

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
PINE 43 SUBDIVISION

ACCOMMODATION

* * * * *

THIS DECLARATION is made on the date hereinafter set forth by C&O Development, Inc., an Idaho corporation, hereafter referred to as "Declarant".

RECITALS

1. Declarant is the owner of certain real property in Ada County, State of Idaho, hereinafter referred to as the "Properties", more particularly described in Exhibit A attached hereto.

2. Pine 43 Subdivision is a mixed use residential development, which Declarant currently intends to develop in accordance with existing development approvals obtained from the City of Meridian or any other development plans for which Declarant may, from time to time, obtain approval. Certain portions of the Properties may be developed for quality single-family residential homes, townhomes and patio homes. The Properties may contain parcels of Common Area, including but not limited to private open space, park areas, landscaping, recreational facilities, private streets, drives and other amenities and facilities. Any development plans or schemes for the Properties in existence prior to or following the effective date of this Master Declaration are subject to change at any time by Declarant, and impose no obligation on Declarant as to how the property is to be developed or improved.

3. The purpose of this Master Declaration is to set forth basic restrictions, covenants, limitations, easements, conditions and equitable servitudes (collectively "Restrictions") that will apply to the entire development and use of all portions of the Properties. The Restrictions are designed to preserve the Properties' value, desirability and attractiveness to insure a well integrated, high-quality development, and to guarantee adequate maintenance of the Common Area and the improvements located thereon in a cost effective and administratively efficient manner.

4. Declarant desires to subject the above described Properties to certain Restrictions for the benefit of the Properties and their present and subsequent Owners as hereinafter specified, and will convey the Properties subject thereto.

NOW, THEREFORE, Declarant hereby declares that all of the Properties above described shall be held, sold and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of, and which shall run with the Properties and be binding on all parties now or hereafter having any right, title or interest therein or to any part hereof, and shall inure to the benefit of each owner thereof. Notwithstanding the foregoing, no provision of this Master Declaration shall be construed as to prevent or limit Declarant's right to complete development of the property and to construct improvements thereon, nor Declarant's right

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
PINE 43 SUBDIVISION

ACCOMMODATION

* * * * *

THIS DECLARATION is made on the date hereinafter set forth by C&O Development, Inc., an Idaho corporation, hereafter referred to as "Declarant".

RECITALS

1. Declarant is the owner of certain real property in Ada County, State of Idaho, hereinafter referred to as the "Properties", more particularly described in Exhibit A attached hereto.

2. Pine 43 Subdivision is a mixed use residential development, which Declarant currently intends to develop in accordance with existing development approvals obtained from the City of Meridian or any other development plans for which Declarant may, from time to time, obtain approval. Certain portions of the Properties may be developed for quality single-family residential homes, townhomes and patio homes. The Properties may contain parcels of Common Area, including but not limited to private open space, park areas, landscaping, recreational facilities, private streets, drives and other amenities and facilities. Any development plans or schemes for the Properties in existence prior to or following the effective date of this Master Declaration are subject to change at any time by Declarant, and impose no obligation on Declarant as to how the property is to be developed or improved.

3. The purpose of this Master Declaration is to set forth basic restrictions, covenants, limitations, easements, conditions and equitable servitudes (collectively "Restrictions") that will apply to the entire development and use of all portions of the Properties. The Restrictions are designed to preserve the Properties' value, desirability and attractiveness to insure a well integrated, high-quality development, and to guarantee adequate maintenance of the Common Area and the improvements located thereon in a cost effective and administratively efficient manner.

4. Declarant desires to subject the above described Properties to certain Restrictions for the benefit of the Properties and their present and subsequent Owners as hereinafter specified, and will convey the Properties subject thereto.

NOW, THEREFORE, Declarant hereby declares that all of the Properties above described shall be held, sold and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of, and which shall run with the Properties and be binding on all parties now or hereafter having any right, title or interest therein or to any part hereof, and shall inure to the benefit of each owner thereof. Notwithstanding the foregoing, no provision of this Master Declaration shall be construed as to prevent or limit Declarant's right to complete development of the property and to construct improvements thereon, nor Declarant's right

to maintain model homes, construction, sales or leasing offices or similar facilities on any portion of the Properties, including the Common Area or any public right-of-way, nor Declarant's right to post signs incidental to construction, sales or leasing.

ARTICLE I: DEFINITIONS

The following terms shall have the following meanings:

Section 1. "ASSESSMENT" shall mean a payment required of Association members, including Initiation, Transfer, Annual, Special and Limited Assessments as provided for in this Declaration.

Section 2. "ASSOCIATION" shall mean and refer to the Master Association, and/or a Local Association, whichever is appropriate in the context.

Section 3. "BOARD" shall mean and refer to the Board of Directors of the Master Association.

Section 4. "COMMON AREA" shall mean all real property and improvements thereon (including private streets, drives, parking areas and recreational facilities) owned by an Association for the common use and enjoyment of the Owners.

Section 5. "DECLARANT" shall mean and refer to C&O Development, Inc., an Idaho corporation, its successors and, subject to the provisions of Article XVI, Section 4, its assigns.

Section 6. "DECLARATION" shall mean and refer to this Master Declaration of Covenants, Conditions and Restrictions or a Supplemental Declaration applicable to the Properties or any portion thereof recorded in the office of the County Recorder of Ada County, State of Idaho.

Section 7. "DWELLING UNIT" shall mean that portion or part of any structure intended to be occupied by one family as a dwelling unit, together with the vehicular parking garage next thereto, and all projections therefrom. A Dwelling Unit may be either attached to or detached from other Dwelling Units.

Section 8. "IMPROVEMENT" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Properties, including but not limited to buildings, fences, streets, drives, driveways, sidewalks, bicycle paths, curbs, landscaping, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, and fixtures of any kind whatsoever.

Section 9. "LOCAL ASSOCIATION" shall mean and refer to any profit or not for profit Idaho corporation or unincorporated association, or the successors of any of them, organized and established by Declarant pursuant to the terms of this Declaration or a Supplemental Declaration."

Section 10. "LOT" or "LOTS" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Areas.

Section 11. "MASTER ASSOCIATION" shall mean and refer to Pine 43 Homeowner's Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

Section 12. "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 13. "PLAT" shall mean any subdivision plat covering any portion of the Properties as recorded at the Office of the County Recorder, Ada County, Idaho, as the same may be amended by duly recorded amendments thereof.

Section 14. "PROPERTIES" shall mean and refer to that certain real property hereinabove described and shall also include any additional real property which is annexed into the subdivision project pursuant to the provisions of Article XV, below.

Section 15. "SUBDIVISION" shall mean the Pine 43 Subdivision as shown on the final Plat recorded in the Office of the County Recorder, Ada County, Idaho. "Subdivision" shall also include any additional real property shown on a final plat which is annexed into the subdivision project pursuant to the provisions of Article XV, below.

Section 16. "SUPPLEMENTAL DECLARATION" shall mean any Supplemental Declaration including additional covenants, conditions and restrictions that might be adopted with respect to any portion of the Properties.

Section 18. "WATER ASSOCIATION" shall mean and refer to Pine 43 Water Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns, having the responsibility to own and operate an irrigation water supply system to provide a source of irrigation water to the Properties and other lands as may be designated from time to time by the Water Association.

ARTICLE II: PROPERTY RIGHTS; RESERVATION OF RIGHTS

Section 1. Enjoyment of Common Area: Each owner shall have a right and easement of enjoyment in and to the Common Area, and such easement shall be appurtenant to and shall pass with the title to every Lot, subject, however, to the following provisions:

A. The right of an Association to levy reasonable assessments for the maintenance of the Common Area and any improvements or facilities located thereon as set forth herein below.

B. The right of an Association to suspend the right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid.

C. The right of an Association to limit the number of members permitted to use the Common Area.

D. The right of an Association to charge reasonable admission fees for the use of any recreational facility situated upon the Common Area or otherwise controlled by an Association, including, particularly, the right to charge a special use fee for members who desire exclusive short-term use of such facility and who are willing to pay a special fee or assessment for such use.

E. The rights of an Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities; and, in aid thereof, to place a mortgage or trust deed thereon, which shall be a first and prior lien there against ; provided that the Common Area may not be mortgaged or conveyed without the consent of at least 66-2/3% of the Owners (excluding the Declarant), and that any conveyance or mortgage of Common Area shall be subject to and subordinate to rights of ingress and egress of an Owner to his/her Lot.

F. The right of an Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members; provided, however, that except as to the Association's right to grant easements for utilities and similar or related purposes, no part of the Common Area and facilities may be alienated, released, transferred, hypothecated or otherwise encumbered without the written approval of two-thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly held for this purpose.

G. The right of the Directors of an Association to promulgate reasonable rules and regulations governing such right of use, from time to time, in the interest of securing maximum safe usage of such Common Area by the members of that Association without unduly infringing upon the privacy or enjoyment of the Owner or occupant of any part of said property, including without being limited thereto, rules restricting persons under or over designated ages from using certain portions of said property during certain times and reasonable regulations and restrictions regarding vehicle parking.

Section 2. Delegation of Use: Any member may delegate, in accordance with the rules and regulations adopted from time to time by the directors, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers, provided they reside on the property at the time of use.

Section 3. Rights Reserved by Declarant: Notwithstanding anything to the contrary contained in this Declaration, Declarant expressly reserves unto:

A. Itself, its employees, successors, assigns, agents, representatives, contractors and their subcontractors and employees, easements and rights-of-way on, over and across all or any part of the streets for vehicular and pedestrian ingress and egress to and from any part of the Properties, or any adjacent real property owned by Declarant, or its successors or assigns;

B. Itself, its employees, successors, assigns, agents, representatives, contractors and their subcontractors and employees (including any district, company, unit of local government, association or other entity providing water, sewer, gas, oil, electricity, telephone, cable television, or other similar services), easements, access and rights-of-way on, over, under and across all or part of the Common Area and utility easements on, over and under all Lots and Common Area as provided on any recorded Plat of the Properties for installation, use, maintenance and repair of all lines, wires, pipes, pumps, water wells, facilities, and other things necessary for all such services, provided that any installation, maintenance or repair of such lines, wires or pipes shall be performed with reasonable care and that the surface of said easement area shall be restored to the level and condition that existed prior to the doing of work; and

C. Itself, its employees, successors, assigns, agents, representatives, contractors and their subcontractors and employees, the right to use the Common Area where applicable, to facilitate and complete the development of the Properties, and any annexed property, including without limitation the use of the Common Area where applicable, for:

1. Construction, excavation, grading, landscaping, parking and/or storage;
2. Maintenance and operation of a sales office and model units for sales purposes;
3. The showing to potential purchasers of any unsold Lot, unit or improvements within the Properties;
4. Display of signs and flags to aid in the sale of any unsold Lots and Dwelling Units, or all or part of the Properties;
5. Construction, operation and maintenance of all or any portion of any Common Area by Declarant, its successors or assigns;

D. Itself, all right, title and interest in and to any and all water rights and all entitlements to receive water that have been placed to beneficial use upon the Properties or are appurtenant to or associated with the Properties, including, without limitation, all licenses, permits, claims, permit applications, and storage entitlements; all ditch or canal company shares and/or entitlements to receive water from any such company or from any irrigation district or other water delivery entity; and all ditch rights, easements or rights-of-way associated with any irrigation or other water delivery ditch, canal, lateral or pipeline, which such rights may be assigned to the Water Association pursuant to the Declaration of Covenants, Conditions and Restrictions for the Pine 43 Irrigation Water Supply System recorded in the office of the County Recorder of Ada County, State of Idaho.

Section 4. Right to Amend Declaration: Declarant reserves the right to amend this Declaration in accordance with the provisions of Article XVI, Section 3, below.

Section 5. Reservation of Development Rights: No provision of this Declaration shall be construed as to prevent or limit Declarant's right to complete development of the Properties and

to construct improvements thereon, nor Declarant's right to maintain model homes, construction, sales or leasing offices or similar facilities on any portion of the properties, nor Declarant's right to post signs incidental to construction, sales or leasing. Any development plans or schemes for the Properties in existence prior to or following the effective date of this Declaration are subject to change at any time by Declarant, and impose no obligation on Declarant as to how the property is to be developed or improved.

ARTICLE III: MASTER ASSOCIATION

Section 1. Management: The affairs of the Master Association shall be conducted by a Board of Directors and such officers as the Board may elect or appoint, in accordance with the Master Association's Articles of Incorporation and Bylaws, as the same may be amended from time to time.

Section 2. Membership: Every Owner of a Lot which is subject to this Declaration shall be a member of the Master Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the payment of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Such ownership shall be the sole qualification for membership and shall automatically commence upon a person becoming such Owner and shall automatically terminate and lapse when such ownership in said property shall terminate or be transferred.

Section 3. Voting Rights: The Master Association shall have two classes of voting membership:

CLASS A: Class A Members shall be all Owners, with the exception of the Declarant. The Class A Members shall be non-voting Members of the Association until such time as voting rights of the Class B Member(s) expire, as provided below. Upon the Class A Members becoming entitled to voting rights, each Class A Member shall be entitled to one (1) vote for each Lot owned and when more than one (1) person holds an interest in a Lot, all such persons shall be Class A Members but the vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot owned by a Class A Member(s).

CLASS B: Class B Members shall be the Declarant, and its successor(s) in title to which successor the Declarant has specifically granted such Class B voting rights in writing; provided, that if such voting rights are not so granted, such successor shall be considered to be a Class A Member with respect to each Lot owned. The Class B Members shall be entitled to ten (10) votes for each Lot owned. The Class B membership and the Class B voting rights shall be converted to Class A membership on the happening of the earlier of the following events: (i) six months after the Declarant (or its successors in title to whom the Declarant has granted the Class B voting rights, as above provided) no longer owns a Lot within the Subdivision; or (ii) when the Declarant (or its successors in title to whom the Declarant has granted the Class B voting rights, as above provided) voluntarily relinquishes its voting rights.

The foregoing notwithstanding, in the event any additional real property owned by Declarant shall be annexed into the subdivision project described in this Declaration pursuant to the provisions of

Article XV, below, the Class B membership shall not be deemed to have expired pursuant to subparagraph A, above, and the Class B membership shall remain in existence (or be deemed reinstated if previously expired) as respects all Lots owned by Declarant.

Section 4. Assessments: Each Owner of any Lot, by acceptance of a deed therefore from Declarant (whether or not it shall be so expressed in such deed), is deemed to covenant and agree to pay to the Master Association an Initiation Assessment, Transfer Assessments, Annual Assessments, Special Assessments, Limited Assessments and Water Assessments, such assessments to be fixed, established and collected from time to time as hereinafter provided:

A. Initiation and Transfer Assessments: Upon the initial conveyance of each Lot (from Declarant to a builder or Owner), at the closing of the sale thereof, the purchaser shall pay an Initiation Assessment to the Master Association in the amount of \$750.00. Upon each subsequent transfer of title to each Lot, at the closing of the sale thereof, the purchaser shall pay a Transfer Assessment to the Master Association in the amount of \$100.00. The proceeds of Initiation and Transfer Assessments shall be used for general Association purposes.

B. Annual Assessments: The Annual Assessment levied by the Master Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Owners, for the operation, maintenance, repair and improvement of the Common Area and facilities located thereon, for the reasonable expenses incurred in the operation of the affairs of the Master Association, for the expenses incurred by the Master Association in connection with any of its obligations contained in this Declaration or in the Bylaws of the Association, and for any other purpose reasonably authorized by the Board. The Annual Assessments provided for herein shall initially be in the amount of \$1,000.00. In addition to the Initiation Assessment set forth above, the then current Annual Assessment, adjusted according to the number of months remaining in the calendar year, shall be payable at the closing of the initial sale by Declarant of each Lot by the purchaser thereof. The Board shall thereafter fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. The Annual Assessment shall be payable to the Master Association without demand in installments at such intervals as may be determined by the Board. The due dates shall be established by the Board and if not so established, such Assessment shall be due on January 1 of each calendar year. Failure of the Board to fix the amount of the Annual Assessment or to deliver or mail to each Owner a notice thereof, shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay the Annual Assessment. In such event, each Owner shall continue to pay the Annual Assessment last established by the Board until a new assessment amount is established.

C. Special Assessments: In addition to the Initiation and Annual Assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an improvement upon the Common Area, or for any unanticipated expenses or obligations, provided that any such assessment intended to pay the cost of initial construction of any new facility or improvement shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice of any meeting called for the purpose of taking any action authorized under this paragraph above, shall be sent to all members

not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast forty percent (40%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. Any Special Assessment shall be payable over such a period as the Board of Directors shall determine.

D. Limited Assessments: The Master Association shall have the power to incur expenses for the maintenance and repair of any Lot or Improvement, for the repair of damage to the Common Area caused by the negligence or willful misconduct of an Owner or his family, guests, invitees, agents, employees, or contractors, or for the correction of any violation of this Declaration, if the responsible Owner has failed or refused to perform such maintenance or repair or to correct such violation after written notice of the necessity thereof has been delivered by the Board to the responsible Owner. The Board may levy a Limited Assessment against the Owner to reimburse the Master Association for the cost of such maintenance, repair or corrective action, together with any other cost or expense, including attorney's fees, arising out of or incident to such maintenance, repair or corrective action or the collection of the assessment therefore. Any such Limited Assessment shall be due within fifteen (15) days of the date written notice thereof is delivered to the responsible Owner. The notices required in this paragraph shall be delivered personally to such Owner or sent by first class or certified mail to the last known address of such Owner as shown on the records of the Association.

E. Water Assessments: The Association shall have the power to levy a Water Assessment against each Lot in order to pay the assessment levied against it by the Water Association pursuant to Article V, below. The Water Assessments shall be levied against each Lot in the Subdivision in accordance with the number of square feet contained in the said Lot so that the amount of the assessment for each Lot shall be based upon the percentage that the number of square feet of area in the Lot or Lots owned by each Owner bears to the total number of square feet of area contained in the Properties.

E. Uniform Rate of Assessment: The Initiation, Annual, Special and Water Assessments must be fixed at a uniform rate for non-exempt Lots.

F. Creation of Lien and Personal Obligation of Assessments: The Initiation, Annual, Special and Water Assessments, together with interest, costs of collection and reasonable attorney's fees shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such Assessment is made. Each such Assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment fell due. The obligation shall remain a lien on the Lot until paid or foreclosed, but shall not be a personal obligation of successors in title, unless expressly assumed.

G. Effect of Nonpayment of Assessments; Remedies of Association: Any Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner

personally obligated to pay the same, or foreclose the lien against the property. In addition, the Association may suspend the voting rights of an Owner for any period during which any Assessment against his Lot remains unpaid. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Area, non-use of the irrigation water supply system or abandonment of his Lot.

H. Certificate of Payment: The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

I. Exempt Property: All Lots or other property owned by Declarant shall be exempt from all Assessments created herein, until title is transferred to another, or until occupancy, whichever occurs first. All Lots or other property expressly dedicated to and accepted by a local public authority and all Lots or other property owned by an Association shall be exempt from the Assessments created herein, except Water Assessments.

Section 5. Powers of Master Association: The Master Association shall have all powers of a nonprofit corporation organized under the laws of the State of Idaho, subject only to such limitations as are expressly set forth in the Master Association's Articles of Incorporation and Bylaws or this Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under the Association's Articles of Incorporation and Bylaws or this Declaration, and to do and perform any and all acts which may be necessary or proper for, or incident to, the proper management and operation of the Common Areas and the performance of other responsibilities set forth in this Declaration. Without intending to limit the foregoing, the Master Association shall have the following powers:

- A. The power to levy and collect Assessments as set forth in this Declaration.
- B. The power to enforce this Declaration on its own behalf, or on behalf of any Owners who consent thereto, and to maintain actions and suits to restrain and enjoin any breach or threatened breach of the Master Association's Articles of Incorporation and Bylaws, this Declaration or any rules or regulations adopted by the Board.
- C. The power to enforce penalties as more specifically provided in this Declaration.
- D. The power to adopt, amend, and repeal such rules and regulations as the Board deems reasonable and necessary as more particularly set forth in this Declaration.
- E. The power to employ such agents and independent contractors as the Board deems reasonable and necessary including, without limitation, attorneys, accountants and managers, on such terms and conditions as the Board may determine.

Section 6. Duties of Master Association: In addition to the duties delegated to it by the Master Association's Articles of Incorporation and Bylaws and this Declaration, without limiting

the generality thereof, the Master Association or its authorized agents shall have the obligation to conduct all business affairs of the Master Association and to perform each of the following duties:

A. Perform, or provide for the performance of, the operation, maintenance and management of the Common Areas and Improvements located thereon and any other operation, maintenance and repair obligations set forth in this Declaration or a Supplemental Declaration.

B. To obtain and maintain for the Master Association the policies of insurance set forth in Article XIII of this Declaration.

C. Maintenance of an adequate reserve fund for the performance of its obligations, including the maintenance, repairs and replacement of the Common Areas and Improvements located thereon and any other Improvements and facilities which the Association is obligated to operate, maintain and/or repair.

Section 7. Liability of Board Members and Officers: Neither any member of the Board nor any officers of the Master Association shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Master Association, the Board, its officers, a manager or any other representative or employee of the Master Association, provided that said Board member, officer, manager or other person has, upon the basis of such information as was available, acted in good faith without willful or intentional misconduct.

ARTICLE IV: LOCAL ASSOCIATIONS

Section 1. Creation by Declarant: Declarant may create Local Associations as profit or nonprofit corporations under the laws of the State of Idaho or may create such Local Associations as any unincorporated entity which Declarant deems appropriate. Declarant may, in its discretion, create a Local Association by means of a Supplemental Declaration, or create such an Association by means of separate instruments.

Section 2. Management, Powers and Duties: Each Local Association shall be managed in the manner specified in the applicable Supplemental Declaration or other instrument and/or in the Articles of Incorporation and the Bylaws of the Local Association, shall have the same powers, rights, obligations and duties and be subject to the same limitations and restrictions, including levying assessments, adopting rules and regulations, granting easements, managing property, paying expenses, taxes, assessments, utility charges, consulting fees and insurance premiums as are provided for herein for the Master Association, except as modified herein or by a Supplemental Declaration. The board members, officers, managers and Declarant shall be free of personal liability as to the Local Association in the same manner as described herein with respect to the Master Association.

Section 3. Membership: Where a Local Association is created, the members thereof shall be all the Owners of Lots, including Declarant, while it remains an owner, in the respective Properties designated in the applicable Supplemental Declaration or other instrument. Memberships may be transferred only as provided for memberships in the Master Association.

Section 4. Voting Rights: The Members of each Local Association shall have such voting rights as may be specified in the applicable Supplemental Declaration or other instrument and/or in the Articles of Incorporation and the Bylaws of the Local Association.

ARTICLE V: IRRIGATION WATER SUPPLY SYSTEM

Section 1. Water Association: Each lot shall have access to an irrigation water supply system, to be constructed, owned and operated in accordance with the provisions of that certain Declaration of Covenants, Conditions and Restrictions for the Pine 43 Irrigation Water Supply System recorded in the office of the County Recorder of Ada County, State of Idaho (the "Water Declaration") and the Articles of Incorporation and Bylaws of Pine 43 Water Association, Inc. (the "Water Association"), as the same may be amended from time to time.

Section 2. Membership in Water Association: It being recognized that pursuant to the provisions of the Water Declaration the Owners are entitled to membership in the Water Association; and it further being recognized that the Water Declaration provides that where a home owner or property owner association is legally formed having management authority over one or more Lots or Parcels, the Owners of said Lots and Parcels may, by a written instrument binding on such Owners, assign to the said home owner or property owner association the right to exercise such Owner's membership rights in the Association, including, without limitation, their respective voting rights, and the said home owner or property owner association may assume any duties or obligations of the Owners as are specifically set forth in such written instrument, including, without limitation, the obligation to pay assessments, and it being further recognized that the membership rights and duties in the Water Association will be most efficiently exercised by the Master Association for the benefit of the Owners, Declarant hereby declares that membership in the Water Association shall be and is hereby assigned to and shall be held by the Master Association and that the Board shall exercise all rights and powers and perform all duties and obligations arising out of such membership, including but not limited to the exercise of all voting rights. The Master Association shall be responsible to pay any assessments levied by the Water Association, except any initiation and transfer assessments, which shall remain the responsibility of each Owner and/or purchaser to pay as provided in the Water Declaration, and include the same in the Master Associations Water Assessments as provided in Article III Section 4, above.

ARTICLE VI: STORM WATER DRAINAGE AND RETENTION SYSTEMS

Section 1. Public System: The Ada County Highway District (ACHD) may be granted certain storm water, drainage, overflow and retention easements over those Lots and/or Common Areas on which Declarant has constructed storm water retention facilities to be owned, operated and maintained as set forth in such easements as specified in the applicable Operation and Maintenance Manual. The provisions of this Section shall be implemented by, and the maintenance responsibilities set forth in, a Supplemental Declaration applicable to that portion of the Properties in which any such easements are located.

Section 2. Private System: Declarant may construct certain private storm water drainage and retention facilities to be owned and operated by the Master Association as specified in

the applicable Operation and Maintenance Manual. The provisions of this Section shall be implemented by, and the maintenance responsibilities set forth in, a Supplemental Declaration applicable to that portion of the Properties in which any such facilities are located.

ARTICLE VII: EASEMENTS AND LICENSES

Section 1. Drainage and Utility Easements: This Declaration shall be subject to all easements heretofore or hereafter granted by Declarant for the installation and maintenance of utilities and drainage facilities and easements that are set forth on the Plat, or as may be required for the development of the Properties. In addition, Declarant hereby reserves to itself and for the benefit of the Association the right to grant additional easements and rights-of-way over the Properties, as appropriate, to utility companies and public agencies as necessary or expedient for the proper development of the Properties until close of escrow for the sale of the last Lot in the Properties to a purchaser.

Section 2. Improvement of Drainage and Utility Easement Areas: The Owners of Lots are hereby restricted and enjoined from constructing any Improvements upon any drainage or utility easement areas as shown on the Plat or otherwise designated in any recorded document which would interfere with or prevent the easement from being used for such purpose.

Section 3. Future Easements: An Association shall have the future right to provide for such easements across, upon and under the surface of its Common Area as platted herein as may be reasonably necessary to serve the interests and convenience of the property Owners of this subdivision for public or private ways, public utilities (including cable television), drainage, access, subterranean irrigation lines, eave and balcony overhangs.

Section 4. Encroachments: In the event that, by reason of the construction, settlement or shifting of the building, any part of any Dwelling Unit or drainage water from any Lot or Dwelling Unit encroaches or shall hereafter encroach upon any part of the Common Area or any adjacent Lot, easements for the maintenance of such encroachment and for such use of the areas encroached upon are hereby established and shall exist for the benefit of said Dwelling Unit, so long as all or any part of the buildings shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Area or adjacent Dwelling Units be created in favor of any Owner of such encroachment or use if it is detrimental to or interferes with the reasonable use and enjoyment of the property by other Owners and if it occurred due to the willful conduct of any Owner.

Section 5. Easement for Maintenance: The Declarant and any Association shall have a permanent easement to go upon the privately owned property of Owners in this subdivision to perform maintenance upon the Properties, the Common Area, any storm water drainage and retention systems, including, but not limited to, snow removal, lawn maintenance, utility service and drainage system maintenance, subterranean irrigation water system maintenance and perimeter fence maintenance, together with all rights of ingress and egress necessary for the full and complete use, occupation and enjoyment of the easements hereby reserved, and all rights and privileges incident thereto, including the right from time to time to cut, trim and remove trees, brush,

overhanging and other obstructions which may injure or interfere with the use, occupation or enjoyment of the reserved easement and the operation, maintenance and repair of utility service connections and drainage systems.

Section 6. Easement for Irrigation Water Supply System: The Declarant and the Water Association shall have a permanent easement for the construction, maintenance and repair of the irrigation water supply system and related pumps, pipes, and any other conveyancing apparatus in the utility, drainage and irrigation easements as depicted, described or set forth on the Plat. Subject to the provisions of Article V, above, Declarant reserves the right to make any reconfiguration of any portion of the irrigation water supply system which it determines, in its own discretion, to be necessary, expedient or desirable.

Section 7. Licenses: Declarant, as “Licensee”, may enter into license agreements with utility providers, governmental and quasi-governmental entities, irrigation and/or drainage districts, or other like entities (collectively a “Licensor”) which permit the Declarant to construct and install certain improvements on Licensor’s property or in Licensor’s right-of-way in or adjacent to the Subdivision, subject to the terms and conditions stated therein. Among other requirements, a License may require the Declarant to maintain all improvements constructed and installed pursuant to a License, to remove, relocate and/or modify the improvements if Licensor so requires, and to hold harmless and defend Licensor against all claims arising out of Declarant’s use of the licensed premises or Declarant’s failure to comply with the terms of the License. If such a License is granted, Declarant shall have the right, power and authority to assign to the Master Association all of Declarant’s rights, duties and obligations under the License, and the Master Association shall assume and perform all such rights, duties and obligations from and after the date of any such assignment. The provisions of this Section shall be implemented by, and the Master Association’s obligations shall be set forth in, a Supplemental Declaration applicable to that portion of the Properties in which any such facilities are located. In furtherance of the foregoing, the Master Association shall in all ways cooperate with the Declarant and execute, acknowledge and deliver any and all such further documents and instruments and do and perform any and all other acts as may be necessary to effect and carry out the said assignment and assumption, including, without limitation, executing any documents and instruments required by a Licensor for such purposes.

ARTICLE VII: MAINTENANCE RESPONSIBILITY

Section 1. Maintenance by Association. Except to the extent otherwise provided in a Supplemental Declaration, the Master Association or a local Association designated in any Supplemental Declaration shall provide maintenance to and be responsible for the Common Areas and improvements thereon, including any Association-owned streetlights, private streets and related private storm water system, and any public storm water drainage and retention system (as provided in Article VI, above, if applicable). In the event the need for maintenance or repair is caused through the willful or negligent act of an Owner, his family, guests or invitees, the costs of such maintenance or repairs shall be added to and become part of the assessment to which such Owner's Lot is subject. The designated Association shall have an easement for ingress, egress and maintenance as may be reasonably necessary to perform the maintenance duties of the Association.

Section 2. Maintenance by Owner. Except to the extent otherwise provided in an Supplemental Declaration, each Owner shall be responsible for maintaining and keeping in good order and repair the exterior of his Dwelling Unit and any private decks, fences (if permitted as herein provided), courtyards, landscaping and lawn contiguous to his Dwelling Unit, and any parking strip located between the sidewalk and the street adjacent to his Lot. Prior to the construction of a Dwelling Unit thereon, each Owner shall be responsible to keep his Lot in a neat and aesthetically pleasing condition, reasonably free of weeds and accumulation of rubbish and debris. In the event of damage or destruction of a Dwelling Unit by fire or other casualty, the owner must complete repair and/or replacement of the Dwelling Unit within one hundred twenty (120) days of the damage or destruction.

Section 3. Failure of Owner to Maintain. In the event an Owner shall fail or refuse to perform its maintenance or repair obligations as set forth herein, the Master Association or the applicable Local Association shall have the power to enter on to said Owner's Lot for the purpose of performing such maintenance or repairs as may be reasonably required and shall have the power to incur expenses therefore; provided, however, that the Board of Directors of the applicable Association shall have delivered to such Owner written notice at least seven (7) days in advance of performing such maintenance and repairs describing the maintenance or repairs required to be made and advising the Owner of the Association's intent to perform such maintenance and repairs if the Owner fails or refuses to do so within the time set forth in such notice. The cost incurred by the Association in performing such maintenance or repairs, together with interest thereon from the date of expenditure at the rate of two percent (2%) per month, shall be levied as a Limited Assessment.

ARTICLE IX: PROPERTY USE RESTRICTIONS

The following restrictions shall be applicable to the Properties and shall be for the benefit of and limitations upon all present and future Owners of said property, or of any interest therein:

Section 1. Lot Use: No Lot, with the exception of the Common Area, shall be used except for single-family residential purpose. Except as may otherwise be provided in a Supplemental Declaration, no Lot or the Common Area shall be used for the conduct of any trade, business or professional activity. All Lots and improvements constructed thereon must comply with all applicable governmental rules, ordinances, laws, statutes and regulations. The Owner of each Lot shall complete construction of a Dwelling Unit as permitted herein within two (2) years after the date of the first conveyance of a Lot to an Owner by Declarant.

Section 2. Animals: Except as is set forth in a Supplemental Declaration applicable to any portion of the Properties, no animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said property, except that two dogs, cats or other household pets may be kept within a Dwelling Unit or within a fenced area as may be approved by the Architectural Control Committee. Any animals outside a Dwelling Unit or fenced area must be on leashes, and the Owner or custodian of the animal shall be responsible for the immediate cleanup of the animal's droppings. The term "fenced area" as used in this paragraph shall be interpreted to include any electronic pet containment system; provided, however, that the boundary of any such system shall be approved by the Architectural Control Committee.

Section 3. Garbage and Refuse Disposal: No part of said property shall be used or maintained as a dumping ground for rubbish, trash or other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container. Any incinerators or other equipment for the storage or disposal of such material must not violate setback restrictions, must be enclosed with an aesthetic screen or fence, as may be approved by the Architectural Control Committee and shall be kept in a clean and sanitary condition.

Section 4. Nuisance: No noxious or offensive or unsightly conditions shall be permitted upon any part of said property, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No exposed antennae or satellite dishes shall be erected on the Properties without the prior approval of the Architectural Control Committee, which approval may be withheld in its sole discretion.

Section 5. Residing in Vehicles and Outbuildings: No trailer, truck camper, tent, garage, barn, shack or other outbuilding shall at any time be used as a residence temporarily or permanently on any part of said Properties.

Section 6. Parking and Storage of Vehicles and Equipment: Parking and storage of boats, trailers, motorcycles, trucks, truck campers, motorhomes, recreational vehicles, and like equipment, or junk cars or other unsightly vehicles, shall not be allowed on any Lot nor on public ways or Common Area adjacent thereto, except under such circumstances, if any, as may be prescribed in writing by, and in the sole discretion of the Board of Directors of the Master Association, which discretion may not be challenged for having been exercised unreasonably. All other parking of equipment shall be prohibited, except as approved in writing by the Board of Directions of the Master Association. Any vehicle awaiting repair or being repaired shall be removed from the subdivision within 48 hours.

Section 7. Sight Distance at Intersections: No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between three feet (3') and eight feet (8') above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points 30 feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten feet (10') from the intersection of a street property line with the edge of a driveway or alley pavement.

Section 8. Leasing Restrictions: Any lease (as defined below) between an Owner and his tenant shall provide that the terms of the lease shall be subject in all respects to the provisions contained in this Declaration, any applicable Association's Articles of Incorporation and its Bylaws, and that any failure by said tenant to comply with the terms of such documents shall be a default under such lease. For the purposes of this Declaration, a "lease" shall mean any agreement for the leasing or rental of a Dwelling Unit (including a month-to-month rental agreement); and all such Leases shall be in writing. Other than the foregoing, there is no restriction on the right of any Owner to lease his Dwelling Unit.

Section 9. Sewer Restrictions: All bathroom, sink and toilet facilities shall be located inside the Dwelling Unit or other suitable appurtenant building, and shall be connected by underground pipe to wet line sewer connection lines which have been provided to each Lot.

Section 10. Parking Rights: Any automobile or other vehicle used by any Owner shall be parked in the driveway or garage which is a part of his Dwelling Unit.

Section 11. Mail Boxes: All mail boxes will be of consistent design, material and coloration as required by Declarant or the Architectural Control Committee and shall be located on or adjoining building Lot lines and places designated by or Declarant or the Architectural Control Committee.

Section 12. Signs. No commercial billboard or advertising shall be displayed to the public view on or from any Lot. Owners may advertise a Dwelling Unit and Lot for sale by displaying a single, neat and standard sized sign on a Lot containing only such information as is required to indicate that the property is for sale. No other signs may be displayed on a Lot, including temporary signs advertising the names of the contractor, subcontractors, or financing institutions, unless such signs have been approved, in writing, by the Architectural Control Committee prior to installation.

ARTICLE X: BUILDING RESTRICTIONS

Section 1. Building Type and Size: With the exception of Common Area Lots and except as may otherwise be provided in a Supplemental Declaration applicable to that portion of the Properties as is identified therein, no buildings shall be erected, altered, placed or permitted to remain on any Lot other than single-family dwellings, which may not exceed forty feet (40') in height, and a private garage for two (2) or more motor vehicles.

Section 2. Setbacks: No improvements may be constructed or maintained on a Lot within the minimum building setback lines as provided for in a Supplemental Declaration applicable to any portion of the Properties as is identified therein.

Section 3. Construction Requirements: The construction requirements applicable to each Dwelling Unit shall be set forth in a Supplemental Declaration applicable to that portion of the Properties as is identified therein.

Section 4. Landscaping: Upon the earlier of substantial completion or occupancy of the Dwelling Unit located thereon, each Lot shall have installed thereon such landscaping improvements as are set forth in a Supplemental Declaration applicable to that portion of the Properties as is identified therein.

Section 5. Fences: Fences, including fences around swimming pools, dog runs or other uses, may be permitted under such circumstances, if any, as may be set forth in a Supplemental Declaration applicable to any portion of the Properties as is identified therein.

Section 6. Garages and Accessory Outbuildings: Garage, accessory and outbuildings to be located on a Lot shall be architecturally and visually compatible and harmonious with the principal building on the Lot as to style and exterior colors.

Section 7. Grading and Drainage: Each Owner shall be responsible to insure that the finish grade and elevation of his Lot is properly constructed so as to prevent the migration or accumulation thereon of drainage waters from the Common Area or any other Lots within the Properties. The Declarant shall have no liability or responsibility for any damages which may be caused as a result of the failure of an Owner to comply with the provisions of this Section.

Section 8. Maintenance During Construction: The following requirements shall apply during the construction of improvements on a Lot:

A. All job sites are to be kept as clean as possible during construction. A receptacle for trash and debris shall be located on the subject Lot and shall not be overfilled nor shall debris be permitted to be blown by wind, tracked by vehicles or otherwise be permitted to accumulate on the subject Lot or on surrounding Lots or Common Areas. All dirt, nails, gravel and other building materials must be removed from the street and sidewalk daily.

B. Vehicles belonging to workmen or used in the construction of the improvements on a Lot shall not be parked in front of occupied Dwelling Units or interfere with traffic on public or private streets.

C. Utilities, including power and water, shall not be taken from any other Lot without the approval from the Owner thereof.

D. All contractors and subcontractors shall be prohibited from keeping dogs at the job site.

E. Each Owner shall be responsible to repair any damage which may occur during the construction of any improvements to any road, mailbox, utility facility or other onsite or offsite improvement caused by the Owner or the Owner's agents or contractors.

In the event an Owner or an Owner's agent or contractor shall fail or refuse to comply with the maintenance requirements of this Section, the Declarant or an Association may take such remedial action as it deems appropriate, including but not limited to the cleanup of the Lot and surrounding areas, the costs of which may be added to and become a part of the assessment to which such Owner's Lot is subject.

ARTICLE XI: ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee: In order to protect the quality and value of the homes built on the Properties, and for the continued protection of the Owners thereof, an Architectural Control Committee is hereby established consisting of three or more members to be appointed by the Declarant for so long as Declarant owns any Lot, part, parcel or portion of the

Properties. Thereafter, the members of the Architectural Control Committee are to be appointed by the Board of Directors of the Master Association at each annual meeting of the Board.

Section 2. Approvals Required: No building, fence (including electric or electronic containment fences), wall, deck, patio, patio cover, window awning, sign, landscaping improvements or other structure of any type (hereinafter collectively referred to as "Improvements") shall be commenced, built, constructed, placed, or maintained upon any Lot, Common Area or other property, nor shall any exterior addition, change or alteration (hereinafter collectively referred to as "Alterations") of existing Improvements be made, until the plans and specifications showing the nature, kind, shape, configuration, height, materials, location and such other detail as the Architectural Control Committee may require, shall have been submitted to and approved in writing by the Architectural Control Committee as to harmony of external design and location in relation to surrounding structures and topography and as to conformity with requirements of this Declaration. In the event the Architectural Control Committee fails to approve, disapprove, or specify the deficiency in such plans, specifications and location within thirty days after submission to the Architectural Control Committee in such form as they may require, it shall be deemed approved.

The Architectural Control Committee shall have the right to refuse to approve any design, plan, material or color for such Improvements or Alterations which fail to conform to the requirements of this Declaration or, in its opinion, are not suitable or desirable for any reason, aesthetic or otherwise. In so passing on such design, the Committee shall have the privilege in the exercise of its discretion to take into consideration the suitability of the proposed Improvements or Alterations, the materials of which it is to be built, and the exterior color scheme in relation to the site upon which it is proposed to be erected. The Architectural Control Committee may also consider whether the design of the proposed Improvements or Alterations is in harmony with the surroundings, the effect of the Improvement or Alteration when viewed from adjacent or neighboring property, and any and all other facts which, in the Architectural Control Committee's opinion, shall affect the desirability of such proposed Improvement or Alteration. Actual construction shall comply substantially with the plans and specifications approved.

Section 3. Submissions: Requests for approval of the Architectural Control Committee shall consist of such documents and other materials as may be reasonably requested by the Architectural Control Committee including, without limitation, the following:

- A. Site Plan: A site plan showing the location of buildings and all other structures and improvements, including fences and walls on the Lot, Lot grading and drainage and all setbacks and other pertinent information related to the improvements; and
- B. Building Plan: A building plan which shall consist of the preliminary or final blueprints, elevation drawings of the north, south, east, and west sides, detailed exterior specifications for each building which shall indicate, by sample, if required by the Architectural Control Committee, all exterior colors, material and finishes, including roof, to be used.
- C. Landscape Plan: A landscape plan for that portion of the Lot to be landscaped which shall show the location, type and size of trees, plants, groundcover, shrubs,

berms and mounding, grading, drainage, sprinkler system, fences, free-standing exterior lights, driveways, parking areas and walkways.

Section 4. Rules and Regulations: The Architectural Control Committee is hereby authorized to adopt rules and regulations to govern its procedures and the requirements for making submissions and obtaining approval as the Committee deems appropriate and in keeping with the spirit of due process of law. The Architectural Control Committee is further hereby empowered to adopt such rules and regulations as it shall deem appropriate, consistent with the provisions of this Declaration, pertaining to: (i) matters of design, materials, colors, and aesthetic interests and (ii) the size, design, color, placement and permitted hours of display of any permanent or temporary signs, including, without limitation, marketing and directional signs. Any such rules and regulations may be amended from time to time, in the sole discretion of the Architectural Control Committee. The failure of the Architectural Control Committee to adopt any such rules and regulations shall not form the basis for an attack upon the exercise of Architectural Control Committee's discretion, it being the intent of this Declaration to provide the Architectural Control Committee with as broad discretion as is permissible under the law.

Section 5. Fees: The Architectural Control Committee may establish, by its adopted rules, a fee schedule for an architectural review fee to be paid by each owner submitting plans and specifications for approval. No submission for approval will be considered complete until such fee has been paid. Such fee shall not exceed such reasonable amount as may be required to reimburse the Architectural Control Committee for the costs of professional review of submittals and the services of a consultant to administer the matter to its completion, including inspections which may be required.

Section 6. Waiver: The approval of any plans, drawings or specifications for any structure, improvement, or alteration, or for any matter requiring the approval of the Architectural Control Committee, shall not be deemed a waiver of any right to withhold approval of any similar plan, drawing, specifications, or matters subsequently submitted for approval.

Section 7. Variances: The Architectural Control Committee may authorize variances from compliance with any of the architectural provisions of this Master Declaration, including restrictions on height, size, floor area, or placement of structures or other similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. However, no variances will be granted for construction of structures or improvements, including without limitation, manicured lawns, in the Common Areas. Such variances must be evidenced in writing, must be signed by at least two (2) members of the Architectural Control Committee, and shall become effective upon recordation in the office of the County Recorder of Ada County. If such variances are granted, no violation of the covenants, conditions or restrictions contained in this Master Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Master Declaration or any Supplemental Declaration for any purpose except as to the particular Lot and particular provision hereof covered by the variance, nor shall it affect in any way the owner's obligation to comply with all governmental laws and regulations affecting such owner's use of the

Lot, including but not limited to zoning ordinances or requirements imposed by any governmental or municipal authority.

Section 8. Liability: Neither the Architectural Control Committee nor any member thereof shall be liable to the Master Association, any Owner, or any other party, for any damage suffered or claimed on account of any act, action or lack thereof, or conduct of the Architectural Control Committee or any members thereof, so long as the Architectural Control Committee, or the respective members thereof, acted in good faith on the basis of information they then possessed.

Section 9. Certification by Secretary: The records of the Secretary of the Master Association shall be conclusive evidence as to all matters shown by such records and the issuance of a certificate of completion and compliance by the Secretary or Assistant Secretary of the Master Association showing that the plans and specifications for the improvement or other matters therein provided for have been approved and that said improvements have been made in accordance therewith, or a certificate as to any matters relating to and within the jurisdiction of the Master Association by the Secretary thereof, shall be conclusive evidence that shall fully justify and protect any title company certifying, guaranteeing or insuring title to said property, or any portion thereof or any lien thereon and/or any interest therein as to any matters referred to in said certificate, and shall fully protect any purchaser or encumbrancer from any action or suit under this Declaration. After the expiration of one (1) year following the issuance of a building permit therefor by municipal or other governmental authority, any structure, work, improvement or alteration shall, as to any purchaser or encumbrancer in good faith and for value and as to any title company which shall have insured the title thereof, be deemed to be in compliance with all the provisions hereof unless a notice of noncompliance executed by the Master Association shall have appeared of record in the office of the County Recorder of Ada County, State of Idaho, or unless legal proceedings shall have been instituted to enforce completion or compliance.

Section 10. Construction and Sales Period Exception: During the course of construction of any permitted Improvements on a Lot and during the period of time before the initial sale of any Lot and/or Dwelling Unit to an Owner, the restrictions (but not including sign restrictions) contained in this Declaration or in any Supplemental Declaration shall be deemed waived as to the said Lot, but only to the extent necessary, if at all, to permit such construction and sale of such Lot and/or Dwelling Unit; provided that, during the course of such construction and sales, nothing shall be done which will result in a violation of these restrictions upon completion of construction and sale. Further, Declarant shall have the right to select and use any individual Dwelling Units as models for sales purposes and, for so long as Declarant shall own any Lot, part, parcel or portion of the Properties, Declarant shall have the right to use any clubhouse or similar facility owned or to be owned by the Association as a sales and marketing office or for other such similar uses.

Section 11. Local Architectural Control Committee: The Declarant may, at its option, create a Local Architectural Control Committee for the property designated by a Supplemental Declaration. Upon its formation, all proposals, plans and specifications for improvements within the designated property requiring approval of the Architectural Control Committee described above must be submitted to the Local Architectural Control Committee for approval, rather than being submitted to the Architectural Control Committee. Thus, all proposals, plans and specifications for improvements require the approval of either the Architectural Control Committee or the Local

Architectural Control Committee, if such has been created, but not both such committees. Each provision of this Article shall apply to the Local Architectural Control Committee as if it were the Architectural Control Committee and to the Local Association as if it were the Master Association, except to the extent that such interpretation would be in conflict with the provisions of this Article.

ARTICLE XII: INSURANCE AND BOND

Section 1. Required Insurance: Each Association shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Idaho. The provisions of this Article shall not be construed to limit the power or authority of an Association to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder in such amounts and in such forms as an Association may deem appropriate from time to time.

- A. A multi-peril-type policy covering any Common Area improvements, providing as a minimum fire and extended coverage and all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost).
- B. A comprehensive policy of public liability insurance covering all of the Common Areas, commercial spaces and public ways in the Properties. Such insurance policy shall contain a severability of interest endorsement which shall preclude the insurer from denying the claim of a Dwelling Unit Owner because of negligent acts of an Association or other Owners. The scope of coverage must include all other coverage in the kinds and amounts required by private institutional mortgage investors for projects similar in construction, location and use. If the Properties contain more than one hundred (100) Units, coverage shall be for at least \$1,000,000 per occurrence, for personal injury and/or property damage.
- C. Workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of an Association in the amounts and in the forms now or hereafter required by law.

Section 2. Optional Insurance: Each Association may obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Idaho.

- A. Liability insurance affording coverage for the acts, errors and omissions of its directors and officers, including members of the Architectural Control Committee and other committees as may be appointed from time to time by the Board of Directors of such association in such amount as may be reasonable in the premises.
- B. Each Association may obtain bonds and insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the protection of the

Properties, including any personal property of the Association located thereon, its directors, officers, agents, employees and association funds.

Section 3. Additional Provisions: The following additional provisions shall apply with respect to insurance:

- A. Insurance secured and maintained by an Association shall not be brought into contribution with insurance held by the individual Owners or their mortgages.
- B. Each policy of insurance obtained by an Association shall, if possible, provide: A waiver of the insurer's subrogation rights with respect to the Association, its officers, the Owners and their respective servants, agents and guests; that it cannot be canceled, suspended or invalidated due to the conduct of any agent, officer or employee of the Association without a prior written demand that the defect be cured; that any "no other insurance" clause therein shall not apply with respect to insurance held individually by the Owners.
- C. All policies shall be written by a company licensed to write insurance in the state of Idaho and all hazard insurance policies shall be written by a hazard insurance carrier holding financial rating by Best's Insurance Reports of Class VI or better.
- D. Notwithstanding anything herein contained to the contrary, insurance coverage must be in such amounts and meet other requirements of the Federal Home Loan Mortgage Corporation.

ARTICLE XIII: CONDEMNATION

Section 1. Consequences of Condemnation: If at any time or times, all or any part of the Common Area shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply.

Section 2. Proceeds: All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "condemnation award," shall be payable to the Association owing the condemned Common Area.

Section 3. Apportionment: The condemnation award shall be apportioned among the Owners having an interest in the condemned Common Area equally on a per-Lot basis. The appropriate Association shall, as soon as practicable, determine the share of the condemnation award to which each Owner is entitled. Such shares shall be paid into separate accounts, one account for each Lot. Each such account shall remain in the name of the appropriate Association and shall be further identified by Lot number and the name of the Owner thereof. From each separate account, the Association, as attorney-in-fact, shall use and disburse the total amount of such accounts, without contribution from one account to the other, first to Mortgagees and other

lienors in the order of priority of their Mortgages and other liens and the balance remaining to each respective Owner.

ARTICLE XIV: ANNEXATION

Section 1. Time for Annexation; Land Subject to Annexation: Declarant hereby reserves the right to annex any abutting, adjoining or contiguous real property, into the project by recording a Notice of Annexation or Supplemental Declaration particularly describing the real property to be annexed and added to the project created by this Declaration, pursuant to the provisions of this Article.

Upon the recording of a Notice of Annexation containing the provisions set forth in this Section (which Notice may be contained within a Supplemental Declaration affecting such property), except as may be provided for therein, the covenants, conditions and restrictions contained in this Declaration shall apply to the added land in the same manner as if it were originally covered by this Declaration and originally constituted a portion of the project; and thereafter, the rights, privileges, duties and liabilities of the parties to this Declaration with respect to the added land shall be the same as with respect to the original land, and the rights, privileges, duties and liabilities of the Owners, lessees and occupants of Lots and Units within the added land shall be the same as in the case of the original land. Notwithstanding the foregoing, any Supplemental Declaration may provide a special procedure for amendment of any specified provision thereof, e.g., by a specified vote of only the owners of Dwelling Units within the area subject thereto. Any provision of a Supplemental Declaration for which no special amendment procedure is provided shall be subject to amendment in the manner provided in this Declaration.

Section 2. Procedure for Annexation: Any of the above-described real property may be annexed into the project by the recordation of a Notice of Annexation executed by Declarant and containing the following information:

- A. A reference to this Declaration, which reference shall state the date of recordation hereof and the Recorder's instrument number or the book and page of the official records of Ada County where this Declaration is recorded;
- B. An exact legal description of the added land;
- C. A statement that the provisions of this Declaration shall apply to the added land, except as set forth therein; and
- D. A statement of the use restrictions applicable to the annexed property, which restrictions may be the same or different from those set forth in this Declaration.

Section 3. De-annexation: Declarant may delete all or a portion of the property described on Exhibit A and any annexed property from the Properties and from coverage of this Declaration and the jurisdiction of the Master Association, so long as Declarant is the owner of all such property and provided that a Notice of De-annexation is recorded in the Office of the Ada County Recorder in the same manner as a Notice of Annexation. Members other than Declarant as

described above, shall not be entitled to de-annex all or any portion of the Properties except on the favorable vote of all members of the Association and approval of Declarant so long as Declarant owns any Lot, part, parcel or portion of the Properties.

ARTICLE XV: GENERAL PROVISIONS

Section 1. Enforcement: The Master Association or the applicable Local Association or any Owner or the owner of any recorded mortgage upon any part of said property, shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. In addition to the foregoing, the Association shall be entitled to impose a monetary penalty, not to exceed the sum of \$100 per day, against an Owner who has caused or permitted a violation of any of the restrictions, conditions or covenants contained herein, provided that: (a) a majority vote by the Board shall be required prior to imposing any fine on an Owner for a violation of any of the restrictions, conditions or covenants contained in this Declaration; (b) written notice by personal service or certified mail of the meeting during which such vote is to be taken shall be made to the Owner at least thirty (30) days prior to the meeting; (c) in the event the Owner begins resolving the violation prior to the meeting, no monetary penalty shall be imposed so long as the Owner continues to address the violation in good faith until fully resolved; and (d) no portion of any monetary penalty may be used to increase the remuneration of any member of the Board or agent of the Board. Any Owner challenging the monetary penalty imposed as provided herein, including any claim alleging defective notice, must commence legal action within one (1) year after the date of the imposition of the said penalty. Any monetary penalty imposed as provided herein shall be levied and collected by the Association as a Limited Assessment as provided in Article III, Section 3, above. In the event an Association or an Owner is required to initiate any action to enforce the provisions of this Declaration or in the event an Association retains legal counsel in connection with any of its methods of enforcement as set forth herein, the Association or the enforcing Owner shall be entitled to recover from the Owner against whom enforcement is sought, all attorney fees and costs incurred as a consequence thereof, whether or not any lawsuit is actually filed, and any such attorney fees and costs so incurred by an Association shall be added to and become a part of the assessment to which such Owner's Lot is subject. Failure by an Association, or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Amendment: The covenants and restrictions of this Declaration shall run with the land and shall inure to the benefit of and be enforceable by the Association or the legal Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. Except as otherwise provided herein, any of the covenants and restrictions of this Declaration, except the easements herein granted, may be amended at any time by an instrument signed by

members of the Master Association entitled to cast not less than sixty-six and two-thirds percent (66-2/3%) of the votes of membership; provided, however, that for so long as Declarant shall hold title to any Lot which is subject to this Declaration, neither this Declaration nor any part or provision hereof may be amended, modified or deleted, the effect of which in any manner modifies, reduces or eliminates any benefit, right or privilege of the Declarant, without the prior written consent of Declarant; and further provided that Declarant, acting alone, may amend this Declaration at any time that Declarant owns any real property subject hereto. Any amendment must be recorded.

Section 4. Assignment by Declarant: Any or all rights, powers and reservations of Declarant herein contained may be assigned to an Association or to any other person, corporation or other entity which is now organized or which may hereafter be organized and which will assume the duties of Declarant hereunder pertaining to the particular rights, powers and reservations assigned, and upon any such person, corporation, association or other entity evidencing its intent in writing to accept such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Subject to the forgoing, all rights of Declarant hereunder reserved or created shall be held and exercised by Declarant alone, so long as it owns any interest in any portion of said property.

Section 5. Governmental Rules and Ordinances: In the event any of the provisions of this Declaration are less restrictive than any governmental rule, regulation or ordinance, then the more restrictive governmental rule, regulation or ordinance shall apply. This Declaration is subject to all rules, regulations, laws and ordinances of all applicable governmental bodies. In the event a governmental rule, regulation, law or ordinance would render a part of this Declaration unlawful, then in such event that portion shall be deemed to be amended to comply with the applicable rule, regulation, law or ordinance.

IN WITNESS WHEREOF, the Declarant has caused its corporate name to be hereunto subscribed and its corporate seal affixed this 24th day of September, 2019.

DECLARANT:

C&O Development, Inc.

By 
Dennis M. Baker, President

EXHIBIT A

LEGAL DESCRIPTION OF RESIDENTIAL PROPERTY



J-U-B ENGINEERS, INC.

J-U-B COMPANIES



THE LANGDON GROUP



GATEWAY MAPPING INC.

Pine 43

Parcel 10

Boundary Description

Project Number 10-16-037 February 1, 2018

A parcel of land situated in the northwest quarter of Section 8, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, and being more particularly described as follows:

Commencing at the center quarter-section corner of Section 8, Township 3 North, Range 1 East, Boise Meridian;

Thence N89°54'57"W, 2649.69 feet to the west quarter-section corner of Section 8;

Thence N00°26'22"E, 1485.44 feet along the west line of the northwest quarter;

Thence S89°33'39"E, 291.61 feet to the POINT OF BEGINNING:

Thence continuing S89°33'39"E, 216.54 feet to the boundary of Pleasant Valley Subdivision (Book 12 of Plats at Page 665, records of Ada County, Idaho);

Thence S55°25'16"E, 314.50 feet along the boundary of Pleasant Valley Subdivision;

Thence S65°20'40"E, 214.62 feet along the boundary of Pleasant Valley Subdivision;

Thence S26°22'56"W, 115.98 feet;

Thence S28°14'17"W, 47.01 feet;

Thence S10°53'31"W, 79.88 feet;

Thence S30°30'44"W, 105.98 feet;

Thence S03°27'30"E, 28.83 feet;

Thence S38°26'39"W, 110.92 feet;

Thence S75°52'50"W, 24.24 feet;

Thence S39°10'56"W, 20.99 feet;

Thence 40.94 feet on a non-tangent curve to the left, concave southwesterly, having a radius of 300.00 feet, a central angle of 7°49'11", a chord bearing of N54°43'39"W, and a chord length of 40.91 feet;

Thence S00°26'20"W, 36.14 feet;





J-U-B ENGINEERS, INC.

Parcel 10 continued...

Thence N58°38'14"W, 120.03 feet;

Thence S89°33'42"E, 60.32 feet;

Thence N58°38'14"W, 86.35 feet;

Thence 75.55 feet on a curve to the right, having a radius of 180.00 feet, a central angle of 24°02'51", a chord bearing of N46°36'49"W, and a chord length of 74.99 feet;

Thence N34°35'24"W, 41.97 feet;

Thence 230.17 feet on a curve to the left, having a radius of 238.00 feet, a central angle of 55°24'38", a chord bearing of N62°17'42"W, and a chord length of 221.30 feet;

Thence N00°00'01"W, 439.19 feet to the POINT OF BEGINNING.

The above-described parcel contains 7.02 acres, more or less.

J-U-B COMPANIES



THE
LANGDON
GROUP



GATEWAY
MAPPING
INC.





J-U-B ENGINEERS, INC.

J-U-B COMPANIES



THE LANGDON GROUP



GATEWAY MAPPING INC.

**Pine 43
Parcel 11**

Boundary Description

Project Number 10-16-037 February 1, 2018

A parcel of land situated in the northwest quarter of Section 8, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, including a portion of Lot 7 of Pleasant Valley Subdivision (Book 12 of Plats at Page 665, records of Ada County, Idaho), and being more particularly described as follows:

Commencing at the center quarter-section corner of Section 8, Township 3 North, Range 1 East, Boise Meridian, which bears S89°54'57"E, 2649.69 feet from the west quarter-section corner of Section 8; Thence N00°30'07"E, 2653.05 feet along the east line of the northwest quarter to north quarter-section corner of Section 8; Thence N89°59'19"W, 1060.92 feet along the north line of the northwest quarter; Thence S00°32'33"W, 476.45 feet along the boundary of the Elliot Parcel (Record of Survey 3350, records of Ada County, Idaho), and the northerly extension thereof; Thence N89°42'07"W, 100.04 feet along the boundary of the Elliot Parcel to the east boundary of Lot 7 of Pleasant Valley Subdivision; Thence S00°33'12"W, 732.96 feet along the east boundary of Lot 7 of Pleasant Valley Subdivision and Elliott Park Subdivision (Book 82 of Plats at Pages 8914 and 8915, records of Ada County, Idaho), to the POINT OF BEGINNING:

Thence S89°41'51"E, 128.50 feet;

Thence S89°51'57"E, 68.50 feet;

Thence N88°41'35"E, 225.97 feet;

Thence S46°36'49"E, 28.43 feet;

Thence N88°40'26"E, 20.00 feet;

Thence 128.67 feet on a non-tangent curve to the right, concave westerly, having a radius of 1000.00 feet, a central angle of 7°22'20", a chord bearing of S02°21'36"W, and a chord length of 128.58 feet;

Thence S06°02'46"W, 103.05 feet;

Thence 229.29 feet on a curve to the right, having a radius of 400.00 feet, a central angle of 32°50'35", a chord bearing of S22°28'03"W, and a chord length of 226.16 feet;





J-U-B ENGINEERS, INC.

Parcel 11 continued...

J-U-B COMPANIES



THE
LANGDON
GROUP



GATEWAY
MAPPING
INC.

Thence 330.91 feet on a reverse curve to the left, having a radius of 500.00 feet, a central angle of 37°55'11", a chord bearing of S19°55'45"W, and a chord length of 324.91 feet;

Thence S00°58'10"W, 77.39 feet;

Thence 140.33 feet on a curve to the right, having a radius of 500.00 feet, a central angle of 16°04'51", a chord bearing of S09°00'35"W, and a chord length of 139.87 feet;

Thence N82°22'39"W, 152.26 feet;

Thence 192.08 feet on a curve to the left, having a radius of 1000.00 feet, a central angle of 11°00'20", a chord bearing of N87°52'49"W, and a chord length of 191.79 feet;

Thence 375.78 feet on a reverse curve to the right, having a radius of 700.00 feet, a central angle of 30°45'29", a chord bearing of N78°00'14"W, and a chord length of 371.28 feet;

Thence N62°37'29"W, 193.95 feet;

Thence 111.14 feet on a curve to the right, having a radius of 300.00 feet, a central angle of 21°13'33", a chord bearing of N52°00'43"W, and a chord length of 110.50 feet;

Thence 49.32 feet on a reverse curve to the left, having a radius of 300.00 feet, a central angle of 09°25'07", a chord bearing of N46°06'30"W, and a chord length of 49.26 feet;

Thence N39°10'56"E, 20.99 feet;

Thence N75°52'50"E, 24.24 feet;

Thence N38°26'39"E, 110.92 feet;

Thence N03°27'30"W, 28.83 feet;

Thence N30°30'44"E, 105.98 feet;

Thence N10°53'31"E, 79.88 feet;

Thence N28°14'17"E, 47.01 feet;

Thence N26°22'56"E, 115.98 feet to the boundary of Pleasant Valley
Subdivision;





J-U-B ENGINEERS, INC.

Parcel 11 continued...

J-U-B COMPANIES



**THE
LANGDON
GROUP**



**GATEWAY
MAPPING
INC.**

Thence S65°20'40"E, 374.41 feet along the boundary of Pleasant Valley Subdivision and partially along the boundary of Elliott Park Subdivision;

Thence S67°58'23"E, 196.52 feet along the boundary of Pleasant Valley Subdivision and Elliott Park Subdivision;

Thence N00°33'12"E, 456.87 feet along the boundary of Elliott Park Subdivision to the POINT OF BEGINNING.

The above-described parcel contains 16.36 acres, more or less.





J-U-B ENGINEERS, INC.

J U-B COMPANIES



THE LANGDON GROUP



GATEWAY MAPPING INC.

**Pine 43
Parcel 12**

Boundary Description

Project Number 10-16-037 February 1, 2018

A portion of Lots 4, 5, 6, & 7 of Pleasant Valley Subdivision (Book 12 of Plats at Page 665, records of Ada County, Idaho), situated in the northwest quarter of Section 8, Township 3 North, Range 1 East, Boise Meridian, City of Meridian, Ada County, Idaho, and being more particularly described as follows:

Commencing at the center quarter-section corner of Section 8, Township 3 North, Range 1 East, Boise Meridian, which bears S89°54'57"E, 2649.69 feet from the west quarter-section corner of Section 8;
Thence N00°30'07"E, 2653.05 feet along the east line of the northwest quarter to north quarter-section corner of Section 8;
Thence N89°59'19"W, 1060.92 feet along the north line of the northwest quarter;
Thence S00°32'33"W, 460.61 feet along the boundary of the Elliot Parcel (Record of Survey 3350, records of Ada County, Idaho), and the northerly extension thereof to the POINT OF BEGINNING:

Thence S89°41'51"E, 375.50 feet;

Thence S08°49'33"E, 32.94 feet;

Thence 147.32 feet on a curve to the right, having a radius of 500.00 feet, a central angle of 16°52'52", a chord bearing of S00°23'07"E, and a chord length of 146.78 feet;

Thence S08°03'19"W, 286.26 feet;

Thence 135.19 feet on a curve to the left, having a radius of 500.00 feet, a central angle of 15°29'30", a chord bearing of S00°18'34"W, and a chord length of 134.78 feet;

Thence S07°26'11"E, 57.68 feet;

Thence 106.64 feet on a curve to the right, having a radius of 1000.00 feet, a central angle of 6°06'37", a chord bearing of S04°22'53"E, and a chord length of 106.59 feet;

Thence S88°40'26"W, 20.00 feet;

Thence N46°36'49"W, 28.43 feet;

Thence S88°41'35"W, 225.97 feet;

Thence N89°51'57"W, 68.50 feet;





J-U-B ENGINEERS, INC.

Parcel 12 continued...

J-U-B COMPANIES



THE
LANGDON
GROUP



GATEWAY
MAPPING
INC.

Thence N89°41'51"W, 128.50 feet to the boundary of Elliott Park Subdivision (Book 82 of Plats at Pages 8914 and 8915, records of Ada County, Idaho);

Thence N00°33'12"E, 732.96 feet partially along the boundary of Elliott Park Subdivision and partially along the boundary of Lot 7 of Pleasant Valley Subdivision to the southwest corner of the Elliot Parcel;

Thence S89°42'07"E, 100.04 feet along the boundary of the Elliot Parcel;

Thence N00°32'33"E, 15.84 feet along the boundary of the Elliot Parcel to the POINT OF BEGINNING.

The above-described parcel contains 7.93 acres, more or less.

