements through the Common Elements and Units owned by the Declarant for the purpose of making Improvements within the Common Interest Community.
- (v) The right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Common Interest Community for the purpose of furnishing utility and other services to buildings and Improvements existing or to be constructed on the Property.
- (vi) The right to grant easements to utility companies and to convey Improvements within those easements anywhere in the Common Interest Community for the purposes stated in section (i), above.
- (vii) The right to subdivide or replat property in the areas shown as "Development Rights Reserved" on the Plat, under applicable laws governing the subdivision of real property.
- (viii) The right to appoint or remove an officer of the Association or an Executive Board member during a period of Declarant Control, subject to the provisions of **Section 7.11** of the Declaration.

Other Statutory Disclosures

- Pursuant to the reserved Development Rights, the Declarant may add additional Units, Common Elements, and Limited Common Elements to the Project.
- All internal roads and pedestrian walkways depicted on the Plat must be built by the Declarant. The Declarant anticipates that the internal roads and pedestrian walkways will be completed by August of 2024. All internal roads and pedestrian walkways to be constructed within the Common Interest Community will be compatible with the existing internal roads and pedestrian walkways in terms of construction materials, quality of construction, and size. The Declarant makes no assurances as to the location, style, quality or size of any other Improvements that may be made within the Common Interest Community under a Development Right reserved by the Declarant.
- The Declarant makes no assurances that any Limited Common Elements that may be created pursuant to Development Rights will be of the same general type and size as Limited Common Elements within other parts of the Common Interest Community. The Declarant makes no assurances regarding the equality of proportion of any Limited Common Elements that may be created pursuant to Development Rights.
- The Declarant has reserved the right to add the following property to the Common Interest Community, and to create Units, Common Elements, or Limited Common Elements thereon: Lots 804 and 812, Caswell Lakes Subdivision, according to the official revised plat thereof, Plat No. 68-10.
- **Article XIII** of the Declaration contain rules governing the construction, architecture and design of structures and other Improvements within Units. The Declarant makes no other assurances regarding the compatibility of any structure or other Improvement that may be erected within any part of the Common Interest Community. The Declarant makes no assurances that future structures and Improvements will be compatible with existing structures and Improvements in the Common Interest Community.
- The Declarant makes no representation regarding the schedule or time period during which Dwellings or other Improvements will be constructed within Units.
- No assurances are made by the Declarant as to the locations or portions where the Declarant will exercise its Development Rights, or the order in which such portions, or all of the areas, will be developed. The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions.
- In accordance with AS 34.08.540(12), all assurances made by the Declarant as to Development Rights will continue to apply whether Development Rights are exercised by the Declarant or not.

5. **Allocated Interests/Maximum Extent to Which Each Unit's Allocated Interests May be Changed by the Exercise of Any Development Right:** The Allocated Interests of each existing Unit have been calculated using the following formulas:

- (a) *Undivided Interest in the Common Elements.* Each Unit in the Common Interest Community shall have an equal percentage of the undivided interest in the Common Elements.
- (b) *Liability for the Common Expenses.* Each Unit in the Common Interest Community shall have an equal percentage of liability for the Common Expenses.

- As of the Effective Date of this Public Offering Statement, there are **one hundred forty-seven (147)** Units, so each Unit has a 0.69% liability for the Common Expenses [100% / 147 Units = 0.69%].
* *Allocations are rounded up to result in a total of one hundred percent (100%).*
- Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under **Article XX** of the Declaration.
- Common Expenses are currently assessed against each Unit owned by a Unit Owner other than the Declarant. See Section 7(c) of this Public Offering Statement for additional information.

(c) Votes. Each Unit shall have one (1) equal vote in the Association. When more than one (1) Person holds an ownership interest in any Unit, the vote for such Unit shall be exercised as determined among those Unit Owners, but in no event shall more than one (1) vote be cast with respect to any such Unit.

6. **Applicability of Restrictions in the Declaration Affecting Use, Occupancy, and Alienation of Units:** Each restriction in the Declaration affecting the use, occupancy, and alienation of a Unit will apply to all Units created under Development Rights reserved by the Declarant.

7. **Documents Attached to and Incorporated as Part of the Public Offering Statement:** Unless otherwise noted, the following documents are included as attachments to this Public Offering Statement and incorporated by reference:

(a) Declaration and Amendments Thereto: The Declaration and any amendments thereto are included as **Attachment A**. The Description of the Common Interest Community, Table of Interests, and Condominium Plat are attached to the Declaration as **Schedules A-1, A-2 and A-3** respectively.

The laws governing creation, ownership, use and management of the Common Interest Community are derived from the Uniform Common Interest Ownership Act, AS 34.08 (the "**Act**"). The Act requires that the Public Offering Statement include a brief narrative description of the significant features of the Declaration. Since all of the statements of the Declaration are important, this description is only summary in nature and must not be relied upon as to the actual language of the Declaration, which must be read in its entirety to determine the impact, exceptions, and activities that are mandated by it.

The Declaration is the fundamental title document that legally describes the Unit that you are buying, its boundaries, its relationships with the rest of the Common Interest Community, and the physical description of the entire Common Interest Community, as it is found in the real estate records of the Palmer Recording District.

Relatively permanent covenants or promises are included in sections of the Declaration, either repeating the Act, fulfilling the minimum mandated activities required for management, or requirements of financial institutions to make your Unit financeable.

A few significant highlights, in addition to the items found elsewhere in the Public Offering Statement are as follows:

Article IV of the Declaration describes the boundaries of the Unit that you are purchasing. The boundary definitions are important, as they primarily describe the division of maintenance obligations between you and the Association.

Article V of the Declaration describes the Common Elements and Limited Common Elements within the entire Common Interest Community.

Article VI of the Declaration sets forth the maintenance responsibility for maintenance of the Units, Common Elements and Limited Common Elements.

Article IX of the Declaration sets forth the restrictions on use, alienation and occupancy of Units and Common Elements. The restrictions are also included in **Section 14** of this Public Offering Statement.

Article XIII of the Declaration sets forth rules governing the construction, architecture and design of additions, alterations or other Improvements within the Common Interest Community. Before commencing construction of any Improvements, additions or alterations, Unit Owners must obtain prior approval in accordance with **Article XII** of the Declaration.

Article XIX of the Declaration provides mortgage lenders with some important and fundamental controls over how the Association is run where actions of the Association might affect the value of the Common Interest Community, and hence the security of their mortgages. There are a number of actions that cannot be undertaken without consent of a varying number of mortgagees.

Common Expense assessments are the dues that you pay to the Association for its activities and the operation of the Common Interest Community, and their collection is described in **Article XX** of the Declaration. Some items are described as being assessed only against certain Units under certain circumstances. Collection remedies are described, and it should be clear that failure to pay assessments can be significantly harmful to the Association's power to pay its bills and fulfill its maintenance obligations to the Unit Owners. Accordingly, the Act and the Documents give the Association powerful remedies including the right to foreclose out your mortgage lender for a limited amount of past due assessments. This would certainly make your lenders very unhappy, so you can be assured that the lender will want to know that your assessments remain paid.

***LIKE ANY SUMMARY, THIS CAN ONLY COVER A FEW OF THE SIGNIFICANT FEATURES. THUS, YOU MUST REFER TO THE REMAINDER OF THE PUBLIC OFFERING STATEMENT AND THE DECLARATION ITSELF FOR AN ACCURATE STATEMENT OF ALL SIGNIFICANT FEATURES.**

- (b) Bylaws and Corporate Documents: The Bylaws are included as **Attachment B**. The Bylaws set forth the operating procedures for the Association, such as voting, meeting location, and process for election of officers. Corporate organization Documents such as the Articles of Incorporation are also included in **Attachment B**.

You may view a complete history of the corporate filings filed with the State of Alaska by typing this link into your browser: <https://www.commerce.alaska.gov/web/cbpl/Corporations.aspx> and searching for ***Sky Land Airpark Owners Association, Inc.***

- (c) Budget: The *current* budget of the Association, for the period of *June 1, 2024 through May 31, 2025*, is included as **Attachment C** (the "2024 Budget"). It includes notes and assumptions. The Declarant prepared the budget, and the estimates are in current U.S. dollars unadjusted for possible inflation. There are no assumptions regarding occupancy.

- Included with **Attachment C** is the Engineer’s Certification regarding the amounts of and assumptions regarding the reserve calculations contained in the Association’s original budget for the period of *June 1, 2022 through May 31, 2023*.
 - In the 2024 budget, the estimated useful life of the hard surface roads has been increased to 40 years based on an estimate from McKenna Brothers Paving and assumes that a regular program of preventive maintenance will be performed during the useful life of the hard surface roads.

- The Declarant is not currently providing any services or paying any expenses that it anticipates to be a Common Expense of the Association at any subsequent time.
 - Notwithstanding the foregoing, McKenna Brothers Paving currently provides snow plowing and certain road maintenance services in exchange for McKenna Brothers Paving being able to store equipment and materials in certain portions of the Common Elements and being provided electricity for winter operations. At such time as McKenna Brothers Paving ceases providing snow plowing and road maintenance services, the expenses of such snow plowing and road maintenance services will be Common Expense of the Association.

- Common Expenses are assessed against each Unit owned by a Unit Owner other than the Declarant. The Budget assumes that there will be **forty-five (45) Units** paying Common Expense assessments.
 - Common Expenses are not assessed against Units that are owned and offered for sale by the Declarant.
 - To the extent the expenses actually incurred by the Association for regularly budgeted Common Expense items *exceed* the total amount assessed to Unit Owners other than the Declarant, the Declarant shall pay the excess amount; provided, however, that the Declarant shall not be required to pay more than the total amount that would be collected from the Declarant if annual Common Expenses were assessed against each Unit owned by the Declarant.

(d) Contracts and Leases to be Signed by the Purchasers at or Before Closing - Warranty Limitation Agreement: The Warranty Limitation Agreement agreeing to reduce the Statute of Limitation for breach of certain express and implied warranties from six (6) years to two (2) years, is included as **Attachment D. Purchasers may be required to sign this with their purchase and sale agreement or at closing. Purchasers who do not wish to sign the Warranty Limitation Agreement must exercise their option to cancel the purchase agreement.** See Section 11 below for more information.

(e) Contracts or Leases That Will or May be Subject to Cancellation by the Association: The Declarant has entered into a verbal agreement with McKenna Brothers Paving in which McKenna Brothers Paving provides snow plowing and certain road maintenance services to the Association in exchange for McKenna Brothers Paving being able to store equipment and materials in certain portions of the Common Elements and being provided electricity for winter operations. At such time as McKenna Brothers Paving ceases providing snow plowing and road maintenance services, it is anticipated that the Association will enter into a contract with a road maintenance company to perform snow plowing and road maintenance services.
 It is anticipated that the Association will also be entering into a contract with a company to perform runway maintenance, and a property management company to perform property

management services for the Association. As of the effective date of this Public Offering Statement, however, the Association has not yet hired a property manager or a company to perform runway maintenance.

If the Association enters into a road maintenance contract, runway maintenance contract or property management contract before the expiration of the period of Declarant Control of the Executive Board, such contracts shall be subject to cancellation by the Association in accordance with AS 34.08.360.

- (f) Multifamily Development Permit and Application. A copy of the Multifamily Development Application form submitted by the Declarant, and a copy of the Multifamily Development Permit approved by the Matanuska-Susitna Borough, are included with this Public Offering Statement as **Attachment E**. See **Section 17** of this Public Offering Statement for additional information.

8. Initial or Special Fees: At closing, each purchaser of a Unit shall be required to pay \$798.00 to the Association. This amount consist of:

1. The advance payment of the full amount of regularly budgeted Common Expense assessments for the year in which the sale occurs, prorated from the date of closing to the following June 1; and
2. A one-time fee covering the Association's costs to establish the Purchaser as a Unit Owner (including but not limited to, electric gate access, remotes, and updates to Association records).

This payment is non-refundable. There are no other initial or special fees to be paid at closing.

9. A Description of the Liens, Defects or Encumbrances on or Affecting Title: The list set forth below reflects the liens, defects, or encumbrances for the Project.

- (a) **Declaration of Sky Land Airpark** recorded on June 10, 2022 as Serial No. 2022-013542-0, together with Plat No. 2022-46, as amended by **Amendment No. 1** recorded on June 13, 2022 as Serial No. 2022-013667-0, as amended by **Amendment No. 2** recorded on July 7, 2022 as Serial No. 2022-015696-0, together with Plat No. 2022-62, and as amended by **Amendment No. 3** recorded September 4, 2025 as Serial No. 2025-016601-0, together with Plat No. 2025-116, in the records of the Palmer Recording District, Third Judicial District, State of Alaska.
- (b) Reservations and exceptions as contained in the United States Patent and/or in Acts authorizing the issuance thereof, recorded January 25, 1961 in Book 26 at Page 38 and recorded February 27, 2006 at Reception No. 2006-000255-0.
- (c) Reservations and exceptions as contained in U.S. Patent No. 1226043, recorded February 15, 1963, Book 45, Page 78 and re-recorded November 6, 2009 as Instrument No. 2009-024555-0 and/or in Acts authorizing the issuance thereof.
- (d) Reservations and exceptions as contained in the State of Alaska Patent No. 401, recorded October 7, 1966, Book 63D Page 167 and/or in Acts authorizing the issuance thereof.
- (e) Reservation of Road-Trail Right of Way easement in Quitclaim Deed and appurtenances thereto, by Matanuska-Susitna Borough, including the terms and provisions thereof, recorded January 25, 1972, Book 93D Page 769.
- (f) Reservation of all oil, gas and mineral rights, as reserved in an instrument, recorded October 6, 2021, as Instrument No. 2021-029761-0.

- (g) Covenants, conditions, restrictions and/or easements, including terms and provisions thereof, as contained in the instrument recorded May 5, 1986, in Book 465 at Page 593.
- (h) Rights of the public and/or government entities in and to Bureau of Land Management and/or State of Alaska Section Line Easement pursuant to 43 U.S.C. 932 as ratified by Alaska Statute 19.10.010.
- (i) Matters as disclosed on Perimeter Survey & Caswell Lake Meanders, Plat No. 65-1, recorded January 15, 1965.
- (j) Notes and easements as shown on the plat of Alaska State Supplemental Cadastral, Plat No. 85-39.
- (k) Notes and easements as shown on the plat of Bear Ridge Subdivision Phase 1, according to the official Plat thereof, Plat No. 2005-83.
- (l) Reservations and exceptions as contained in the United States Patent and/or in Acts authorizing the issuance thereof, said patent was recorded February 15, 1963 in Book 45 at Page 78 and recorded November 6, 2009 as Reception No. 2009-024555-0.
- (m) Reservations and exceptions as contained in the State of Alaska Patent, including but not limited to the reservation of all oil, gases, coal minerals, fissionable materials and fossils together with the right of entry for opening, developing and working mines, etc. recorded October 7, 1966 in Book 63D at Page 167.
- (n) Rights of the public and/or government entities in and to Bureau of Land Management and/or State of Alaska Section Line Easement pursuant to 43 U.S.C. 932 as ratified by Alaska Statute 19.10.010. (Affects: 33 feet on either side of section lines of Lot 811)
- (o) Easement(s) as delineated on the plat of Caswell Lakes Subdivision, Plat No. 67-10 and 68-10.
- (p) Covenants and notes as shown on the plat of Caswell Lakes Subdivision, Plat No. 67-10 and 68-10.
- (q) Grant of Easement to Matanuska Telecom Association, Inc., recorded June 10, 2022 as Serial No. 2022-013555-0.
- (r) Right-of-Way Easement granted to Matanuska Electric Association, Inc., recorded on July 6, 2022 as Serial No. 2022-015537-0.
- (s) Conversion Right-of-Way Easement for Subdivision granted to Matanuska Electric Association, Inc., recorded on July 6, 2022 as Serial No. 2022-015525-0.
- (t) The Right-of-Way Easement granted to Matanuska Electric Association, Inc. recorded January 27, 2023 as Serial No. 2023-001591-0. (Affects: Lot 814)
- (u) The Right-of-Way Easement granted to Matanuska Electric Association, Inc. recorded October 3, 2023 as Serial No. 2023-018099-0. (Affects: Lot 814)

10. No Financing Offered or Arranged by Declarant: The Declarant is not offering any financing to Unit purchasers. The Declarant may assist Unit purchasers with arranging financing through third parties.

11. Limited Warranties: NOTE - the formatting contained in this section mirrors the formatting from the Statute.

Statutory Warranties provided by the Act are as follows:

Express Warranties of Quality (Section 34.08.630):

- (a) AN EXPRESS WARRANTY MADE BY A SELLER TO A PURCHASER OF A UNIT, IF RELIED ON BY THE PURCHASER, IS CREATED AS FOLLOWS:
 - (1) ANY AFFIRMATION OF FACT OR PROMISE THAT RELATES TO THE UNIT, ITS USE, OR RIGHTS APPURTENANT TO THE UNIT, AREA IMPROVEMENTS TO THE COMMON INTEREST COMMUNITY THAT WOULD DIRECTLY BENEFIT THE UNIT, OR THE RIGHT TO USE OR HAVE THE BENEFIT OF FACILITIES NOT LOCATED IN THE COMMON INTEREST COMMUNITY, CREATES AN EXPRESS WARRANTY THAT THE UNIT AND RELATED RIGHTS AND USES WILL CONFORM TO THE AFFIRMATION OR PROMISE;
 - (2) A MODEL OR DESCRIPTION OF THE PHYSICAL CHARACTERISTICS OF THE COMMON INTEREST COMMUNITY, INCLUDING PLANS AND SPECIFICATIONS OF OR FOR IMPROVEMENTS, CREATES AN EXPRESS WARRANTY THAT THE COMMON INTEREST COMMUNITY WILL CONFORM TO THE MODEL OR DESCRIPTION;
 - (3) A DESCRIPTION OF THE QUANTITY OR EXTENT OF THE REAL ESTATE COMPRISING THE COMMON INTEREST COMMUNITY, INCLUDING PLATS OR SURVEYS, CREATES AN EXPRESS WARRANTY THAT THE COMMON INTEREST COMMUNITY WILL CONFORM TO THE DESCRIPTION, SUBJECT TO CUSTOMARY TOLERANCE; AND
 - (4) A PROVISION THAT A PURCHASER MAY PUT A UNIT ONLY TO A SPECIFIED USE IS AN EXPRESS WARRANTY THAT THE SPECIFIED USE IS LAWFUL;
- (b) FORMAL WORDS, SUCH AS "WARRANTY" OR "GUARANTEE", AND THE SPECIFIC INTENTION TO MAKE A WARRANTY ARE NOT NECESSARY TO CREATE AN EXPRESS WARRANTY OF QUALITY, BUT A STATEMENT PURPORTING TO BE MERELY AN OPINION OR COMMENDATION OF THE REAL ESTATE OR ITS VALUE DOES NOT CREATE A WARRANTY.
- (c) A CONVEYANCE OF A UNIT TRANSFERS TO THE PURCHASER EACH EXPRESS WARRANTY OF QUALITY MADE BY A PREVIOUS SELLER.

Implied Warranties of Quality (Section 34.08.640):

- (a) A DECLARANT AND A DEALER WARRANTS THAT A UNIT WILL BE IN AT LEAST AS GOOD CONDITION AT THE EARLIER OF THE TIME OF THE CONVEYANCE OR DELIVERY OF POSSESSION AS IT WAS AT THE TIME OF CONTRACTING, REASONABLE WEAR AND TEAR EXCEPTED.
- (b) A DECLARANT AND A DEALER IMPLIEDLY WARRANTS THAT A UNIT AND THE COMMON ELEMENTS IN THE COMMON INTEREST COMMUNITY ARE SUITABLE FOR THE ORDINARY USES OF REAL ESTATE OF ITS TYPE AND THAT ANY IMPROVEMENTS MADE OR CONTRACTED FOR BY THE DECLARANT OR DEALER, OR MADE BY ANY PERSON BEFORE THE CREATION OF THE COMMON INTEREST COMMUNITY, WILL BE
 - (1) FREE FROM DEFECTIVE MATERIALS; AND
 - (2) CONSTRUCTED IN ACCORDANCE WITH APPLICABLE LAW, ACCORDING TO SOUND ENGINEERING AND CONSTRUCTION STANDARDS, AND IN A SKILLFUL AND WORKMANLIKE MANNER.
- (c) A DECLARANT AND A DEALER WARRANTS TO A PURCHASER OF A UNIT THAT MAY BE USED FOR RESIDENTIAL USE THAT AN EXISTING USE, CONTINUATION OF WHICH IS CONTEMPLATED BY THE PARTIES, DOES NOT VIOLATE APPLICABLE LAW AT THE EARLIER OF THE TIME OF CONVEYANCE OR DELIVERY OF POSSESSION.
- (d) WARRANTIES IMPOSED BY THIS SECTION MAY BE EXCLUDED OR MODIFIED UNDER AS 34.08.650.
- (e) FOR PURPOSES OF THIS SECTION, IMPROVEMENTS MADE OR CONTRACTED FOR BY AN AFFILIATE OF A DECLARANT ARE MADE OR CONTRACTED FOR BY THE DECLARANT.
- (f) A CONVEYANCE OF A UNIT TRANSFERS TO THE PURCHASER ALL OF THE DECLARANT'S IMPLIED WARRANTIES OF QUALITY.

Exclusion or Modification of Implied Warranties of Quality (Section 34.08.650):

- (a) EXCEPT AS LIMITED BY (B) OF THIS SECTION WITH RESPECT TO A PURCHASER OF A UNIT THAT MAY BE USED FOR RESIDENTIAL USE, IMPLIED WARRANTIES OF QUALITY
 - (1) MAY BE EXCLUDED OR MODIFIED BY WRITTEN AGREEMENT OF THE PARTIES; AND
 - (2) ARE EXCLUDED BY A WRITTEN EXPRESSION OF DISCLAIMER SUCH AS "AS IS," "WITH ALL FAULTS," OR OTHER LANGUAGE THAT IN COMMON UNDERSTANDING CALLS THE ATTENTION OF THE PURCHASER TO THE EXCLUSION OF WARRANTIES.
- (b) WITH RESPECT TO A PURCHASER OF A UNIT THAT MAY BE OCCUPIED FOR RESIDENTIAL USE, A GENERAL DISCLAIMER OF IMPLIED WARRANTIES OF QUALITY IS NOT EFFECTIVE, BUT A DECLARANT AND A DEALER MAY DISCLAIM LIABILITY IN AN INSTRUMENT SIGNED BY THE PURCHASER FOR A SPECIFIED DEFECT OR SPECIFIED FAILURE TO COMPLY WITH APPLICABLE LAW, IF THE DEFECT OR FAILURE ENTERED INTO AND BECAME A PART OF THE BASIS OF THE BARGAIN.

Statute of Limitations for Warranties (Section 34.08.660):

- (a) A JUDICIAL PROCEEDING FOR BREACH OF AN OBLIGATION ARISING UNDER AS 34.08.630 OR AS 34.08.640 MUST BE COMMENCED WITHIN SIX (6) YEARS AFTER THE CAUSE OF ACTION ACCRUES BUT THE PARTIES MAY AGREE TO REDUCE THE PERIOD OF LIMITATION TO NOT LESS THAN TWO (2) YEARS. IF THE UNIT MAY BE OCCUPIED FOR RESIDENTIAL USE, AN AGREEMENT TO REDUCE THE PERIOD OF LIMITATION MUST BE EVIDENCED BY A SEPARATE INSTRUMENT EXECUTED BY THE PURCHASER.
- (b) SUBJECT TO (C) OF THIS SECTION, A CAUSE OF ACTION FOR BREACH OF WARRANTY OF QUALITY, REGARDLESS OF THE PURCHASER'S LACK OF KNOWLEDGE OF THE BREACH ACCRUES
 - (1) AS TO A UNIT, AT THE TIME THE PURCHASER TO WHOM THE WARRANTY IS FIRST MADE ENTERS INTO POSSESSION IF A POSSESSORY INTEREST WAS CONVEYED OR AT THE TIME OF ACCEPTANCE OF THE INSTRUMENT OF CONVEYANCE IF A NON-POSSESSORY INTEREST WAS CONVEYED: AND
 - (2) AS TO EACH COMMON ELEMENT, AT THE TIME THE COMMON ELEMENT IS COMPLETED OR, IF LATER, AS TO:
 - (A) A COMMON ELEMENT THAT MAY BE ADDED TO THE COMMON INTEREST COMMUNITY OR A PORTION OF THE COMMON INTEREST COMMUNITY, AT THE TIME THE FIRST UNIT IS CONVEYED TO A BONA FIDE PURCHASER; OR
 - (B) A COMMON ELEMENT WITHIN ANY OTHER PORTION OF THE COMMON INTEREST COMMUNITY, AT THE TIME THE FIRST UNIT IS CONVEYED TO A BONA FIDE PURCHASER.
- (c) IF A WARRANTY OF QUALITY EXPLICITLY EXTENDS TO FUTURE PERFORMANCE OR DURATION OF AN IMPROVEMENT OR COMPONENT OF THE COMMON INTEREST COMMUNITY, THE CAUSE OF ACTION ACCRUES AT THE TIME THE BREACH IS DISCOVERED OR AT THE END OF THE WARRANTY PERIOD, WHICH IS EARLIER.

The **Warranty Limitation Agreement**, agreeing to reduce the Statute of Limitation for breach of certain express and implied warranties from six (6) years to two (2) years, and as further described above, is included as **Attachment D**. Purchasers who do not wish to sign the Warranty Limitation Agreement must exercise their option to cancel the purchase agreement within fifteen (15) days of receipt of the Public Offering Statement.

LIMITATIONS ON WARRANTIES

The Declarant is offering Units for sale *without* a Dwelling or other Improvement constructed within the Unit. A Unit Owner, builder, builder entity, Dealer*, or successor declarant** may offer Units for sale *with* a Dwelling or other Improvement constructed within the Unit. In that case, any warranties with respect to the Dwelling or other Improvement constructed within the Unit shall be the responsibility of the seller, not the Declarant.

* A *Dealer* is a person other than the Declarant who owns either six (6) or more Lots in a Common Interest Community, or fifty percent (50%) or more of the Lots in a Common Interest Community, as defined in Section 34.08.990 of the Act.

** A *successor declarant* is a person to whom Declarant has assigned one (1) or more Special Declarant Rights.

THE DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES AS TO SOIL OR GROUND CONDITIONS WITHIN UNITS OR THE CONDITION OR HEALTH OF ANY SHRUBS, TREES OR PLANTINGS LOCATED WITHIN UNITS.

NO ADDITIONAL EXPRESS OR IMPLIED WARRANTIES, UNLESS REQUIRED BY LAW, ARE MADE BY THE DECLARANT.

12. Buyer's Right to Cancel:

- (a) Within fifteen (15) days after receipt of a Public Offering Statement a purchaser, before conveyance, may cancel any contract for purchase of a Unit from a Declarant;
- (b) If a Declarant fails to provide a Public Offering Statement to a purchaser before conveying a Unit, that purchaser may recover from the Declarant ten percent (10%) of the sales price of the Unit plus ten percent (10%) of the share, proportionate to the Common Expense liability of the Unit, of any indebtedness of the Association secured by Security Interest encumbering the Common Interest Community;
- (c) A purchaser who receives the Public Offering Statement more than fifteen (15) days before signing a contract cannot cancel the contract.

13. Purchase and Sale Agreement Deposits: An earnest money deposit made in connection with the purchase of a Unit will be held in an escrow account by the title company identified in the purchase contract until closing, and will be returned to the purchaser if the purchaser cancels the contract under section 34.08.580 of the Act. The purchaser's copy of the earnest money agreement will contain the agent/broker's name and address.

14. Restrictions on Use, Alienation or Occupancy: The following use restrictions, contained in **Article IX** of the Declaration, apply to all Units and to the Common Elements:

Section 9.1 - Residential and Recreational Use. Units are restricted to residential and recreational use only. No business activity, commercial activity or industrial activity shall be maintained or conducted on the Property.

Notwithstanding the foregoing, home professional or administrative occupations that do not require regular visits from the public or unreasonable levels of mail, shipping, noise, odors, trash or storage are permitted within a Unit as long as there exists no external evidence thereof. Professional or administrative occupations must be incidental to the primary use of the Unit for residential or recreational use, and must comply with all governmental regulations addressing home occupations.

Section 9.2 - Nuisance. No noxious, offensive, dangerous or unsafe activity shall be carried on within the Common Interest Community, nor shall anything be done therein which may become an annoyance or nuisance to the Unit Owners.

Section 9.3 - Vehicles and Parking. For purposes of this **Article IX**, a "vehicle" includes, but is not limited to, an automobile, motorcycle, truck, van, trailer, boat, ATV, camper, motorhome, recreational vehicle, snowmobile or similar vehicle or equipment.

- (a) Junk vehicles and inoperable vehicles shall not be parked or stored anywhere within the Common Interest Community. An "inoperable vehicle" means a vehicle which has remained incapable of movement under its own power for a period of seven (7) consecutive days, and will remain so without repairs or part replacement. A "junk vehicle" means a vehicle which is missing one or more essential parts, such as, but not limited to, tires, wheels, engine, brakes, windows, lights and lenses, exhaust system, and such other parts as are necessary for the legal operation of a vehicle.

- (b) No repair, restoration or disassembly of any vehicle shall be permitted anywhere within the Common Interest Community, except for emergency repairs only to the extent necessary to enable movement of the vehicle outside of the Common Interest Community.
- (c) No vehicle shall be parked on any portion of the Common Elements. A vehicle parked in a driveway within a Unit must be parked entirely in the driveway so that no portion of the vehicle encroaches upon any internal roads or pedestrian walkways in the Common Interest Community.
- (d) Motorhomes, campers, caravans, trailers, boats, ATVs and personal watercraft are permitted to be parked and/or stored outside within Units; provided, however, that such vehicle must be parked or stored within the Unit on a parking pad specifically designed for parking and/or storing such vehicles, and in a location that does not unreasonably obstruct the view enjoyed by neighboring Units.
- (e) No vehicle visible from the Common Elements or other Units shall be covered in any manner with tarpaulins or other coverings determined to be unsightly by the Executive Board in its sole discretion.

Section 9.4 - Access To and From Units. The Common Element runway and internal roads shall be used for vehicular and pedestrian access to and from the Units. Unit Owners shall exercise extreme caution when accessing the runway or internal roads from their Unit, and Unit Owners operating aircrafts shall monitor the standard traffic advisory frequency prior to entry onto the runway and its shoulder areas. Unit Owners operating vehicles shall exercise extreme caution and shall stop to look both ways prior to entry onto the runway. The Executive Board may adopt Rules further regulating the use of the Common Element runway and internal roads.

Section 9.5 - Aircraft Operations.

- (a) *Safety.* All aircraft activities within the Common Interest Community shall be conducted in a safe and prudent manner and in accordance with any Rules adopted by the Executive Board from time to time.
- (b) *Ground Operations.*
 - i. Aircraft are permitted on the runway. Vehicles or equipment used in towing aircraft or used for the maintenance of the runway are permitted on the runway only during operation related to the maintenance of the runway or aircraft. Other vehicles including but not limited to trucks, cars, snow-machines, motorcycles, bicycles, all other terrain vehicles, or other similar vehicles are prohibited on the runway.
 - ii. The internal roads in the Common Interest Community may be used for aircraft taxi operations.
 - iii. All vehicles and aircraft transportation equipment operated in the Common Interest Community shall be registered and in compliance with State of Alaska vehicle and transportation equipment regulations.
 - iv. Equipment such as tractors, graders or loaders, or vehicles or equipment used in towing aircraft or used for the maintenance of the runway, need not be registered.

- v. No vehicle, equipment, or object shall be operated in such a manner as to impede or create hazardous conditions for aircraft flight, taxi operations or other vehicles.
- (c) *Runway Area Restrictions.*
- i. Aircraft operators are prohibited from practicing more than three (3) consecutive takeoffs and more than three (3) consecutive full stop landings. Touch-and-go landings are prohibited on the runway.
 - ii. Aircraft taxi operations shall be at such power settings so as to minimize noise pollution and shall be consistent with normal aircraft operations as required for safe taxi, takeoff and landing operations.
 - iii. Aircraft, ground operation vehicles, and runway maintenance vehicles only are permitted on the runway. Aircraft and said vehicles shall not park on the runway.
 - iv. During certain weather conditions, the surface of the runway area may be susceptible to subgrade rutting caused by aircrafts. In this regard, any operators of aircraft shall closely inspect the runway area, before conducting operations, and determine whether or not it is appropriate to operate aircrafts.
 - v. The Executive Board may close or otherwise restrict the use of the runway in the interests of safety, as may be determined by the Executive Board in its absolute and sole discretion.
- (d) *Flight Operations.* Operation of aircraft on the runway and in the airspace associated therewith shall be subject to the Federal Aviation Regulations (“FAR’s”), the Declaration, and Rules adopted by the Executive Board. Should a conflict occur between the Declaration, the Rules and the FAR’s, the FAR’s shall control.
- (e) *Traffic Pattern.* The preferred traffic pattern for the runway in the Common Interest Community is a left hand pattern. Traffic pattern altitude is nine hundred feet (900') Mean Sea Level (“MSL”).
- (f) *Radio Communications.* The standard traffic advisory frequency for the runway at the Common Interest Community is 122.8 MHz (VHF) and the identifier is AA10. Aircraft shall make standard taxi, arrival, and departure announcements.
- (g) *Noise and Dust Abatement.* Except for legitimate passes over the runway to ascertain safe landing conditions or as a result of a go-around decision, no low or high-speed passes are permitted over the runway/road area. Aircraft takeoffs, aircraft landings, and taxi operations between the hours of 10:30 PM and 6:00 AM shall be made using minimum noise procedures. Minimum thrust taxi operations shall be employed during dusty conditions.
- (h) *Ultralight Aircraft Operations.* Operations of ultralight aircraft shall comply with the operating restrictions contained in the Declaration and the Rules for the Common Interest Community.
- (i) *Aircraft Parking.* No aircraft shall park in such a manner as to impose a hazard to aircraft flight operations, taxi operations or storage.

- (j) *Private Runway.* Aircraft operations other than by the Unit Owners or their guests or tenants is prohibited, except as provided in **Section 11.2** of the Declaration.
- (k) *Guest Use of Runway.*
 - i. Unit Owners shall be responsible for ensuring their guests comply with the restrictions contained in the Declaration, the Rules and the applicable FAR regulations regarding the use of runway.
 - ii. Guests of Unit Owners are authorized to utilize the runway in the Common Interest Community for a period of not more than ten (10) cumulative days within any thirty (30) day period. Applications for extensions shall be submitted to the Executive Board.
 - iii. There shall be no prohibition on Declarant's right to use the runway for the purpose of marketing a Unit to a potential purchaser. Declarant may grant temporary use of the runway to potential purchasers of a Unit solely for the purpose of sales activity.
- (l) *Airworthiness.* Except for aircraft being repaired, no aircraft within the Common Interest Community shall remain non-airworthy for a period of longer than ninety (90) days, after which time the aircraft shall be considered junk aircraft. Aircraft parts or non-airworthy aircraft undergoing repair shall be stored or parked inside a hangar or other approved enclosure not visible to adjacent Unit Owners.
- (m) *Compliance.* Failure of Unit Owners and guests of Unit Owners to comply with the restrictions and the Rules herein may result in the loss by Unit Owners and their guests of the right to use the runway, for a reasonable period as determined by the Executive Board, as well as reasonable fines imposed by the Executive Board.
- (n) *Other Expressly Prohibited Activities.* In addition to the restrictions contained in other sections of this Declaration, Unit Owners are prohibited from engaging in any commercial flight operations within the Common Interest Community, including but not limited to activities such as flightseeing operations, commercial transportation of people or freight, or flight instruction operations.
- (o) *Executive Board Rules.* The Executive Board may adopt Rules further regulating the runway area and aircraft operations within the Common Interest Community.

Section 9.6 - Animals. Unit Owners may maintain animals within the Common Interest Community of the following types: domestic cats; domestic dogs; domestic birds (not poultry, roosters or other fowl); gerbils, rodents, reptiles; and fish. No other animals or insects may be kept within any part of the Common Interest Community.

- (a) Birds, gerbils, rodents, and reptiles must be kept in cages or terrariums within the Unit.
- (b) No more than a total of two (2) dogs and/or cats, *in any combination*, are permitted per Unit. No unreasonable quantity of other animals shall be permitted.
- (c) Animals shall not be kept, raised or bred for commercial purposes.

- (d) Unit Owners shall hold the Association harmless from all claims resulting from the actions of any animal owned by the Unit Owner or their tenants, guests or invitees.
- (e) Unit Owners shall be responsible for keeping their Units, and all Common Elements, free and clear of animal feces. Unit Owners shall immediately remove their animals' feces from all areas of the Common Interest Community.
- (f) Except when physically confined within the boundaries of a Unit, animals shall be leashed at all times.
- (g) Animals shall be licensed, vaccinated and maintained in accordance with applicable law.
- (h) Unit Owners shall contain and control their animals to the extent necessary to prevent their animal from creating or becoming a nuisance.
- (i) If the Executive Board, after Notice and Hearing, determines that an animal, or the animal's owner, has done or permitted any of the following without sufficient and reasonable justification, the owner will permanently remove the pet from the Common Interest Community upon three (3) days' written notice of the determination:
 - (i) The animal chases and displays threatening or aggressive behavior, or otherwise threatens or endangers the safety of any person or another domestic animal;
 - (ii) The animal bites or causes physical injury to any person or another domestic animal;
 - (iii) The animal repeatedly makes noise that disturbs Unit Owners or other occupants of Units; or
 - (iv) The owner of the animal repeatedly fails to remove their animal's feces from the Property.

Section 9.7 - Window Coverings. No window shall be covered with garments, sheets, blankets, aluminum foil or similar materials.

Section 9.8 - Storage of Recreational Equipment and Personal Property. By Rule, the Association may allow, regulate or restrict the storage of recreational equipment and personal property within the boundaries of a Unit in areas that are visible from the Common Elements. Except as expressly permitted by such Rules, recreational equipment and personal property belonging to a Unit Owner must be stored within a Dwelling or Outbuilding.

Section 9.9 - Garbage and Refuse Disposal. Refuse, trash, garbage or other waste material (collectively "Garbage") shall be disposed of only by depositing the same in an appropriate trash container, and complying with Rules for trash storage and disposal adopted by the Executive Board. No portion of the Common Interest Community shall be used for or maintained as a dumping ground for Garbage. No outside burning of Garbage is permitted. All equipment for the storage or disposal of Garbage shall be kept in a clean and sanitary condition. Except when placed outside for collection the day of Garbage pick-up, Garbage containers shall be stored either:

- (a) Inside a garage or outbuilding within a Unit; or
- (b) In a location within the Unit that is:
 - (i) located a minimum of twenty feet (20') from the perimeter property lines labeled on the Plat as "Perimeter Property Line";
 - (ii) secured from the effects of wind; and
 - (iii) screened with a fence, wall or vegetation at least five feet (5') in height.

Section 9.10 - Antennae and Satellite Dishes. The Declarant imposes the following restrictions relating to the installation of satellite dishes and antennae if compliance does not (1) unreasonably delay or prevent installation, maintenance or use; (2) unreasonably increases the cost of installation, maintenance or use; or (3) preclude reception of an acceptable quality signal to the Unit Owner.

- i. *Shielded from View.* Except as otherwise provided herein, antennas and satellite dishes shall be located in a place shielded from the view of the public or from other Units to the extent reasonably possible.
- ii. *Installation.* Wiring shall be installed in a neat, secure and inconspicuous manner so as to minimize exposed satellite wiring on the exterior of the residence. No loose or sagging wiring shall be permitted. Installation shall be completed in a professional and workmanlike manner, shall comply with reasonable safety standards, and may not interfere with cable, telephone or electrical systems of neighboring Units.
- iii. *Antenna Height.* Antennae shall not extend more than ten (10) feet above the highest point of a dwelling located within a Unit.
- iv. *Color.* Satellite dish color shall be neutral tones only, including white, grey, beige, and any similar neutral toned color. No commercial advertising on the satellite dish shall be permitted other than the brand name.

Section 9.11 - Signs. No signs shall be displayed to the public view within the Common Interest Community, except:

- (a) Common Element monument and Unit identification signs; and
- (b) A single sign of not more than five (5) square feet within a Unit, advertising that Unit for sale.

Section 9.12 - Lighting. Glare and illumination associated with exterior lighting within a Unit shall be contained entirely within the Unit and shall not impact any adjacent Units.

Section 9.13 - Oil and Mining Operations. No oil or gas drilling, development operations, refining, quarrying, or mining operations of any kind shall be permitted on the Property, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Unit. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted on any Unit. No surface entry will be permitted and no extraction of minerals will be permitted within a two hundred fifty foot (250') buffer measured vertically from the surface.

Section 9.14 - Drainage Channels. The obstruction or re-channeling of drainage flows after the original location and installation of drainage swales or storm drains is prohibited. No structures, plantings or other materials shall be placed or permitted to remain which may damage, interfere with or significantly change the direction of flow of drainage channels.

Section 9.15 - Drones. A drone is defined as a powered aerial vehicle that flies autonomously or is remotely piloted. No Person may operate, cause, allow, or authorize the operation of a drone in the airspace within a one (1) mile radius of the runway.

Section 9.16 - Firearms. The discharge of firearms anywhere within the Common Interest Community is prohibited.

Section 9.17 - Use of Common Element Park Areas. Any Common Element area that is designated for use as a park shall be labeled as a "Park Area" on **Schedule A-3**, and shall be subject to the restrictions contained herein and such other reasonable Rules as may be adopted by the Executive Board.

- (a) Unit Owners shall supervise their children and guests in all Park Areas, and shall be responsible for ensuring their children and guests comply with all restrictions contained in the Declaration and Rules adopted by the Executive Board governing use of the Park Areas.
- (b) Except as provided in **Article VII**, or except as expressly permitted by another provision of the Declaration, the following activities are prohibited anywhere within a Park Area unless expressly authorized by, and then subject to such conditions as may be imposed by, the Executive Board:
 - (i) Disposing of Garbage or yard waste.
 - (ii) Storage of personal property or materials.
 - (iii) Cutting, mowing, harvesting, or disturbing the trees, shrubbery, or other natural vegetation.
 - (iv) Overnight camping or the erection of tents or other shelters.
 - (v) Processing fish or other animals.
 - (vi) The consumption of alcoholic beverages.
 - (vii) Placing structures.
- (c) The Park Area labeled as "Park Area 1" on **Schedule A-3** shall be available for use by members of the public. All other Park Areas within the Common Interest Community are restricted to use by Unit Owners and their tenants and guests.

Section 9.18 - Use of Common Element Dock.

- (a) The Common Element Dock is reserved for the exclusive use of Unit Owners and their guests and invitees.
- (b) The Common Element Dock shall be used only for temporary loading and unloading of aircraft and watercraft.
- (c) No fueling of aircraft or watercraft, and no major aircraft or watercraft repair or reconstruction work shall be permitted on the Common Element Dock.
- (d) Each Unit Owner and their respective guests and invitees shall be responsible for their own personal safety and the safety of their children when using the Common Element Dock. The Association is not an insurer or guarantor of safety or security within the Common Interest Community.

Section 9.19 - Motorized watercraft. For purposes of this Section 9.19, “motorized watercraft” means any watercraft that is powered or propelled by a force other than human muscular power, gravity, or wind.

- (a) Except for electric-powered watercraft, motorized watercraft are prohibited on Sky Land Lake.
- (b) The use of motorized watercraft on Caswell Lake shall comply with all requirements of the Matanuska-Susitna Borough.

Section 9.20 - Compliance with Documents and Law. The use of a Unit and all activities within the Common Interest Community shall be in compliance with the provisions of the Declaration and other Documents, and Unit Owners and Improvements within a Unit shall comply with and conform to all applicable Federal, State, and local laws and regulations. A violating Unit Owner shall hold the Association and other Unit Owners harmless from all fines, penalties, costs and prosecutions for the violation thereof or non-compliance therewith.

Section 9.21 - Improper Use. No illegal, improper, unsanitary, offensive, or environmentally prohibited use or activity may occur in or on any Unit or any Common Element. Each Unit Owner shall (i) comply with and conform to all applicable laws, and (ii) defend, indemnify and hold the Association and the other Unit Owners harmless from all demands, claims, fines, penalties, costs, fees, damages, losses, awards, judgments and liabilities that in any way arise out of, result from, or are based upon any such activity.

Section 9.22 - Leasing. No Unit, or any portion thereof, may be conveyed pursuant to a time-sharing plan. A Unit may be rented only by a written lease, subject to the following:

- (a) Each lease must have a lease term of at least seven (7) days, which lease term must be entered into in good faith.
- (b) No portion of a hangar may be leased except pursuant to a lease of the entire Unit.
- (c) Each lease must incorporate the terms and restrictions of the Documents as a personal obligation of each tenant.
- (d) Each lease must attach to the Association as landlord solely for the purpose of enforcing the restrictions of the Documents following Notice and Hearing to the Unit Owner, and an opportunity to cure the violation, and then by direct levy, injunction and/or eviction by summary process, against the tenant(s). The Association will not otherwise assume the responsibilities or obligations of the Unit Owner under the lease.
- (e) A true and complete copy of the lease, and the name and telephone contact number of each tenant, shall be provided to the Executive Board at least five (5) days prior to the first day of the lease term. The Unit Owner shall promptly provide the Executive Board with written notice of any termination of the lease.
- (f) A copy of the Rules must be conspicuously posted or displayed within the Unit.
- (g) The Unit Owner must either be personally available by telephone or have a designated agent available by telephone at all times during the term of the lease. If a Unit Owner will not be personally available, the name and telephone contact number of their designated agent shall be provided to the Association in writing prior to the first day of the lease term.

The Unit Owner or their designated agent must be able to promptly contact the tenant(s) for purposes of addressing any complaints and/or violations of the Documents.

- (h) The Unit Owner must obtain and maintain appropriate insurance coverage for property damage or personal injury caused by any tenant(s) or otherwise arising from the lease of the Unit. Proof of such insurance shall promptly be provided to the Executive Board upon request.
- (i) The Unit Owner shall remain liable for compliance with the Documents, and shall be responsible for securing such compliance from the tenant(s) of the Unit.
- (j) The Unit Owner shall be responsible for the payment of all assessments or fines that are assessed by the Association as a result of the actions or omissions of any tenant(s) or their guests.
- (k) A Unit Owner shall not be permitted to lease, rent or otherwise collect compensation from any tenant, guest or invitee in exchange for the right or privilege to use the runway.

15. Insurance Coverage: The following is only a general description of the master insurance policy that the Association has obtained. YOU MUST REVIEW THE ASSOCIATION POLICY FOR MORE INFORMATION REGARDING THE COVERAGE. IF THERE ARE ANY INCONSISTENCIES BETWEEN THE DESCRIPTION IN THIS SECTION AND THE INSURANCE POLICY, THEN THE POLICY GOVERNS.

- (a) Association Insurance – Property Coverage. The Association maintains a policy of property insurance covering:
 - (i) Insurable Improvements on the Common Elements; and
 - (ii) All personal property owned by the Association.

The Association may, but shall not be required to, maintain property insurance covering Common Element gates and docks within the Common Interest Community.

- (b) Association Insurance –Liability Coverage.
 - (i) *Business Liability (Per Occurrence)* - \$2,000,000.00
 - (ii) *Business Liability (Annual Aggregate)* - \$4,000,000.00
 - (iii) *Medical Expenses* - \$10,000.00

The liability insurance policy maintained by the Association only applies to occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements and the activities of the Association.

- (c) Unit Owner Insurance. An insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for his or her own benefit.

The insurance maintained by the Association does not provide property or liability coverage for the Units or Improvements within Units. **This means that your Unit and any dwelling or other Improvements within the Unit are not covered by the insurance coverage maintained by the Association!**

In addition, the insurance maintained by the Association will not provide coverage for accidents which occur within your Unit, or for accidents with respect to which liability does not arise out of or in connection with the use, ownership or maintenance of the Common Elements.

Each Unit Owner is responsible for and encouraged to consult with their own insurance professional to determine the appropriate insurance coverage that the Unit Owner may need.

(d) Insurance Agency Contact Information.

Should a situation occur where you would like to present a claim under the Association's insurance policy, or if you have any questions regarding insurance coverage, please contact the Association's Insurance Agent: *Art Mathias* with *Art Mathias Insurance Agency Incorporated*, telephone: (907) 563-3188, email: art.mathias.b7v7@statefarm.com.

***See Articles XXII and XXIII of the Declaration for more details.**

16. Current or Expected Fees or Charges to be Paid by a Unit Owner for the Use of the Common Elements: There are no current fees to be paid by the Unit Owner for the use of the Common Elements.

17. A Brief Narrative Description of Zoning and Other Land Use Requirements Affecting the Common Interest Community:

- Land use within Sky Land Airpark is regulated by the Matanuska-Susitna Borough, but the property is not zoned.
- The Matanuska-Susitna Borough Code ("MBC") imposes certain minimum setback requirements for structures, and requires a conditional use permit for certain uses which are not otherwise permitted under the Declaration. Except where specifically provided otherwise by the MBC, no structure or building line shall be placed within 25 feet from a right-of-way, nearer than 10 feet from any side or rear lot line, or 75 feet from the ordinary high water mark of a body of water.
- Sky Land Airpark is considered a Multifamily Development under MBC 17.73. On May 9, 2022, the Matanuska-Susitna Borough approved and issued a multifamily development permit to the Declarant. The permit contains the following General Requirements and Conditions:
 1. All development of the permitted site shall occur as described in the approved application submitted and as further specified by the conditions listed herein. Any variation from the requirements or conditions of this permit, or from borough code, may be grounds for penalties as authorized by borough code.
 2. Certification by a professional engineer, who is authorized to engage in that profession by the State of Alaska, must be submitted to the Planning and Land Use Department within 90 days of installation of the domestic wastewater system, certifying that the domestic wastewater system was installed in full compliance with all applicable Alaska State Department of Environmental Conservation regulations.

3. The "Authorization to Construct" letter(s) must be issued for the driveway and construction permits associated with this development, prior to any development within a public use easements/public rights-of-way.

A copy of the permit and approved application are included with this Public Offering Statement as **Attachment E**. Concept layouts of sample lots, and the drainage report submitted in connection with the permit are included with this Public Offering Statement as **Attachment F**. An exhibit showing the proposed acceptable locations of water wells and wastewater systems is included with this Public Offering Statement as **Attachment G**. Copies of additional documents that were submitted to the Matanuska-Susitna Borough during the application and permitting process are available from Declarant upon request.

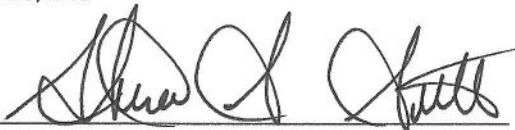
18. Unusual and Material Circumstances: In addition to the unusual and material circumstances, features, or characteristics of the Project and the Units disclosed elsewhere in this Public Offering Statement, the following are noted:

- (a) Construction Noise. Normal noise associated with a construction site should be expected as Dwellings and other Improvements are constructed within the Common Interest Community. Additionally, Unit Owners should anticipate that there will be machinery, equipment, and contractor vehicles servicing the site during the period of construction.
- (b) Construction, Design and Architectural Restrictions. Improvements within Units are subject to construction, design and architectural restrictions. Please read **Article XIII** of the Declaration for further information.
- (c) Location of Water Wells and Wastewater Systems. Except for water wells or wastewater systems installed by the Declarant, the location of a water well or wastewater system within a Unit must be approved by the Executive Board. In accordance with the Multifamily Development Permit, the location of water wells and wastewater systems within Units located to the east of South Fishermans Hop Road shall substantially comply with the locations shown on the diagram attached to this Public Offering Statement as **Attachment G**. Each time a wastewater system is installed within a Unit, the Unit Owner shall submit a certification by a professional engineer to the Matanuska-Susitna Borough Development Services Division pursuant to MSB 17.73.095(B).
- (d) Association Not a Guarantor of Security and Safety. Each Unit Owner shall be responsible to inform all occupants of their Unit and their guests, invitees and visitors that the Association and its Executive Board are *not insurers nor guarantors of security or safety*. Each Unit Owner assumes all risks of death, personal injury and loss or damage to property, including the Improvements and contents in their Unit resulting from the acts of third parties.
- (e) Views. Future development and construction on the Property may potentially obstruct existing views from Units. Accordingly, the Declarant makes no representations or warranties that current views will remain unobstructed.
- (f) Section Line Easement. There is a 50' Section Line Easement located along the south perimeter of the Project in the area of East Good Land Drive. There is also a 100' Section Line Easement running north and south in the area of South Fishermans Hop Road. The Declarant has no ability to prevent members of the public from using the Section Line Easements. It is possible that a road, sidewalk or other public right-of-way may be constructed within the Section Line Easements. The Declarant makes no representations or guarantees with respect to any adverse impacts that Unit Owners may experience as a result of the proximity of the Property to the Section Line Easements.

- (g) Creek within Units 128 through 136. There is a creek running within the boundaries of Units 128 through 136. If the creek is considered a navigable or public water of the state under AS 38.05.126, then the public has a constitutional right to free access to and use of the creek below the ordinary high water mark. The Declarant makes no representations or guarantees with respect to any adverse impacts that Unit Owners may experience as a result of the proximity of the Property to the creek.
- (h) Units on Sky Land Lake. The Units located around the edge Sky Land Lake may include portions of the lake below the ordinary high-water mark.
- (i) Runway Identifier. Section 9.5(f) of the Declaration erroneously states that the FAA identifier for the runway is AA10. The runway within the Common Interest Community does not currently have an FAA identifier. As of the Effective Date of this Public Offering Statement, the Declarant, on behalf of the Association, has filed the necessary applications with the FAA and is awaiting final approval for the designation of the runway within the Common Interest Community as a private-use runway and Sky Land Lake as a seaplane base.
- (j) Caswell Lake. Caswell Lake is considered navigable or public water of the state under AS 38.05.126. Accordingly, the public has a constitutional right to free access to and use of Caswell Lake below the ordinary high-water mark. The Declarant has no ability to prevent members of the public from using Caswell Lake. In addition, pursuant to MSB 17.59.060: (a) the hours of 10 p.m. to 8 a.m., Sunday through Saturday, are designated as quiet hours for Caswell Lake, (b) there is a no-wake zone established within 100 feet from the shoreline, and (c) personal watercraft are prohibited (vehicles known as jet skis, wave runners, and similar acrobatic or stunt equipment). The Declarant makes no representations or guarantees with respect to any adverse impacts that Unit Owners may experience as a result of the proximity of the Property to Caswell Lake.
- (k) Aircraft Noise. Unit Owners and/or their assigns acknowledge that Sky Land Airpark is subject to present and future noises associated with the air traffic, which may be bothersome to users of the Project. Noise impacts may change over time by virtue of: greater numbers of aircraft departures and arrivals; louder aircraft; seasonal and time-of-day operational variations; and changes in the Unit Owner's personal perceptions of the noise exposure and his/her sensitivity to aircraft noise.
- (l) Development of Surrounding Areas. Sky Land Airpark is surrounded by large parcels of land which are not zoned and not yet developed. Declarant makes no representations as to what may become of the surrounding property or area.

****THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO THE ENTIRE SET OF DISCLOSURE MATERIALS AND HIS OR HER SALES CONTRACT. ALL DISCLOSURE MATERIALS AND CONTRACTS ARE IMPORTANT DOCUMENTS AND IF NOT UNDERSTOOD, THE PROSPECTIVE PURCHASER SHOULD SEEK COMPETENT ADVICE.**

MASS, LLC



By: Stewart Smith
Its: Manager