

Recording Requested By and
When Recorded Return to:
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MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION is made on the date hereinafter set forth by Gardner Mace Ranch, L.C., a Utah limited liability company, hereinafter referred to as "Declarant."

RECITALS

A. Declarant is the owner of certain real property in Ada County, State of Idaho, hereinafter referred to as the "Property", more particularly described in Exhibit A attached hereto and known as the "Mace River Ranch Subdivision" ("Subdivision").

B. Mace River Ranch Subdivision is a residential development, which Declarant currently intends to develop in accordance with existing development approval obtained from the City of Eagle or any other development plans for which Declarant may, from time to time, obtain approval in the future. The Property may contain parcels for common use and enjoyment, including but not limited to ponds and streams, natural areas, private open space, pathways, park areas, landscaping, recreational facilities, private streets, drives and other amenities and facilities. Any development plans for the Property 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.

C. 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 Property. The Restrictions are designed to preserve the Property's value, desirability and attractiveness to insure a well-integrated, high-quality development, and to guarantee adequate maintenance of the Common Area, as defined below, and the improvements located thereon in a cost effective and administratively efficient manner.

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR MACE RIVER RANCH, Page 1

FINAL

D. Declarant desires to subject the above-described Property to certain Restrictions for the benefit of the Property and its present and subsequent Owners as hereinafter specified, and will convey the Property subject thereto.

NOW, THEREFORE, Declarant hereby declares that all of the Property 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 Property 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 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 Property, 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:

1.1 **"100' Floodway Setback"** shall mean that portion of any Lot that is subject to additional setback and development restrictions because it is within 100' of the edge of the designated floodway.

1.2 **"Approved Builder"** is defined in Article XIV.

1.3 **"Approved Builder List"** is defined in Article XIV.

1.4 **"Architectural Control Committee"** is defined in Article XIV.

1.5 **"Articles"** shall mean the Articles of Incorporation of any Association.

1.6 **"Assessments"** shall mean and refer to any amount levied against any Lot by an Association, including Regular, Special or Limited Assessments as provided in this Master Declaration.

1.7 **"Association"** shall mean and refer to the Master Association, and/or a Sub Association, whichever is appropriate in the context.

1.8 **"Board"** shall mean and refer to the duly elected and qualified board of directors of the Master Association.

1.9 **"Bylaws"** shall mean the corporate bylaws of any Association.

1.10 **"Common Area"** shall mean all real property and Improvements thereon (including private streets, drives, parking areas, recreational facilities and waterways) owned by an Association for the common use and enjoyment of the Owners.

1.11 **"Declarant"** shall mean and refer to Gardner Mace Ranch, L.C., a Utah limited liability company, its successors and assigns, subject to the provisions of Section 20.6 below, its assigns.

1.12 **"Development Agreement"** shall mean that certain Development Agreement encumbering the Property executed by Declarant in favor of the City of Eagle, Idaho, and recorded on March 18, 2013 as Instrument No. 1130291195 in the Official Records of Ada County, Idaho, as may be amended from time to time, which Development Agreement facilitated the rezoning of the Property and the development of the Subdivision as set forth herein.

1.13 **"Dwelling"** shall mean that portion or part of any structure intended to be occupied by one family as a residence, together with the attached vehicular parking garage, and all projections therefrom.

1.14 **"First Mortgagee"** shall mean any Mortgagee possessing a lien on any Dwelling first and prior to any other Mortgage.

1.15 **"Improvements"** shall mean any structure constructed on any Lot or any improvement to a Lot, including, but not limited to Dwellings buildings, driveways, landscaping, sidewalks, pathways walls, fences, screens, patio covers, window awnings, poles, signs or lighting permitted hereunder. Improvements shall not include modifications to the interior of a building or other enclosed structure that is not readily visible from the outside.

1.16 **"Institutional Holder"** shall mean a Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

1.17 **"Irrigation Water Supply System"** shall mean a group of components used in diverting, supplying and distributing irrigation water to all or portions of the Property.

1.18 **"Lot" or "Lots"** shall mean and refer to any lot or parcel shown upon any recorded Plat or any approved and recorded record of survey creating legal parcels adjacent to the Property.

1.19 **"Master Association"** shall mean and refer to Mace River Ranch Homeowners' Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

1.20 **"Master Declaration"** shall mean and refer to this Master Declaration of Covenants, Conditions and Restrictions or any Supplemental Declaration applicable to the Property, or any portion thereof, recorded in the office of the County Recorder of Ada County, State of Idaho.

1.21 **"Member"** shall mean and refer to each person or persons holding a membership interest in the Master Association.

1.22 **"Mortgage"** shall mean any mortgage, deed of trust or other security instrument by which a Dwelling or any part thereof is encumbered.

1.23 **"Mortgagee"** shall mean any person or any successor to the interest of such person named as the mortgagee, trust beneficiary or creditor under any Mortgage.

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

1.25 **"Plat"** shall mean any subdivision plat covering any portion of the Property as recorded at the Office of the County Recorder, Ada County, Idaho, as the same may be amended by duly recorded amendments thereof.

1.26 **"Property"** shall mean and refer to that certain real property described in Exhibit A.

1.27 **"Sub 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 Master Declaration or a Supplemental Declaration for any purposes authorized thereunder.

1.28 **"Supplemental Declaration"** shall mean any Supplemental Declaration including additional covenants, conditions and restrictions that might be adopted with respect to any portion of the Property, including but not limited to those applicable to a portion or an entire phase of development.

1.29 **"Waterway" or "Waterways"** shall mean any surface water amenity, including, without limitation, any lake, pond, channel, slough, stream, or reservoir, natural or artificial, the banks thereof and adjacent landscaping, including pumps, pipes and other conveyancing apparatus used in connection therewith which is located on the Property and which is included within or managed as Common Area.

ARTICLE II

RESERVATION OF RIGHTS; ACKNOWLEDGEMENT OF RIGHTS

2.1 **Agricultural Uses.** Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), is deemed to acknowledge that agricultural traffic may use the public streets within the Property for access to and from Eagle Road to parcels not within the Property. Each Owner is deemed to further acknowledge that agricultural activities surrounding the Property, which may include noise from farm equipment, may occur at any time (24 hours a day).

MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH, Page 4

FINAL

2.2 Reservations by Declarant. Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), is deemed to acknowledge that Declarant has expressly conveyed, reserved, created and granted the following rights, interests, and easements for itself and, as it determines appropriate, for the Association:

2.2.1 Except for water rights specifically transferred in writing to the Association, Declarant hereby reserves for and to Declarant all water rights and all entitlements to receive water that have been placed to beneficial use upon the Property or are appurtenant to or associated with the Property, 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. Each Owner acknowledges that it does not have any right, title or interest in any such water or water rights or ditch or canal company or other water company shares or rights.

2.2.2 A permanent easement for the purpose of permitting the Declarant or the Association, their contractors and agents, to enter onto those portions of Lots contiguous to any Common Area to operate, maintain, repair, replace and restore landscaping and other Improvements within the Common Area, including, but not limited to, any sprinkler irrigation system which may be installed to irrigate any landscaping located within the Common Area or any Common Area easement as shown on the recorded Plat for the Subdivision.

2.2.3 A permanent easement for the purpose of permitting the Declarant or the Association, their contractors and agents, to enter onto those portions of Lots contiguous to any Waterway, whether located on Common Area or on any privately owned Lot for purposes of maintaining any Waterway or Common Area, to operate, maintain, repair, replace and restore landscaping, any facility required for a Waterway of Common Area, and other Improvements within the Waterway, or the Common Area. The scope of such easement shall be as depicted upon any Plat and in no event shall be less than (a) ten feet (10') in width along any boundary of a Lot adjacent to a Waterway or Common Area or (b) ten feet (10') from the high water point of any Waterway regardless of where such Waterway is located on any Lot. Declarant further reserves to both itself and to the Association, the right to reconfigure any Waterway which it determines to be necessary, expedient or desirable in its sole and absolute discretion.

2.2.4 A permanent easement over, across, under and through the Property for the construction, operation, maintenance, repair and replacement of the Irrigation Water Supply System as shown on the Plat. This permanent easement shall also include the right of ingress and egress from the easement over, under and across each Lot in which the easement is located to perform maintenance and repair, together with all rights necessary for the full and complete operation of the Irrigation Water Supply System.

2.2.5 Declarant reserves, creates, and grants all easements depicted and created on any recorded Plat for any portion of the Property, hereinafter depicted. The purpose of this reservation and grant is to ensure the creation of all such depicted easements for the purpose otherwise indicated on a Plat for any portion of the Property.

2.2.6 Declarant reserves the absolute right to grant and convey the right to the use and enjoyment of the Common Area to individuals and entities that are not Owners of a Lot upon such conditions as Declarant deems appropriate in its sole and absolute discretion. Declarant agrees to document such grants in writing and to provide notice of such to the Association. The Association shall not interfere with or seek to limit such use and enjoyment of the Common Area granted by the Declaration.

2.3 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:

2.3.1 The right of an Association to charge reasonable maintenance and other fees for the use of, as well as the maintenance and operation of, any Improvements, landscaping or recreational facility situated upon the Common Area.

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

2.3.3 The right of an Association to suspend an Owner's voting rights and right to use the recreational facilities for any period not to exceed sixty (60) days for any infraction of its published rules and regulations.

2.3.4 The right of an Association to limit the number of Members permitted to use the Common Area.

2.3.5 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.

2.3.6 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 upon all or a portion of the Common Area that it owns, 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.

2.3.7 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 two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly held for this purpose.

2.3.8 The right of the Board 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.

2.4 Delegation of Use: Any Member may delegate, in accordance with the rules and regulations adopted from time to time by the Board of an Association, 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.

ARTICLE III MASTER ASSOCIATION

3.1 Membership. Every Owner, including Declarant, of a Lot which is subject to assessment shall be a "Member" of the Master Association. The foregoing is not intended to include persons or entities that 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. Any attempt to make a prohibited transfer of a membership shall be void and shall not be reflected on the books of the Association. 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 Lot shall terminate or be transferred.

3.2 Voting Rights. The Master Association shall have two (2) classes of voting membership:

3.2.1 Class A: Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be the Member entitled to exercise the rights. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot, and fractional voting shall not be allowed. The vote of a Member whose Lot is being sold under contract of purchase shall be exercised by the contract buyer, unless the contract expressly provides otherwise.

3.2.2 Class B: Class B Member(s) shall be the Declarant and any successor(s) in title to any Lot(s) to whom Declarant has assigned in a recorded instrument all of its rights as Declarant hereunder, and shall be entitled to ten (10) votes for each Lot owned. The Owner of any Lot or any number of Lots shall not be a Class B Member absent such written assignment. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first:

3.2.2.1 When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

3.2.2.2 Upon the Change of Control Date as defined in Section 20.7, terminating and converting all of the Class B membership to Class A membership.

3.2.3 Quorum of Members at Meeting of Members. The presence at any meeting requiring action by the Members of the Master Association, of twenty percent (20%) of the Members, in person or by proxy, of those represented by their presence or proxy at a duly noticed meeting 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, such subsequent meeting not to be held more than sixty (60) days following the preceding meeting. The departure of, or refusal to participate, or recusal of any Member shall not cause a quorum to be lost once a quorum exists at any meeting. For purposes of establishing a quorum, no proxy may be revoked once a quorum is established.

3.3 Powers of 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 Articles, the Bylaws or this Master Declaration. The Master Association shall be directed by directors and officers chosen in accordance with the Articles, Bylaws or this Master 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 Articles, Bylaws or this Master 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 Area and the performance of the duties of the Association and other responsibilities set forth in this Master Declaration, including, but not limited to, the following:

3.3.1 Assessments. The power to determine the amount of and to levy Regular, Special and Limited Assessments on the Owners and/or Lots and to enforce payment thereof in accordance with the provisions of this Master Declaration.

3.3.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owner(s) who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Articles, Bylaws, or Master Declaration and to enforce by mandatory injunction or otherwise, all provisions thereof.

3.3.3 Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to pay to such manager such compensation as shall be reasonable.

3.3.4 Liability of Board Members and Officers. Neither any member of the Board nor any officers of the 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 Association, the Board, its officer, a manager or any other representative or employee of the Association, or the Architectural Control Committee, 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.

3.3.5 Association Rules. The Association has the power to adopt, amend, and repeal such rules and regulations, as the Association deems necessary. Such rules shall govern the use by Owners, their tenants, guests, and any other person of Common Area and other property owned or controlled by the Association; provided, however, Association rules shall not discriminate among Owners and shall not be inconsistent with the Articles, Bylaws or this Master Declaration. A copy of Association rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. Upon such mailings said Association rules shall have the same force and effect as if they were set forth in and were part of this Master Declaration. In the event of any conflict between an Association rule and any provision of the Articles, Bylaws or this Master Declaration, the conflicting provisions of the Association rules shall be deemed superseded to the extent of any such inconsistency.

3.3.6 Emergency Powers. The Association, or any person authorized by the Association, may enter onto any Lot, Improvement, or other structure on a Lot in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which it is responsible. Such entry shall be made with as little inconvenience to the occupants as practicable and any damage caused thereby shall be repaired by the Association unless said entry was necessitated by a condition caused by the Owner or occupant.

3.3.7 Licenses, Easements, and Rights of Way. The power to grant and convey to any third party such licenses, easements, rights-of-way or fee title in, on, through, under or of the Common Area or any easement reserved by the Declarant or granted to the Association hereunder over any portion of the Property as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment thereof and for the preservation of health, safety, convenience and welfare of the Owners, for the purpose of constructing, erecting, operating or maintaining:

3.3.7.1 Underground lines, cables, wires, conduits and other devices for the transmission of any utility or other service.

3.3.7.2 Public sewers, storm drains, water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes.

3.3.7.3 Any similar public or quasi-public Improvements or facilities.

3.3.7.4 Any common facility, portion of the Common Area, or Waterway, where such common facility, Common Area, or Waterway are located whether located on the Common Area or upon a Lot owned by an Owner.

3.3.8 Establishment of Fines and Fees. The Board shall have the power to impose a schedule of fines and fees and to assess such in accordance with the procedures for establishing Association rules as set forth above, provided, however, that the Board shall not impose any fine for any violation of this Master Declaration or Association rule unless and until it

has provided notice and an opportunity to cure pursuant to Section 20.3 is afforded for any such violation.

3.3.9 Fiscal Year. The Board shall have the right to elect a fiscal year for the Association instead of a calendar year for budget, Assessment and accounting purposes.

3.4 Duties of Association. In addition to the powers delegated to it by the Articles, Bylaws and this Master Declaration, without limiting the generality thereof, the Association or its authorized agents, if any, shall have the obligation to conduct all business affairs of common interest to all Owners and to perform each of the following duties:

3.4.1 Operation and Maintenance of Common Area. Perform, or provide for the performance of, the operation, maintenance and management of the Common Area and landscape easement areas, if any, owned or controlled by the Association, including the repair and replacement of property or Improvements thereon damaged or destroyed by casualty loss, and the maintenance, management, repair or replacement all other property owned or controlled by the Association.

3.4.2 Taxes and Assessments. Pay all real and personal property taxes and assessments levied against the Common Area owned or controlled by the Association or against the Association and/or any property owned by the Association. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring payment is posted prior to the sale or the disposition of any property to satisfy the payment of such taxes. In addition, the Association shall pay all other taxes, federal, state or local, including income or corporate taxes, levied against the Association in the event that the Association is denied the status of a tax exempt corporation.

3.4.3 Utilities. Acquire, provide and/or pay for water, sewer, refuse collection, electrical, telephone, gas and other necessary services for the Common Area owned or controlled by the Association.

3.4.4 Insurance. Obtain, from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the following policies of insurance:

3.4.4.1 Fire insurance, including those risks embraced by coverage of the type now known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreement amount basis for the full insurable replacement value of all Improvements, equipment, fixtures and other property located within the Common Area owned or controlled by the Association, including such equipment, fixtures and other property not located in the Common Area, if the same are used or necessary for the use of the Common Area or easement areas under the control of the Association.

3.4.4.2 Comprehensive public liability insurance insuring the Association, the Board, the officers, the Declarant and the individual Owners and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the Common Area owned by the Association or easement areas under the control of the Association. The limits of liability of such coverage shall be as determined by the Board.

3.4.4.3 If elected by the Board, full coverage directors and officers liability insurance in an amount determined by the Board.

3.4.4.4 Such other insurance, including workmen's compensation insurance to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association's functions or to insure the Association against any loss from malfeasance or dishonesty of any person charged with the management or possession of any Association funds or other property.

3.4.4.5 The Association shall be deemed a trustee of the interests of all Owners in any insurance proceeds paid to it under such policies, and shall have full power to receive their interests in such proceeds and to deal therewith.

3.4.4.6 Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

3.4.4.7 Notwithstanding any other provision herein to the contrary, the Association shall continuously maintain in effect such casualty, liability and other insurance and a fidelity bond meeting the insurance and fidelity bond requirements for PUD projects established by Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA") and the Federal Home Loan Mortgage Corporation ("FHLMC"), so long as any of which is a Mortgagee or Owner of a Lot within the Subdivision, except to the extent such coverage is not available or has been waived in writing by FNMA, GNMA or FHLMC, as applicable.

3.4.5 Administration Fees - Costs. Pay to the Declarant, so long as the Declarant manages the Association, all actual out of pocket costs paid or incurred by the Declarant in the management and administration of the affairs of the Association plus an administrative fee equal to ten percent (10%) of the total income received by the Association, which administrative fee shall be compensation to the Declarant for the services provided to the Association.

3.4.6 Identification Signs. Maintain, repair and replace all permanent entry and special identification signs for the Subdivision, whether the same is located within or without the boundaries of the Subdivision.

3.4.7 Cluster Mailboxes. Maintain, repair or replace, the cluster mailboxes, if utilized and located within the Subdivision, as required.

3.4.8 Rule Making. Make, establish, promulgate, amend and repeal Association rules as set forth in Section 3.3.5.

3.4.9 Architectural Control Committee. Appoint and remove members of the Architectural Control Committee, all subject to the provisions of this Master Declaration.

3.4.10 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Master Declaration, as may be reasonably necessary to enforce any of the provisions of this Master Declaration and the Association rules.

3.4.11 Preservation of Common Area. Take such steps as it deems necessary to prevent those persons not authorized by this Master Declaration to use the Common Area from using the Common Area for ingress, egress, parking, recreation or any other purpose. Such steps shall include, without limitation, posting the property with such notices as may be appropriate and taking any legal action as may be necessary to prevent such use.

3.5 Quorum Requirements for Board. A majority of the individual members of the Board shall constitute a quorum for the transaction of business by the Board, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. If the required quorum is not present, the meeting may be rescheduled by the Board for a date not later than thirty (30) days after the date of initial meeting. The departure of, or refusal to participate, or recusal of any member of the Board shall not cause a quorum to be lost once a quorum exists at any meeting.

3.6 Appeal and Hearing Rights. Actions by the Architectural Control Committee and the Association as set forth herein shall be subject to the following appeal and hearing provisions.

3.6.1 Hearing by Architectural Control Committee. An Owner submitting an application to the Architectural Control Committee, or served with a written notice of deviation or violation by the Architectural Control Committee, shall have the right to request and be heard at a hearing held by the Architectural Control Committee for the purpose of presenting facts and information to the Architectural Control Committee. Such hearing must be requested by such party within ten (10) days from the date the written notice of the decision of the Architectural Control Committee is mailed to the Owner as evidenced by the records of the Architectural Control Committee. The hearing shall be held within ten (10) days following receipt by the Architectural Control Committee of the request for a hearing, unless the Architectural Control Committee shall extend said period of time because of the unavailability of Architectural Control Committee members. A hearing may be continued by the Architectural Control Committee for the purpose of further investigation or to receive additional evidence. Upon completion of the hearing, the Architectural Control Committee shall issue a written opinion to the involved parties within ten (10) days thereafter which opinion shall set forth the findings of the Architectural Control Committee with respect to the matters at issue and shall affirm, modify or rescind its previous decision as contained in the original written notice.

3.6.2 Appeals. An Owner shall have the right to appeal to the Board (a) a decision of the Architectural Control Committee on an application with respect to the conditions imposed thereon or a denial thereof, or a decision of the Architectural Control Committee adverse to the Owner reached following a hearing held pursuant to Section 3.6.1 or (b) any other action by the Association to enforce the provisions of this Master Declaration upon receipt of notice of any violation pursuant to Section 20.3 hereof ("Notice of Violation"). A notice of appeal shall be in writing and shall be delivered by mail to the Secretary of the Board within ten

(10) days from the date of the decision by the Architectural Control Committee or Notice of Violation. Said notice of appeal shall be dated and shall contain the name of the Owner and a copy of the written decision or determination of the Architectural Control Committee or the Notice of Violation. The failure of an Owner to appeal in the manner and within the time herein provided shall terminate all rights of said Owner to appeal said decision and it shall be binding and enforceable. The Board shall fix a date for the hearing of such an appeal which date shall be no later than ten (10) days from the date of receipt of a notice of appeal unless extended by the Board because of the unavailability of Board members. The Owner shall be advised of the time and place of the hearing by a mailed written notice. Written notice of time and place for hearing shall also be served by mail upon each member of the Architectural Control Committee. The Board may require the Owner to provide additional information to facilitate the Board's decision and the failure of such party to comply promptly with such a request shall entitle the Board to deny the appeal, in which event the decision by the Architectural Control Committee or the Notice of Violation shall be considered final and not subject to further appeal. At the hearing the Owner shall present their position to the Board. The Architectural Control Committee or the agent issuing the Notice of Violation shall also have the opportunity to be heard and to participate in the appeal hearing. The order of presentation and the evidence to be admitted shall be solely within the discretion of the Board provided, however, that the participating parties shall have the opportunity to question and cross examine witnesses presented by the other and to present final argument consistent with rules adopted by the Board for such hearing process. Any party may be represented by an attorney at any hearing by the Architectural Control Committee or the Board. Upon receiving all of the evidence, oral and documentary, and following the conclusion of the hearing, the Board shall retire to deliberate and shall reconvene at a time and place determined by the Board, at which time the Board shall cast its official ballot and the decision shall be duly recorded in the minutes of the meeting. The Owner shall be given written notice of the decision which shall be deemed given when deposited in the United States mail, postage prepaid and properly addressed. A decision of the Board of an appeal of a decision of the Architectural Control Committee or Notice of Violation shall be final and shall not be subject to reconsideration or further appeal.

ARTICLE IV **ASSESSMENTS**

4.1 Covenant to Pay Assessments. Each Owner hereby, and by acceptance of a deed to a Lot, covenants and agrees to pay when due all Regular Assessments, Special Assessments, and Limited Assessments or charges made by the Association or a Sub Association of which the Owner is a Member. All Assessments, together with interest, costs and reasonable attorneys' fees which may be incurred in collecting the same, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made, and shall be also the personal obligation of the Owner of such Lot at the time when the Assessment becomes due and payable. The personal obligation for delinquent Assessments shall not pass to an Owner's successors in title unless it is expressly assumed. No Owner may waive or otherwise avoid liability for any Assessment by non-use of the Common Area or by abandonment of his Lot.

4.2 Regular Assessments. Regular Assessments shall be made by the Association in such amounts and at times and intervals deemed appropriate by the Board. The Regular Assessments shall be based upon advance estimates of cash requirements as determined by the Board for the maintenance and operation of the Common Area, owned or controlled by the Association and for the performance by the Association of its other duties and responsibilities. Such estimates may include, but shall not be limited to, expenses of management, taxes and special assessments of local governmental units, premiums for all insurance which the Association is required or permitted to maintain hereunder, landscaping and care of grounds, lighting, water charges, trash collection, sewage charges, repair and maintenance, reasonable fees for legal, management, or accounting services, and any deficit remaining from previous periods and the creation of a reserve, surplus and/or sinking fund(s). The Board shall fix the amount of the Regular Assessment against each Lot at least thirty (30) days in advance of each Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto.

4.3 Limitations upon Regular Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the initial Regular Assessment by the Master Association shall not exceed One Thousand Five Hundred Dollars, and No/100s (\$1,500). The Irrigation Assessment set forth in Section 7.3 shall be in addition to and not subject to this limitation.

4.3.1 From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, Regular Assessments imposed by the Master Association may be increased each year not more than ten percent (10%), or the maximum percentage increase allowable by FNMA (whichever is greater), above the initial Regular Assessment as set forth above.

4.3.2 From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, Regular Assessments may be increased above the limit set forth in the preceding paragraph by a vote 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 by the Master Association.

4.3.3 The Board may fix the annual assessment at an amount not in excess of the maximum; and said assessments shall be payable to the Master Association in regular annual, semiannual, or quarterly installments as may be determined by the Board.

4.4 Special Assessments. In addition to Regular Assessments, provided that two-thirds (2/3) of the votes of each class voting in person or by proxy at an annual or special meeting duly called for the purpose of approving a Special Assessment vote to approve the Special Assessment, the Association may levy at any time a Special Assessment payable over such period as the Board may deem appropriate for the following purposes:

4.4.1 To defray, in whole or in part, the cost of any construction or reconstruction of Improvements on a Common Area, unexpected repair or replacement of a Common Area or any facility located thereon or an easement area controlled by the Association,

the furnishing of a special service or services (other than those appropriate for a Limited Assessment), or for any other expenses incurred or to be incurred as provided in this Master Declaration.

4.4.2 To cure a deficit in the common and ordinary expenses of the Association for which Regular Assessments for a given calendar or fiscal year are or will be inadequate to pay, as determined by the Board.

4.5 Limited Assessments. Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), is deemed to acknowledge that in addition to Regular Assessments and Special Assessments, in the event of an Owners' default under this Master Declaration, the Association, after having provided notice and an opportunity to cure pursuant to Section 20.3, below, shall have the power to impose and the Owner shall have the obligation to pay Limited Assessments as follows:

4.5.1 Limited Purpose. The Association shall have the power to levy a Limited Assessment against Owners and Lots for any limited special purpose, which the Board believes necessary with respect to certain Lots but not an appropriate expense for payment by the Association.

4.5.2 Maintenance and Repair. The Association shall have the power to incur expenses for maintenance and repair of any Lot or any Improvements on a Lot, if such maintenance and repair is necessary, in the opinion of the Board, to protect the Common Area or any other portion of the Subdivision, and if the Owner of said Lot has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity thereof has been delivered by the Board to said Owner. Limited Assessments for maintenance of a Lot shall be authorized pursuant to Section 12.3 below. The Board shall perform all such work specified in the written notice provided to the Owner of the Lot and shall levy a Limited Assessment against the Owner of the Lot owned by said Owner to pay for the cost of such maintenance and repair, and any other cost or expense, including attorneys' fees and management fees, arising out of or incident to such maintenance and repair and the Assessment therefor.

4.5.3 Correction of Violations. In addition to maintenance and repair, the Board, upon the failure or refusal of an Owner to correct a violation of this Master Declaration or the Architecture Control Committee Standards after completion of the initial development and construction of Improvements on a Lot, shall have the power to correct any such violation on a Lot or any Improvement on a Lot, and incur costs necessary in connection therewith. The cost of such corrective action, together with interest, related expenses, management fees and attorneys' fees shall be assessed and collected as set forth in this Article IV and Article V of this Master Declaration. Consistent with the provisions of this Master Declaration, the Board may impose fines in lieu of undertaking correction of any violation.

4.6 Commencement of Regular Assessments. Regular Assessments of the Association against each Lot shall commence on the date of the closing of the first sale of a Lot to an Owner. However, the Association may waive Regular Assessments until the Association

determines that such Regular Assessments are necessary to the Association. Provided, however, that no Lot owned by the Declarant shall be assessed a Regular Assessment or Special Assessment.

4.7 Initial Assessment and Transfer Assessment. The following Special Assessments shall be levied against each Lot as set forth herein. At the closing of the initial sale of each Lot by the Declarant, an "Initial Assessment" in the amount of Five Hundred Dollars (\$500.00) shall be collected from the purchaser of the Lot as payment to the Association for the set up costs and the maintenance of the Common Area and landscape easements to be maintained by the Association. Upon the transfer of ownership of a Lot by an Owner to a third party, a "Transfer Assessment" in the amount of Two Hundred Dollars (\$200.00) shall be payable by the Owner as payment to the Association to fund the costs associated with the conveyance for the time of the Association confirming payment of prior assessments and to reflect the modification to the Association's records to evidence the conveyance, provided, however, that no Transfer Assessment shall be payable if the Lot was purchased by a builder from the Declarant and the Lot was thereafter sold or transferred to a third party within one (1) year.

4.8 Uniform Rate of Assessment. Except as expressly provided to the contrary in this Master Declaration, Regular Assessments and Special Assessments of the Association shall be fixed at a uniform rate for all Lots. Limited Assessments imposed pursuant to Section 4.5 above shall not be subject to the requirements of this Section.

4.9 Assessment Due Date. The due dates for Regular Assessment or Special Assessment shall be the last day of the first month of the calendar quarter for which assessments are due pursuant to Section 4.3.3, unless some other due date is established by the Board. Limited Assessments shall be paid within ten (10) days of the date that the Board invoices the Owner of the Lot upon which a Limited Assessment. All installments of Assessment shall be delinquent if not paid within ten (10) days after the due date thereof. Nothing herein contained shall prohibit the Board from requiring that Special Assessments or Limited Assessments be paid in a lump sum instead of installments. The duty and obligation to pay Assessments by any Owner is independent of any other obligation or claim, as such Owners shall pay all Assessment without offset or deduction.

4.10 Interest and Penalties. Any Regular, Special or Limited Assessment levied by the Association on Lots, if not paid when due, shall bear interest at an annual rate as shall be set by the Board from time to time, or if none is so set, at an annual rate of twelve percent (12%). Such interest shall commence on the date the Assessment becomes due and payable. In addition to the interest charge the Board may, in accordance with rules and regulations promulgated by it, impose additional fines or charges for the failure of an Owner to timely pay any Assessment when due. The right of the Board to charge interest or impose additional fines or charges shall be in addition to, and not in lieu of, any other right of enforcement or sanction available to the Board in the event of non-payment of an Assessment.

4.11 Estoppel Certificate. The Association, upon not less than ten (10) days prior written request, shall execute, acknowledge and deliver to the party making such request a

statement in writing stating whether or not to the knowledge of the Association, a particular Owner is in default under the provisions of this Master Declaration and further stating the dates to which Assessments have been paid by said Owner, it being intended that any such certificate delivered pursuant to this Section may be relied upon by any prospective purchaser or Mortgagee of said Lot, but reliance on such certificate may not extend to any default as to which the signer shall have had no actual knowledge. The Association shall have the right to charge a reasonable fee for the certification herein provided.

4.12 Notice Requirements. Notwithstanding anything to the contrary contained in either the Articles or the Bylaws of the Master Association, written notice of any meeting called for the purpose of levying a Special Assessment described in Section 4.4, above, or a Limited Assessment described in Section 4.5, above, shall be sent to each Owner whose Lot is subject to the levy of such Special or Limited Assessment not less than thirty (30) nor more than sixty (60) days in advance of the meeting.

4.13 Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

4.14 Exempt Property. The following property, subject to this Master Declaration, shall be exempt from Assessments by an Association created herein:

4.14.1 All property expressly dedicated to and accepted by a local public authority;

4.14.2 The Common Area;

4.14.3 All portions of the Property owned by the Declarant or an Association;
and

4.14.4 All Lots owned by Declarant, until title is transferred to another, or until occupancy, whichever occurs first.

ARTICLE V

ENFORCEMENT OF ASSESSMENTS

5.1 Right to Enforce. The right to collect and enforce payment of the Assessments made by the Association is vested in the Association. Each Owner of a Lot hereby agrees to the enforcement of the payment of all Assessments in the manner herein provided. In the event an attorney is employed for the collection of an Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of any of the terms and conditions of this Master Declaration, the Owner against whom such enforcement is sought shall pay reasonable attorneys' fees, management fees, and collection fees in connection therewith.

5.2 Creation of Assessment Liens. There is hereby created a continuing claim of lien with power of sale on each and every Lot to secure payment of any and all Regular Assessments and Special Assessments levied against any and all Lots within the Subdivision pursuant to this Master Declaration, together with interest thereon and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees, which amounts shall be deemed to be Assessments once incurred by the Association. Said lien shall be prior and superior to all other liens or claims created subsequent to the recordation of this Master Declaration except only for: (i) valid tax and special assessment liens on Lots in favor of any governmental unit assessing authority; (ii) a lien for all sums unpaid and secured by first Mortgage, duly recorded in Ada County, Idaho, including all unpaid obligatory advances to be made pursuant thereto; and (iii) labor or materialman's liens, if the same are prior and superior by reason of applicable law. All other lien holders acquiring liens on any Lot after recordation of this Master Declaration shall be deemed to consent that such liens shall be inferior liens to the lien for Regular Assessments and Special Assessments levied by the Association, whether or not such consent is specifically set forth in the instruments creating such other liens.

5.3 Notice of Assessment Lien. If an Owner fails to pay an Assessment within thirty (30) days of the Owner's receipt of notice of the Assessment, then the Association shall prepare a written Notice of Assessment Lien. The Notice of Assessment Lien shall include:

- (a) A true statement of the amount due for the unpaid Assessment after deducting all just credits and offsets;
- (b) The name of the Owner, or reputed Owner, if known;
- (c) The name and address of the Association; and
- (d) A description of the Lot to be charged with the lien pursuant to the Notice of Assessment Lien.

The Notice of Assessment Lien shall be verified by the oath of an officer of the Association or the Association's designated agent having knowledge of the facts underlying the notice of assessment, acknowledged by a Notary Public and recorded in the office of the Ada County Recorder. Within twenty-four (24) hours after recording the Notice of Assessment Lien against the Lot, the Association shall serve, by personal delivery to the Owner or reputed Owner of the Lot, or by certified mail to the last known address to the Owner or reputed Owner of the Lot a true and correct copy of the recorded Notice of Assessment Lien. At such time as a delinquent Assessment, which is described in the Notice of Assessment Lien, is paid, the Association shall prepare and record a Notice of Satisfaction with respect thereto.

5.4 Enforcement. Upon the failure of an Owner to pay an Assessment in accordance with its terms, the lien for Assessment herein created may be enforced by sale by the Association, such sale to be conducted in the manner provided by law in Idaho for the exercise of the power of sale in Deeds of Trust or in any other manner permitted by law elected by the Board. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including all reasonable attorneys' fees. All such costs and expenses shall be

secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any Assessments against the Lot, which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire and thereafter hold, convey, lease, rent, encumber, use and otherwise deal with said Lot as the Owner thereof.

5.5 Notice Required. Notwithstanding anything to the contrary contained in this Master Declaration, no action may be brought to foreclose the lien for any Assessment, whether by power of sale or otherwise, until the expiration of thirty (30) days after the Notice of Assessment Lien has been delivered as set forth in Section 5.3 above.

5.6 Notice to Mortgagees. The Association shall have no obligation to provide a Mortgagee with a copy of a Notice of Assessment Lien served on an Owner under Section 5.3, above, unless and until Mortgagee furnishes to the Association written notice of a Mortgage (or Deed of Trust) that shall contain the following:

- (a) The name and address of said Mortgagee;
- (b) A legal description of the Lot subject to the lien of the Mortgage by Lot, Block and Subdivision;
- (c) The name and address of the Owner;
- (d) The date the lien of the Mortgage was filed of record in Ada County, Idaho, and the instrument number thereof;
- (e) The maturity date of the obligation secured by said Mortgage lien;
- (f) A copy of a title insurance report evidencing that the Mortgagee is the holder of a first Mortgage or the beneficiary of a first Deed of Trust;
- (g) The signature of the Mortgagee or authorized agent.

In the event the Association shall be required to notify a Mortgagee as herein provided, the Association shall assess the Owner who is delinquent, a reasonable fee established by the Board, for such notification and such charge shall be a cost of collection deemed to be an Assessment and secured by the Assessment lien described in Section 5.2, above. The charge for such notification shall be subject to change by the Board.

5.7 Term of Assessment Lien. Unless sooner satisfied and released or the enforcement thereof initiated as provided in this Article, the lien for any Assessment levied under this Master Declaration or any applicable Supplemental Declaration shall be valid for a period of one (1) year from the date the Notice of Assessment Lien is filed and recorded, provided, however, that such period may be extended by the Association for a period of one (1) additional year by recording a written extension thereof or as otherwise permitted by law.

5.8 Non Exclusive Remedy. The remedies set forth in this Article or elsewhere in this Master Declaration shall not be deemed to be an exclusive remedy and the Association may pursue all other remedies available at law or in equity, including but not limited to pursuit of legal action for costs and damages incurred by the Declarant or the Association as a result of the Owner's non-performance, seeking injunctive relief as may be appropriate, and undertaking commercially reasonable collection measures.

ARTICLE VI

SUB ASSOCIATIONS

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

6.2 Management, Powers and Duties. Each Sub Association shall be managed in the same manner specified in the applicable Supplemental Declaration or other instrument and/or in the Articles of Incorporation and the Bylaws of the Sub Association, shall have the same powers, rights, obligations and duties and be subject to the same limitations and restrictions with respect to any portion of the Property to be governed by the Sub Association pursuant to the Supplemental Declaration, including levying Regular, Special, and Limited 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 Sub Association in the same manner as described herein with respect to the Master Association.

6.3 Membership. Where a Sub Association is created, the members thereof shall be all the Owners of Lots, including Declarant, while it remains an Owner, in the respective portion of the Property designated in the applicable Supplemental Declaration or other instrument. Memberships may be transferred only as provided for memberships in the Master Association.

6.4 Voting Rights. The Members of each Sub 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 Sub Association.

6.5 Assessments by Sub Associations. Each Sub Association created pursuant to this Master Declaration or Supplemental Declaration shall have the same rights and powers as the Master Association pursuant to this Master Declaration to levy and enforce Regular, Special, and Limited Assessments against any Lot included within the Sub Association for those purposes set forth in the Supplemental Declaration. The Sub Association's powers are expressly limited to those matters for which a Sub Association has been created. No Sub Association shall levy an Assessment that is duplicative of an Assessment levied against the same Lot for the same purpose by the Master Association.

6.6 Conflict Among Declarations. In the event that there is an express conflict between a Supplemental Declaration and the Master Declaration, the Master Declaration shall govern, provided, however, that to the extent that a Supplemental Declaration is limited in its scope to a specific use or a specific area within the Subdivision, then the provisions of the Supplemental Declaration and the Master Declaration shall be interpreted together to the extent possible to ensure that both are given their full and absolute effect.

ARTICLE VII

IRRIGATION WATER SUPPLY SYSTEM

7.1 Irrigation Water Supply. Each Lot shall have access to an Irrigation Water Supply System, to be constructed by Declarant and owned and operated by the Master Association. All Owners to which the Irrigation Water Supply System has been extended shall be required to pay the Assessment therefore as provided in Section 7.3, below ("**Irrigation Assessment**"), regardless of actual use or non-use of water from the Irrigation Water Supply System.

7.2 Operation of the Irrigation Water Supply System. The Irrigation Water Supply System shall be operated in accordance with the laws of the State of Idaho and all rules and regulations promulgated from time to time by the Master Association and any governmental entity having jurisdiction thereof. The right to receive water from the Irrigation Water Supply System is, in any event, subject to availability of water. The Master Association shall have the right to adopt reasonable rules regarding use of water, including but not limited to use schedules and limitations on the amount of water available for use on each Lot. The Master Association shall have no liability for any temporary interruptions in water supply service. The Association shall be permitted to enter into a contract with a qualified water system management and maintenance entity for the management and maintenance of the Irrigation Water Supply System.

7.3 Irrigation Assessments. The Master Association shall have the right to establish, levy and collect an Irrigation Assessment in the same manner as the Regular, Special or Limited Assessment pursuant to the following provisions. The Irrigation Assessment shall not be subject to the limitation upon Regular Assessments set forth in Section 4.3, but shall be in addition to any Regular, Special or Limited Assessment levied and collected hereunder.

7.3.1 Purpose of Assessments. The Assessments levied hereunder by the Master Association shall be used exclusively for the operation, maintenance and improvement of the Irrigation Water Supply System.

7.3.2 Amount of Assessment. Irrigation Assessments shall be levied against each Lot in accordance with the number of square feet contained in the said Lot so that the amount of the Irrigation 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 Member as indicated in the records of the Ada County Assessor bears to the total number of square feet of area contained in the Property. The maximum Irrigation Assessment shall be set each year in such an amount as is necessary in order to generate sufficient funds to operate, improve and maintain the

Irrigation Water Supply System, including the maintenance of adequate reserves, in a prudent and businesslike manner, and to comply with any and all requirements of any governmental agency having jurisdiction thereof. The Irrigation Assessments shall be payable to the Master Association in regular annual, semiannual, or quarterly installments as may be determined by the Board.

7.3.3 Additional Provisions. To the extent applicable, the provisions of Article IV and Article V herein shall be applicable to the levy and collection of Irrigation Assessments to the same extent as if set out in full in this paragraph.

ARTICLE VIII

STORM WATER DRAINAGE AND RETENTION SYSTEM

8.1 Operation and Maintenance of Storm Drainage Facilities. The Master Association shall operate and maintain or otherwise provide for the operation and maintenance of all public storm drainage and retention facilities, including, without limitation, drainage pipes and collection ponds ("**Storm Water Drainage and Retention Facilities**") located on and through the Lots, the Common Area and the rights-of-way of the Ada County Highway District ("**ACHD**"), and the repair and replacement of property damaged or destroyed by casualty loss.

8.2 ACHD Storm Water and Drainage Easement. ACHD is hereby granted a perpetual blanket storm water, drainage and retention easement over the Storm Water Drainage and Retention Facilities as shown and depicted on the design and construction drawings for the Subdivision on file with and approved by the City of Eagle, on which Declarant shall have constructed the Storm Water Drainage and Retention Facilities to be owned by the Association and operated and maintained as set forth herein. The easement granted hereby shall include the right to construct, install, maintain and replace the Storm Water Drainage and Retention Facilities, together with the right of access thereto for all purposes consistent with this grant of easement.

8.3 Storm Water and Drainage and Retention Facilities Easement Area Restrictions. The easement for the Storm Water Drainage and Retention Facilities described in this Article shall be improved with such ponds, pipes and beds as set forth above in which no permanent buildings or structures shall be placed ("**Storm Water Drainage and Retention Facilities Easement Area**"). Notwithstanding the foregoing, other landscaping improvements (for example, shrubs, trees, fences and grass) and the like may be placed or installed in Storm Water Drainage and Retention Facilities Easement Area, providing that the placement and installation of such improvements shall not interfere with the easements granted to ACHD hereunder or interfere with the Storm Water Drainage and Retention Facilities. In the event any such improvements are placed or installed in the said easement area, ACHD shall have no responsibility or liability for any damage thereto or destruction thereof which may occur as a result of any reasonable maintenance or repair activities undertaken by ACHD. To the extent that swales are constructed and exist for the purpose of retaining storm water within ACHD's right of way, then such swales constitute Storm Water Drainage and Retention Facilities Easement Areas. The Association shall maintain such swales as Storm Water Drainage and

Retention Facilities Easement Areas. No trees shall be planted within any swale and shall be placed to the rear of the swale.

8.4 Operation and Maintenance of Storm Water Drainage and Retention Facilities.

The Association and individual Owners (as to the portion of the facility located adjacent to their Lot) shall provide all "light duty" maintenance of the Storm Water Drainage and Retention Facilities. All required maintenance shall be performed in accordance with the Maintenance and Operation Manual approved by ACHD. Required "light duty" maintenance shall include, but not be limited to the following:

(a) Periodic inspection of the Storm Water Drainage and Retention Facilities, for bank erosion, on at least a monthly basis;

(b) Landscape maintenance including, but not limited to, mowing, trimming, fertilizing and irrigating; provided, however, any such irrigation shall not interfere with the operation of the Storm Water Drainage and Retention Facilities;

(c) Collection and disposal of any and all trash and debris found in and around the easement area; and

8.5 Association's Failure to Maintain; ACHD Remedies. In the event that ACHD determines in its sole discretion, that the Association is not adequately maintaining the Storm Water Drainage and Retention Facilities, then ACHD shall be permitted to do so; provided, however, that before undertaking maintenance of the said facilities, ACHD shall provide thirty (30) days advance written notice of its intention to do so, which said notice shall specifically identify the maintenance which is then required. In the event the Association shall fail to complete the items of maintenance as specified in said notice within the thirty (30) day period provided, then in that event, ACHD may begin to undertake such maintenance. ACHD is hereby granted an irrevocable license and easement to enter upon any portion of the storm water and drainage easement area to perform such maintenance and inspection of the Storm Water Drainage and Retention Facilities. Should ACHD engage in maintenance of the Storm Water Drainage and Retention Facilities after having provided the required notice to the Association and having provided the Association an opportunity to undertake said maintenance, ACHD shall first bill the Association for the cost of the said maintenance and, if said bill shall not be paid within sixty (60) days, then ACHD shall be entitled and empowered to file a taxable lien against all Lots within the subdivision with the power of sale as to each and every lot in order to secure any and all assessments levied against all Lots in the subdivision pursuant to this Declaration as if the said maintenance had been performed by the Association, together with interest at the rate which accrues on judgments thereon and all costs of collection which may be paid or incurred by ACHD. The Association, and all Lot owners, by accepting title to a Lot, agree that all Lot owners in the subdivision are benefited property owners of such maintenance. The Association shall not be dissolved or relieved of its responsibility to maintain the Storm Water Drainage and Retention Facilities nor shall the facilities or their components be changed without the prior written approval of ACHD. The provisions of this Section shall not be amended without the prior written consent of ACHD.

8.6 No Right to Dissolve. The Master Association shall not be dissolved or relieved of its responsibility to maintain the Drainage and Retention Facility without prior written approval of ACHD.

ARTICLE IX PRIVATE STREETS

Declarant may elect to provide access to portions of the Property by a system or systems of private streets to be constructed by Declarant and owned and operated by the Master Association or a Sub Association as a part of the Common Area for which such Association may be responsible. In the event Declarant elects to do so, such private streets shall be designated on the Plat of that portion of the Property to which access therefrom is to be provided, in which event a said private street shall be dedicated and restricted to the perpetual and indefeasible right of ingress and egress over and across the same for the exclusive use and benefit of the Owners and residents of the said Property, their guests and invitees. The provisions of this Article shall be implemented and the maintenance responsibilities set forth in a Supplemental Declaration applicable to that portion of the Property to be served by the said private streets.

ARTICLE X PATHWAYS

Declarant may elect to provide one or more pathways to be constructed by Declarant and owned and operated by the Master Association or a Sub Association as part of the Common Area for which the said Association may be responsible. The location of the pathways may be designated on the Plat of, or in a Supplemental Declaration applicable to that portion of, the Property on which it is to be located. Any such pathways and the real property upon which they are located shall, for all purposes as are contained in this Master Declaration, be treated as if it were a part of the Common Area, subject, however, to the following special provisions. Public access to, over, and across the designated pathways shall not be prevented at any time. It is understood that members of the public shall have a perpetual easement for the use and enjoyment of the designated pathways for so long as the said pathways shall be owed by an Association or its successors. Notwithstanding anything to the contrary in this Master Declaration, Declarant or the Board of the responsible Association may dedicate or transfer all or any part of any designated pathway to the City of Eagle or other governmental entity for such purposes and subject to such conditions as may be agreed upon. The provisions of this Article may be implemented in a Supplemental Declaration applicable to that portion of the Property in which any designated pathway may be located.

ARTICLE XI EASEMENTS

In addition to all easements set forth above, the following easements are hereby expressly conveyed, reserved, created and granted:

11.1 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 Owners of this Subdivision for public or private ways, public utilities (including cable television), drainage, access, subterranean irrigation lines, eave and balcony overhangs.

11.2 Encroachments. In the event that, by reason of the construction, settlement or shifting of the building, any part of any Dwelling or drainage water from any Lot or Dwelling 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, 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 Dwellings 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.

11.3 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 Property, the Common Area, the Storm Water Drainage and Retention System and the Irrigation Water Supply System, 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 branches 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.

11.4 Waterway Easements. Declarant hereby reserves for the benefit of the Master Association an easement for all Waterways, and appurtenant equipment and systems, over, across and under all Lots and Common Area to the extent reasonably required to maintain any Waterway installed by Declarant on the Property. Declarant reserves the right to make any reconfiguration of any Waterway which it determines, in its own discretion, to be necessary, expedient or desirable.

11.5 Easement for Irrigation Water Supply System. The Declarant and the Master 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. 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.

ARTICLE XII

MAINTENANCE RESPONSIBILITY

12.1 Maintenance by Association. The Association designated in this Master Declaration and any Supplemental Declaration shall provide maintenance to and be responsible for the Common Areas and Improvements thereon, including any Association-owned street lights, the Irrigation Water Supply System, the Storm Water Drainage and Retention System (as provided in Article VIII, above), and any Waterway which may be located upon a Lot. 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.

12.2 Maintenance by Owner. Each Owner shall be responsible for installing, maintaining, and keeping in good order and repair the exterior of his Dwelling and any private decks, fences (if permitted as herein provided), courtyards, landscaping and lawn contiguous to his Dwelling, including any parking strip located between the sidewalk and the street adjacent to the Owner's Lot or any portion of the Common Area that functions as a parking strip between the Owner's Lot and any roadway. The Association shall have an easement for ingress, egress and maintenance as may be reasonably necessary to perform the maintenance duties of the Association in the event of an Owner's failure to undertake such. In the event of damage or destruction of a Dwelling or any Improvement on a Lot by fire or other casualty, the Owner must complete repair and/or replacement of the Dwelling or any Improvement on a Lot within one hundred twenty (120) days of the damage or destruction. Upon such event, the Owner shall also keep the Board informed of the status of such work.

12.3 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 Association shall have the power to enter onto 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 Association shall have delivered to such Owner written notice at least ten (10) 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 in conformance with Section 20.3. The Association may levy a Limited Assessment against such Lot for all cost incurred by the Association in performing such maintenance or repairs, including attorneys' fees, management fees, or collection fees, together with interest therein. The Association may also impose fines consistent with the provisions of this Master Declaration.

ARTICLE XIII

PROPERTY USE RESTRICTIONS

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

13.1 Initial Construction. The Owner of each Lot shall commence construction of a Dwelling on such Lot within one (1) year after the date the Lot is conveyed to the Owner by Declarant and shall complete construction of a Dwelling as permitted herein within two (2) years after the date the Lot is conveyed to the Owner by Declarant. During that period of time, the Owner shall be responsible for keeping the Lot clear of weeds and trash; repairing any damage caused by its contractor; and maintaining the general condition of the Lot. Burning of weeds, refuse, or construction materials is absolutely prohibited on every Lot.

13.2 Lot Use. No Lot, with the exception of the Common Area, shall be used except for single-family residential purpose. No Lot or the Common Area shall be used for the observable conduct of any trade, business or professional activity and no such activity result in increased traffic or parking demand within the Subdivision. All Lots and Improvements constructed thereon must comply with all applicable governmental rules, ordinances, laws, statutes and regulations.

13.3 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said Property, except that two dogs and one cat, or two cats and one dog, or other household pets may be kept within a Dwelling or within a fenced area as may be approved by the Architectural Control Committee. Any animals outside a Dwelling 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. The Association shall have the right to remove pets from a Lot in the event of uncontrolled barking, repeated violations of fencing requirements, leash or clean up rules.

13.4 Garbage and Refuse Disposal. Garbage and recycling containers shall be screened from view of other homes and the street. Garbage and recycling containers shall be placed curbside no earlier than the evening prior to scheduled pick up and removed from curbside no later than the evening after pick up. 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.

13.5 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.

13.6 Outbuildings. No trailer, truck camper, recreational vehicle, tent, garage, barn, shack or other outbuilding shall at any time be used as a residence temporarily or permanently on any part of said Property. All permitted outbuildings shall comply with Section 15.7.7 below.

13.7 Parking and Storage of Vehicles and Equipment. Any automobile or other vehicle used by any Owner shall be parked in the driveway or garage which is a part of his

Dwelling. Every Dwelling shall have a minimum of a garage that is sufficient to permit interior parking for two automobiles. Carports shall be prohibited. Driveways shall be utilized solely for temporary parking of vehicles. The primary purpose of all garages required in conjunction with the garage required for each dwelling is for the parking and storage of vehicles. No other use of a garage which would limit the use of a garage for the parking and storage of the number of vehicles for which the garage is designed shall be permitted. Parking of vehicles on the driveway or on either a public street or a private street is intended to be temporary only. Long term parking or storage of vehicles as well as the 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 driveway, public street, private street, or Common Area adjacent thereto, and shall be stored entirely within an enclosed garage or approved structure. All other parking of equipment shall be prohibited, except as approved in writing by the Association. Any vehicle awaiting repair or being repaired shall be removed from the Subdivision within 48 hours. There shall be no repair of vehicles in the driveways or streets of the Subdivision.

13.8 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 thirty (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.

13.9 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 Master 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 Master Declaration, a "Lease" shall mean any agreement for the leasing or rental of a Dwelling; all such Leases shall be in writing; all Leases shall be for a minimum term of six (6) months. Other than the foregoing, there is no restriction on the right of any Owner to lease his Dwelling.

13.10 Sewer Restrictions. All bathroom, sink and toilet facilities shall be located inside the Dwelling 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.

13.11 Individual Mailboxes. Any authorized individual mailboxes will be of consistent design, material 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, unless cluster mailboxes are utilized in which event they shall be located and maintained consistent with the provisions of Section 3.4.7.

13.12 Signage. No commercial billboard or advertising shall be displayed to the public view on or from any Lot. Owners may advertise a Dwelling and Lot for rent or for sale by

displaying a single, neat, sign that does not exceed three square feet in area. Signs advertising the name of the builder and the name of the institution providing financing therefor may be displayed on a Lot during construction of the Improvements. Directional signs may be used to give directions to traffic or pedestrians or give special instructions. Any directional or identification sign within the Subdivision shall be permitted, provided the same is approved by the Architectural Control Committee prior to installation. Lighted, moving or flashing signs for any purposes are prohibited.

13.14 Wildlife. The Subdivision has been developed in and adjacent to the north channel of the Boise River in areas with ecological features that provide habitat conducive to wildlife. Certain types of landscaping and improvements may be attractive to such wildlife. Neither the Declarant, nor the Association, nor the Architectural Control Committee shall have any responsibility for the impact of wildlife on any Lot, the Improvements, or its landscaping. No hunting, trapping, or other capturing of wildlife shall be permitted on the Property excepting, however, fishing that is permitted subject to the regulations of the State of Idaho, the City of Eagle and the Association.

13.15 Other Restrictions. There shall be no yard sales within the Subdivision or any other type of sale of personal property from any Dwelling or Lot. There shall be no drying of clothes on permanently installed clothes lines.

ARTICLE XIV ARCHITECTURAL CONTROL

14.1 Formation of Architectural Control Committee. In order to protect the quality and value of the homes built on the Property, to assure an attractive, compatible and aesthetically pleasing community, and for the continued protection of the Owners thereof, an Architectural Control Committee is hereby established consisting of three members to be appointed by the Declarant until the Change of Control Date as set forth in Section 20.7. Thereafter, the members of the Architectural Control Committee are to be appointed annually by the Board of the Master Association at each annual meeting of the Board.

14.2 Purpose. The purpose of the Architectural Control Committee is to implement policies and guidelines for the design and construction of Dwellings and Improvements on the Property with a view to maximize compatibility and quality of Dwellings and Improvements in the Subdivision. The Architectural Control Committee is vested with the power and authority set forth herein to further this purpose.

14.3 Pre-Approval of All Builders Required. Declarant vests in the Architectural Control Committee the power to approve all general contractors authorized to construct Dwellings and Improvements within the Subdivision ("**Approved Builder**"), as set forth herein. Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), shall be deemed to acknowledge that it shall not engage, hire, retain, or contract with any contractor or subcontractor, other than an Approved Builder, for the purpose of constructing a Dwelling or any Improvement on any Lot, without the prior written

approval of the Architectural Control Committee, which approval can be withheld at its sole discretion.

14.5 Selection of Approved Builders. The Architectural Control Committee shall have the exclusive right to select the Approved Builders. The Architectural Control Committee shall select Approved Builders from those general contractors that (a) demonstrate the required standard of excellence in the residential building trade as determined, in the sole discretion of the Architectural Control Committee; (b) demonstrate the financial wherewithal to undertake the construction of Dwellings consistent with the requirements of this Master Declaration; (c) demonstrate the capability to construct Dwellings of the type permitted within the Subdivision; and (d) who have received written approval from the Architectural Control Committees as an Approved Builder upon written request and application. Approved Builder status is non-transferrable. Until written approval is provided by the Architectural Control Committee or the applicant included in the Approved Builder List, the builder is not an Approved Builder. Application for Approved Builder status does not halt or suspend any requirement found herein. The Architectural Control Committee will maintain and publish, from time to time, a list of Approved Builders ("Approved Builder List"). The Approved Builder List shall set forth the names, addresses and other pertinent information relating to the Approved Builders. The Architectural Control Committee may, from time to time, change or update the Approved Builder List. An Approved Builder may be removed from the Approved Builder List in the sole and absolute discretion of the Architectural Control Committee.

14.6 Design Approvals Required. No Improvement shall be commenced, built, constructed, placed, or maintained upon any Lot, nor shall any exterior addition, change or alteration of existing or previously approved Improvements shall be made to any Lot, until the plans and specifications showing the nature, kind, shape, configuration, height, materials, location and such other detail regarding the Improvements have been submitted to and approved in writing by the Architectural Control Committee as conforming with requirements of this Master Declaration. In the event the Architectural Control Committee fails to approve, disapprove, or specify the deficiency in such plans, specifications and location within thirty (30) days after submission to the Architectural Control Committee in such form as they may require, it shall be deemed denied. The Architectural Control Committee shall have the right to refuse to approve any design, plan or color for such Improvements, construction or alterations which, it determines are not consistent with the standards set forth in this or any other Declaration applicable to the Property. The Architectural Control Committee is hereby authorized to exercise its discretion as to all considerations herewith. The Architectural Control Committee shall have the privilege in the exercise of its discretion to take into consideration the suitability of the proposed structure or alteration, 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 structure or alteration is in harmony with the surroundings, the effect of the structure 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 any proposed Improvement. Actual construction shall comply substantially with the plans and specifications approved.

14.7 Denial of Plan. In the event the plan is denied, the Owner and the Architectural Control Committee shall work together to correct the deficiencies in the original plan(s) submitted by the Owner. The Owner shall re-submit such revised plan(s) to the Architectural Control Committee after each denial, if the Owner so desires. The Architectural Control Committee shall have thirty (30) days after a plan is re-submitted within which to notify the Owner whether the revised plan(s) has (have) been approved. Failure to notify the Owner within the time frame set forth above shall constitute the Architectural Control Committee's denial of the revised plan(s).

14.8 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:

14.8.1 Approved Builder. The Owner shall provide evidence that the Owner is utilizing a builder from the Approved Builder List by providing a copy of the construction contract. Approval by the Architectural Control Committee of any an Improvement or Dwelling will be withheld unless the construction of the same is to be undertaken by an Approved Builder.

14.8.2 Site Plan. A site plan that shall show the all Improvements on the Lot, all applicable setbacks, and any other pertinent information related to the Improvements; and

14.8.3 Building Plan. A building plan that shall consist of the preliminary or final blueprints, elevation drawings of the north, south, east, and west sides of the Dwelling, detailed exterior specifications for each Dwelling that shall indicate, by sample, all exterior colors, material, and finishes, including roof, to be used.

14.8.5 Grading and Landscape Plan. A grading and landscape plan for the Lot shall show grading, drainage, berms and mounding proposed for the Lot, together with the location, type and size of trees, plants, groundcover, shrubs, sprinkler system, fences, free-standing exterior lights, driveways, parking areas and walkways. The grading and landscape plan shall have a plant list or other indication of species, variety, size, quantity, spacing, and location on all plant material proposed for the Lot. The grading and landscape plan shall be provided at a scale of not less than 1" = 20'-0", shall show spot elevations depicting drainage for the Lot, and shall be prepared by a professional engineer, landscape architect or professional landscape company. All grading and landscaping shall comply with the provisions of Article XV.

14.8.6 Supporting Plan Submissions. Autocad or other electronic versions of all plan submittals shall be provided if requested by the Architectural Control Committee to ensure and confirm conformance with all requirements herein.

14.9 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 Architectural Control 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 Master Declaration, pertaining to matters of design, materials, colors, and aesthetic interests as necessary to implement and enforce the

provisions of this Master Declaration. 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 Master Declaration to provide the Architectural Control Committee with as broad discretion as is permissible under the law.

14.10 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. The Architectural Control Committee may elect to refund a portion of such fee upon full compliance and satisfaction of the completion of all Improvements consistent with the approval granted by the Architectural Control Committee. The fee shall not exceed Two Thousand Five Hundred Dollars (\$2,500.00). Of the fee, Three Hundred Dollars (\$300.00) shall constitute a non-refundable fee for architectural review; Two Hundred Dollars (\$200.00) shall constitute a non-refundable fee for landscaping review; One Thousand Dollars (\$1,000.00) shall be subject to retention for noncompliance with landscaping criteria; and One Thousand Dollars (\$1,000.00) shall be subject to retention for noncompliance with the Design Standards of this Master Declaration. The Architectural Control Committee will review and provide comments to the Lot Owner and conduct a re-review of the submission at no additional cost to the Owner. However, any additional review required beyond the initial review and first re-review shall be paid for by the Owner at the then existing hourly rate charged by the professional consultants engaged by the Architectural Control Committee to undertake such matter. Upon completion of all work the Owner may request a refund of the refundable portion of the fee from the Architectural Control Committee. The Architectural Control Committee shall evaluate completion of work and upon determination that all work has been completed consistent with the prior approval of the Architectural Control Committee under Sections 14.6 and consistent with the Design Standards set forth herein. The Architectural Control Committee, in addition to enforcing the provisions of this Master Declaration as set forth herein for noncompliance by any Owner shall have the power to retain the fee upon determination that the Owner has not completed work consistent with the with the prior approval of the Architectural Control Committee under Sections 14.6 and consistent with the Design Standards set forth herein.

14.11 Variances. The Architectural Control Committee may authorize variances from compliance with any of the development provisions of this Master Declaration, including restrictions on height; size; material type and selection; floor area; or placement of structures or other similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. Notwithstanding the foregoing, however, no variances will be granted for (a) Improvements, including without limitation, manicured lawns or other Lot landscaping and any other encroachment upon the Common Area or (b) any Improvement that requires relief from or modification to any provision of the Development Agreement. No variance shall be effective until evidenced in a written document executed by signed by at least two (2) members of the Architectural Control Committee and

consented to and acknowledged by the Owner of the Lot, and shall become effective upon recordation in the office of the County Recorder of Ada County. Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), is deemed to acknowledge that if a variance is granted in accordance with the provisions of this Section, then 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 and no remedies that may exist as set forth herein or otherwise exist at law may be pursued. 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.

14.12 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. Each Owner of any Lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), is deemed to acknowledge that it has waived and released any and all claims that arise from the decisions and actions of the Architectural Control Committee and the members thereof in carrying out the responsibilities delegated to them hereunder. The sole remedy and relief available to any party seeking relief for such decisions or actions shall be declaratory or injunctive relief to the extent expressly authorized hereunder.

14.13 Construction and Sales Period Exception. During the course of construction of any permitted Improvement and during the initial sales period, the restrictions (including sign restrictions) contained in this Master Declaration or in any Supplemental Declaration shall be deemed waived to the extent necessary to permit such construction and the sale of all Dwellings; 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 Dwellings as models for sales purposes and, for so long as Declarant shall own any Lot, part, parcel or portion of the Property, 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.

14.15 Local Architectural Control Committee. The Declarant may, at its option, create a Sub Architectural Control Committee for any portion of 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 Sub 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 Sub Architectural Control Committee, if such has been created, but not both such committees. Each provision of this Article X shall apply to the Sub Architectural Control Committee as if it were the Architectural Control Committee and to the Sub 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 XI.

14.16 Waivers. The approval of any plans, drawings or specifications for any Improvement 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.

ARTICLE XV

DESIGN STANDARDS

15.1 Design Standards. The Architectural Control Committee shall apply and enforce as part of the Restrictions, the architectural and design standards ("**Design Standards**") set forth in this Article XV. It is expected that the design of each Dwelling and all Improvements will be tailored to the unique features of each individual Lot. The Design Standards set forth herein are intended to protect, preserve, and enhance the Property, the Common Area, and all Lots and Dwellings within the Property. The purpose of the Design Standards is not to create identical Dwellings, but rather to ensure that there is a harmonious design within the Property, that is complementary to the surrounding homes, immediate neighborhood, and the City of Eagle. The Architectural Control Committee shall have the power pursuant to Article XIV to permit such modifications to and deviations from these Design Standards for a proposed building form or design style that reasonably justifies or requires such modification or deviation in furtherance of the goals set forth herein. The Design Standards are further intended to ensure the quality and harmony of design envisioned by the City of Eagle in approving the development of the Property and integrated into the Development Agreement with the Declarant. As such each Dwelling and each Lot shall incorporate into their design the following Design Standards.

15.2 Architectural Style and Form

15.2.1 Building Forms and Arrangement. No specific design style shall be required so long as the development of each Lot conforms with the Design Standards set forth herein and the Development Agreement.

15.2.2 Roof Style and Pitch. All roofs shall include hips, dormers and/or gutters in order to present heightened architectural features. Roofs shall be a minimum 3/12 pitch but shall not exceed a pitch of 12/12 so as to minimize the mass of the roof and to not make the roof the dominant feature of the Dwelling. Flat roofs and mansard roofs shall be prohibited.

15.2.3 Doors and Garage Doors

15.2.3.1 Entryways. Entry doorways, shall be in scale and harmony with all other elements of the Dwelling. Entry doorways shall be of a material consistent with the exterior finish of the Dwelling and shall be painted or finished in a color approved hereunder.

15.2.3.2 Garage Limitations. Features such as side entry garages or smaller individual parking bays that minimize the mass of garages are encouraged. Garage doors may be constructed of aluminum, wood, or other metal, provided that all garage doors shall be paneled and have an attractive decorative design. The use of individual garage doors shall be required for any bay exceeding twenty feet in width. No garage door shall exceed ten feet in height.

15.2.4 Windows.

15.2.4.1 Window Materials. Windows may be constructed of metal clad wood, wood, or vinyl provided that they are of architectural grade and comply with all other design and color requirements set forth herein.

15.2.4.2 Window Placement and Projections. Window consistency in type, style, trims and proportion will be required for each Dwelling. All windows shall be placed in such a manner as to harmonize with the size and mass of any openings in the wall. Large blank walls are prohibited. Large gable ends of a two story house shall include projections or recesses rather than windows alone.

15.2.4.3 Interior Visual Areas. Interior areas visible to the exterior shall be treated as such. All draperies and window coverings visible to the exterior shall be of materials and colors consistent with the design of the Dwelling and surrounding environment. The interior finish of all garages shall be taped, sanded and painted.

15.3 Dimensional Standards.

15.3.1 Setbacks. No Improvement, including Dwellings, may be constructed or placed on a lot within the minimum building set back lines set forth in the Development Agreement. No approval of the setbacks applicable to the Property shall excuse or allow any variance or deviation from the building setback lines specified in the Development Agreement.

15.3.2 Height. No Dwelling shall exceed thirty five (35) feet in height. The Architectural Control Committee shall measure the height of all Dwellings and Improvements consistent with the requirements of the Eagle City Code.

15.3.3 Dwelling Area. All Dwellings shall satisfy the minimum area requirements set forth herein. All one-story Dwellings shall have a minimum of two thousand, four hundred (2,400) square feet of finished space exclusive of garages, storage rooms, covered patios or porches, or other covered exterior space. All Dwellings having two or more stories shall have a minimum of three thousand (3,000) square feet of finished space, with a minimum of two thousand, four hundred (2,400) square feet of finished space on the ground floor, exclusive of garages, storage rooms, covered patios or porches, or other covered exterior space. The Declarant may from time to time established additional area requirements for Dwellings depending upon the size of a Lot or its location within a specific neighborhood by recording a Supplemental Declaration addressing the minimum area requirements for the Lots so encumbered.

15.4 Colors. The Architectural Control Committee shall approve all exterior colors for exterior walls and roofing finishes.

15.4.1 Permitted Colors. Exterior walls shall be painted in earth tones. All exterior material colors shall be harmonious with the permitted roofing colors set forth in Section 15.5.2 below. White, green, beige, black, brown, grey and other earth tones shall be permitted as exterior accent colors.

15.4.2 Prohibited Colors. Any exterior color that is not permitted and approved by the Architectural Control Committee shall be prohibited.

15.4.3 Exterior Color Treatments and Maintenance. Exterior finishes may be stained, treated or painted such colors, provided that the Dwelling shall be maintained regularly to ensure the integrity of the exterior finish and color.

15.5 Materials.

15.5.1 Exterior Wall Finishes.

15.5.1.1 There shall be a minimum amount of brick or stone on each façade of each Dwelling. A minimum of twenty five percent (25%) of the front façade, excluding windows and doors, shall be brick or stone.

15.5.1.2 Stucco, locally appropriate stone, brick, fiber cement siding, or wood siding (redwood, cedar, or spruce, which may be painted or stained) shall be required for all exterior walls ("**Exterior Finish Materials**"). If the exterior walls are not exclusively comprised of the brick or stone utilized on the front façade as set forth above, then only one Exterior Finish Material shall be permitted and shall be required to be utilized consistently around the exterior of the material so that the Dwelling walls shall be continuous and consistent on all elevations of a Dwelling to achieve a uniform and complete architectural design.

15.5.1.3 To the extent that multiple materials are permitted as set forth above, then material changes must carefully integrate with the overall design of the Dwelling. Material changes shall occur only at an inside corner or at a major wall opening. If it is not reasonably possible to change the material at an inside corner or opening, transitions at an outside opening shall wrap a minimum of three (3) feet around all outside corners. The area of such required wrap shall not be included in the calculation of the quantity of material required in the front façade as set forth in Section 15.5.1.1

15.5.1.4 Siding made of vinyl, metal, or any siding product engineered to look like natural wood but that is not wood, except as authorized in Section 15.5.1.2 above, shall be prohibited.

15.5.1.5 All colors for exterior surfaces shall be approved as set forth in Section 15.4 below. Except as authorized herein, metal shall not be utilized as an exterior finish unless it is copper.

15.5.1.6 Nearly every permitted siding material requires a joint in order to extend across the area to be covered. Careful consideration shall be given to the placement of all siding joints. The treatment of these joints provides important visual impact. For all sidings, the type and placement of joints and joint covers shall be indicated on the plans and shall provide such adequate offset of all joints as to avoid distinct visual patterns.

15.5.1.7 If stained wood is utilized as an accent feature, then no more than ten percent (10%) of the exterior wood may be stained, and such stained wood shall be regularly maintained as set forth herein.

15.5.2 Roofing Materials and Colors. Roofs shall be black or charcoal in color. All roofs shall be constructed with thirty year architectural shingles with significant visual relief. Ornamental copper, slate, masonry, or tile may be approved as roofing materials by the Architectural Control Committee, provided that all such materials satisfy the colors requirements of this Section. Wood or synthetic shakes, metal (other than copper as set forth above), and any other type of shingle or asphalt treatment shall be prohibited.

15.6 Exterior Features. Exterior features on all Dwellings shall harmonize with the rest of the structure and shall enhance the appearance of such. The following specific Design Standards apply to the specified element.

15.6.1 Chimneys, Vents and Caps. All chimneys and other roof projections such as vents and flues must be in scale and materials compatible with the Dwelling from which it projects and shall be located on the rear elevation of the Dwelling. All exterior chimneys must be of a material architecturally compatible with the Dwelling. Any metal utilized in chimney stacks, flashing, vents, or exhaust pipes must be painted to match or blend with roofing materials. Chimney caps of a purely utilitarian design are prohibited. A false cap, appropriate to the design of the house must screen chimney caps and shall be indicated on the submitted design. In circumstances where a custom designed false cap is not desired, the chase termination shroud may receive approval by the Architectural Control Committee.

15.6.2 Gutters and Downspouts. All gutters and downspouts shall be designed as a continuous architectural feature. Exposed gutters and downspouts shall be colored to blend in with the surface to which they are attached. Chains may be permitted as part of a downspout system, provided that they terminate in a drain or solid material that prevents erosion and drain away from the Dwelling consistent with the drainage and grading requirements set forth herein. The location and placement of gutters and downspouts shall comply with the drainage and grading requirements set forth herein.

15.6.3 Roof and Attic Vents. Roof vents and other ventilation pipes shall be located on the rear elevation except where impractical or otherwise required to be placed on the front elevation by code. Such protrusions shall be made as inconspicuous as possible and shall be painted to match or blend with the roof color, and shall otherwise be installed in an inconspicuous location and manner. Roof and attic vent types and locations shall be shown on the Building elevations.

15.6.4 Fascia, Soffits and Rafter Tails. Fascia shall have a finished depth of 8" wide unless otherwise approved in writing by the Architectural Control Committee in advance of construction. Soffits shall be a minimum of 16", provided that 12" shall be permitted on accent roofs or dormers. All fascia and soffit material shall be consistent with the exterior finish of the Dwelling. Metal shall not be permitted for the fascia and soffits.

15.6.5 Privacy Screens. When not provided by other structures, each Dwelling shall have a screened exterior area for enclosing garbage and trash containers, firewood, bicycles other items of personal property, or any other structure or improvement that the Architectural Control Committee determines is visually distracting and must be placed where they will not be seen from the streets, or neighboring lots and/or properties. Exterior HVAC equipment shall be screened so that they will not be seen from the streets. Screening shall be required of any exterior area designated for garbage. All required screens shall be an architectural extension of the Dwelling, both in its design and in its materials.

15.6.6 Fencing. No fences, including fences around swimming pools, dog runs or other uses may be permitted except those constructed only of wrought iron, extruded aluminum, or vegetation, not exceeding the height of five feet (5'), the design and location of which shall be approved, in advance, by the Architectural Control Committee. No fence shall extend beyond the front plane of the Dwelling constructed or to be constructed on the Lot. All fencing shall be black.

15.7 Grading and Landscaping.

15.7.1 Drainage and Grading. All Lots shall be graded so that will be retained within the property boundary of that Lot. No Lot shall drain on to any other Lot, Common Area, or public right of way. All drainage and detention facilities are required to comply with this obligation shall be submitted for review.

15.7.2 Compliance with Development Agreement. All landscaping shall comply with the landscaping requirements imposed under the Development Agreement.

15.7.3 Completion of Landscaping. Within thirty (30) days after substantial completion or occupancy of the Dwelling located thereon, whichever is earlier, each Lot shall be fully landscaped in accordance with a grading and landscape plan submitted to and approved by the Architectural Control Committee. The Architectural Control Committee shall have the discretion to extend the timing of completion of the landscaping of the Lot (to a date specified in writing to the Owner) if weather conditions preclude landscaping from being completed or if weather conditions may jeopardize the long term viability of the landscaping. If completion of the landscaping is so extended to a specific date, then the Owner shall diligently proceed to complete such landscaping of the Lot.

15.7.4 Irrigation. An automatic underground sprinkler system shall be installed throughout each Lot and shall be connected to the Irrigation Water Supply System provided herein in Article VII. Each Owner shall install its own irrigation timing system to ensure automatic operation and shutoff.

15.7.5 Required Landscaping Elements.

15.7.5.1 Lawn. Sod shall be laid over the entire Lot, including rear and side yards, except for garden or planter bed locations. Lawns shall comply with the following minimum standards:

i. front, side and rear yard:

Sod shall be Bluegrass, Ryegrass, Bluegrass/Ryegrass blend or approved comparable substitute and shall be regularly manicured weekly throughout the growing season.

ii. 100' Floodway Setback:

Sod may be Bluegrass, Ryegrass, Bluegrass/Ryegrass blend or approved (formal or manicured)
OR
Creeping Red Fescue (natural or non-manicured).

15.7.5.2 Shrubs. Shrubs shall be planted in the front yards, corner lot side yards and rear yards according to the following minimum standards:

i. front yard:

Five (5) shrubs at a minimum size of 5-gallons
Eight (8) shrubs at a minimum size of 2-gallons
Twelve (12) shrubs/perennials at a minimum size of 1-gallon

ii. corner lot side yard:

Six (6) shrubs at a minimum size of 2-gallons
Four (4) shrubs/perennials at a minimum size of 1-gallon

iii. rear yard:

Two (2) shrubs at a minimum size of 5-gallons
Eight (8) shrubs at a minimum size of 2-gallons
Twelve (12) shrubs/perennials at a minimum size of 1-gallon

iv. 100' Floodway Setback:

Six (6) shrubs at a minimum size of 5-gallons
Twelve (12) shrubs at a minimum size of 2-gallons
May substitute two (2) perennials minimum size of 1-gallon for each 2-gallon shrub

15.7.5.3 Trees. Trees shall be planted in the front yards, corner lot side yards, and rear yards as follows:

i. front yard:

Two (2) deciduous trees at a minimum size of 2" caliper
One (1) coniferous tree at a minimum size of 8' tall

ii. corner lot side yard:

One (1) deciduous tree at a minimum size of 2" caliper
One (1) coniferous tree at a minimum size of 8' tall

iii. rear yard:

One (1) deciduous trees at a minimum size of 2" caliper
and
One (1) coniferous tree at a minimum size of 8' tall per every
2,000 square feet.

iv. 100' Floodway Setback:

One deciduous trees at a minimum size of 2" caliper per 5000
square feet

or

Two (2) flowering trees at a minimum size of 2" caliper per
5000 square feet

and

Three (3) coniferous trees at a minimum size of 8' tall per 5000
square feet.

Eight shrubs at a minimum size of 5-gallons may be substituted for one tree in the front yard and one tree in the back yard. Trees located within the parking strip between the sidewalk and the street shall not be included in the calculations set forth herein. No tree requirement shall be reduced because of the prior placement of trees within the parking strip.

15.7.5.4 Planter Beds. Planter beds planted with shrubs and flowers shall cover a minimum of 25% of the front yard, 20% of the side yard on corner lots, 15% of the rear yards, and 5% of the 100' Floodplain Setback.

15.7.6 Lighting. Each Dwelling must have at least three (3) exterior lights illuminating the garage door openings and one exterior light for the front entryway. The Architectural Control Committee may approve pole-mounted lights in the front yard in lieu of building mounted lights. The primary entryway light shall be on a photocell so that it automatically turns on at sunset and turns off at sunrise. Floodlights shall be prohibited.

15.7.7 Exterior Recreational Facilities, Structures, and Outbuildings. No basketball standard or court and no other recreational structure or facility shall be constructed unless such is located within the backyard of any Lot. No portable basketball or other recreational standard shall be placed upon the sidewalk or street. Any permitted sport/recreational use shall be during normal hours and shall conform to community standards. No pool, hot tub, deck, awning, gazebo, trellis, retaining wall, privacy screen, outbuilding, treehouse, play house, play ground structure or equipment, storage shed, arbor or any other structure shall be constructed without having been approved by the Architectural Control Committee and without conforming with this provision of this Master Declaration. All such structures shall be of a harmonious design as the Dwelling and are treated as an architectural extension of the Dwelling, both in its design and in its materials. Decks may be constructed of natural wood or engineered wood products, provided that the color is approved and is harmonious with the Dwelling and that the material can and is maintained to ensure that its color and condition remain so.

15.7.8 Driveways. Driveways shall have a decorative application (for example, brick or stone pavers, washed gravel or stamped concrete) along the edges of each driveway for a minimum of eighteen inches (18") and for all front entry sidewalks. Rock or gravel shall not be utilized for landscaping or to provide parking areas adjacent to driveways. All driveways proposed for access to a back yard for permitted vehicle or other storage shall be subject to review and approval by the Architectural Control Committee.

ARTICLE XVI INSURANCE AND BOND

16.1 Required Insurance. The 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 the Association to obtain and maintain insurance coverage in addition to any insurance coverage required hereunder in such amounts and in such forms as the Association may deem appropriate from time to time.

16.1.1 A multi-peril-type policy covering any Improvements on the Common Area, 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).

16.1.2 A comprehensive policy of public liability insurance covering all of the Common Area, and public ways in the Property. Such insurance policy shall contain a severability of interest endorsement which shall preclude the insurer from denying the claim of a Dwelling Owner because of negligent acts of the 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 Property contains more than one hundred (100) Units, coverage shall be for at least \$1,000,000 per occurrence, for personal injury and/or property damage.

16.1.3 Workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

16.2 Optional Insurance. The 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.

16.2.1 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 such association in such amount as may be reasonable in the premises.

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

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

16.3.1 Insurance secured and maintained by the Association shall not be brought into contribution with insurance held by the individual Owners or their mortgages.

16.3.2 Each policy of insurance obtained by the Association shall, if possible, provide: A waiver of the insurers 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.

16.3.3 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.

16.3.4 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 XVII **CONDEMNATION**

17.1 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.

17.2 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.

17.3 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 XVIII

MORTGAGEE PROTECTION

Notwithstanding anything to the contrary contained in this Master Declaration or in the Articles or Bylaws of an Association:

18.1 All Associations shall maintain an adequate reserve fund for the performance of its obligations, including the maintenance, repairs and replacement of those common elements and improvements thereon, and such reserve shall be funded by at least quarterly assessments.

18.2 The holders of First Mortgages shall have the right to examine the books and records of any Association and to require annual reports or other appropriate financial data.

18.3 Any management agreement for the Property or Common Area, or any other contract providing for services of the developer, sponsor or builder, shall be terminable (i) by the contracting Association for cause upon thirty (30) days' written notice thereof, and (ii) by either party without cause and without payment of a termination fee on ninety (90) days' or less written notice thereof, and the term of any such agreement shall not exceed one (1) year.

18.4 Any lien which an Association may have on any Dwelling for the payment of assessments attributable to such Unit will be subordinate to the lien or equivalent security interest of any Mortgage on the Unit recorded prior to the date notice of such assessment lien is duly recorded.

18.5 Unless all institutional holders of First Mortgages have given their prior written approval, no Association shall:

18.5.1 By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area property owned, directly or indirectly, by such Association for the benefit of the Owners. (The granting of easements for public utilities or for other public purposes

consistent with the intended use of such Common Area property shall not be deemed a transfer within the meaning of this clause.)

18.5.2 Change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner.

18.5.3 By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Dwellings, the maintenance of the Common Area property, party walls, or common fences and driveways, or the upkeep of lawns and plantings in the subdivision.

18.5.4 Fail to maintain fire and extended coverage on insurable Common Area property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost).

18.5.5 Use hazard insurance proceeds for losses to any Common Area property for other than the repair, replacement or reconstruction of such Common Area property.

18.5.6 Amend materially this Master Declaration, the Association's Articles of Incorporation, or its Bylaws.

ARTICLE XIX **ANNEXATION**

19.1 Time for Annexation; Land Subject to Annexation. Declarant hereby reserves the right to annex any 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 Master 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 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 Master Declaration shall apply to the added land in the same manner as if it were originally covered by this Master Declaration and originally constituted a portion of the project; and thereafter, the rights, privileges, duties and liabilities of the parties to this Master 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 Dwellings 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 Master Declaration.

19.2 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:

19.2.1 A reference to this Master 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 Master Declaration is recorded;

19.2.2 An exact legal description of the added land;

19.2.3 A statement that the provisions of this Master Declaration shall apply to the added land, except as set forth therein; and

19.2.4 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 Master Declaration.

19.3 Deannexation. Declarant may delete all or a portion of the property described on Exhibit A and any annexed property from the Property and from coverage of this Master 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 Deannexation 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 deannex all or any portion of the Property 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 Property.

ARTICLE XX

GENERAL PROVISIONS

20.1 Phased Development. Owner acknowledges that the development of the Property will be phased over time and construction activities will occur on the Property throughout the development process. Owner recognizes that the development of the Property and creation of phases may change from time to time in Declarant's discretion, and no Owner shall object to, interfere with or otherwise impede the development of any remaining portion of the Property, or any additional land annexed to the Property or the Subdivision.

20.2 Enforcement. The Master Association or the applicable Sub 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 Master Declaration. 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.

20.3 Default. A person shall be deemed to be in default of this Master Declaration only upon the expiration of fifteen (15) days (five [5] days in the event of failure to pay money) from receipt of written notice from the Declarant or Association specifying the particulars in which such person has failed to perform the obligations of this Master Declaration unless such person, prior to the expiration of said fifteen (15) days (five [5] days in the event of failure to pay money), has rectified the particulars specified in said notice of default ("Notice of Violation"). The requirement for written notice shall be satisfied upon the mailing of a Notice of Violation to the address evidenced on the records of the Ada County Assessor as being the address to which tax notices are to be mailed.

20.4 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.

20.5 Amendment. The covenants and restrictions of this Master 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 Master Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Master Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless terminated by an instrument signed by members entitled to cast not less than sixty percent (60%) of the votes of membership. Except as otherwise provided herein, any of the covenants and restrictions of this Master Declaration, except the easements herein granted, may be amended by an instrument signed by members entitled to cast not less than sixty percent (60%) of the votes of the votes of membership. Any amendment must be recorded. Prior to the Change of Control Date, Declarant shall have the unilateral right to amend this Master Declaration without the consent of any other Owner. After the Change of Control Date, so long as Declarant owns any Lot or portion of the Subdivision, no amendment to the Master Declaration shall be effective unless Declarant consents.

20.6 Assignment by Declarant. Any or all rights, powers and reservations of Declarant herein contained may be assigned to an Association or to any other corporation or association 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 corporation or association 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. 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.

20.7 Declarant Control. Declarant shall retain and shall exercise all rights and powers hereunder through any such Person until the occurrence of the Change of Control Date. Until the occurrence of the Change of Control Date, Declarant shall have (a) the right to appoint the members of the Architectural Control Committee; (b) the unilateral right to amend the Master Declaration without the consent of any Owner; and (c) appoint at least two members to the Board. For purposes of this Master Declaration the term "Change of Control Date" means the first to occur of the following: (i) the date when Declarant (and any Person in which it or its principals own a majority of the capital and profits interests) ceases to be the Owner of any portion of the Subdivision or any portion of any property annexed into the Subdivision as set forth herein; (ii) the date when Declarant or SJTC Nampa, L.C., cease to own any portion of the larger Mace Ranch as described in the Special Warranty Deed recorded on November 12, 2013, as Instrument No. 113123784, or (iii) the date Declarant resigns by recording a written notice of termination of control with the County Recorder of Ada County, Idaho. At such time that Declarant's control rights are terminated, whether voluntarily or involuntarily, Declarant shall cause to be recorded in the records of Ada County, a document stating that Declarant no longer exercises any further controls over the Subdivision. Copies of such document shall be provided to each Owner contemporaneously with the recording of such document. Recordation of such

document shall formally terminate Declarant's control rights regarding the Project, and all duties of Declarant under this Declaration.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of this 20 day of November, 2013.

Gardner Mace Ranch, L.C., a Utah limited liability company,
by its manager

KC Gardner Company, L.C., a Utah limited liability company

By: [Signature]
Name: Christian Gardner
Title: Manager

STATE OF IDAHO)

) ss.

County of Ada)

On this 20 day of November, 2013 before me, Jennifer Maier, a Notary Public in and for said State, personally appeared Christian Gardner, known or identified to me to be the Manager of KC Gardner Company, L.C., a Utah limited liability company, the Manager Gardner Mace Ranch, L.C., a Utah limited liability company, and the Manager who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said KC Gardner Company, L.C., and that such KC Gardner Company, L.C., executed the same in the name of Gardner Mace Ranch, L.C.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Jennifer Maier
Notary Public for State of Idaho
Residing at Mendon, ID 8
Commission Expires: 7/25/2017

Recording Requested By and
When Recorded Return to:
Geoffrey M. Wardle
GARDNER MACE RANCH, L.C.
101 S. Capitol Boulevard, Suite 1200, Boise, ID
83702

**ELECTRONICALLY RECORDED - DO NOT
REMOVE THE COUNTY STAMPED FIRST
PAGE AS IT IS NOW INCORPORATED AS
PART OF THE ORIGINAL DOCUMENT.**

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

FIRST AMENDMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION

THIS FIRST AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION
("First Amendment") is made and entered into this 12 day of August, 2014,
by Gardner Mace Ranch, L.C., a Utah limited liability company ("Declarant").

RECITALS:

A. Declarant recorded the Master Declaration of Covenants, Conditions, and
Restrictions for Mace River Ranch Subdivision dated November 20, 2013 ("Declaration"), and
recorded November 22, 2013 as Instrument No. 113127412 in the official records of Ada
County, Idaho.

B. Pursuant to Section 20.5 of the Declaration, Declarant possesses the
unilateral right to amend the Declaration as the Change of Control Date has not yet occurred.

C. Declarant desires to amend Section 13.3 of the Declaration to clarify the
provision regarding the animals permitted within the Subdivision.

NOW, THEREFORE, Declarant does hereby amend the Declaration as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have
the respective meanings ascribed to such terms in the Declaration.

2. **Amendment to Section 13.3.** Declarant does hereby delete Section
13.3 of the Declaration and replaces it in its entirety, as if originally included in the Declaration:

Section 13.3. Animals. No animals, livestock or poultry of any kind shall
be raised, bred or kept on any part of said Property, except that a total of
three dogs or cats may be kept on a lot in the following configurations:
three dogs, three cats, two dogs and one cat, or two cats and one dog,
may be kept within a Dwelling or within a fenced area as may be
approved by the Architectural Control Committee. Additionally, other

Recording Requested By and
When Recorded Return to:
Geoffrey M. Wardle
GARDNER MACE RANCH, L.C.
101 S. Capitol Boulevard, Suite 1200, Boise, ID
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CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION
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three dogs or cats may be kept on a lot in the following configurations:
three dogs, three cats, two dogs and one cat, or two cats and one dog,
may be kept within a Dwelling or within a fenced area as may be
approved by the Architectural Control Committee. Additionally, other

household pets that are kept with in a Dwelling at all times may be permitted, provided that they do not become a nuisance and comply with any and all governmental regulations. Any animals outside a Dwelling 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. The Association shall have the right to remove pets from a Lot in the event of uncontrolled barking, repeated violations of fencing requirements, leash or clean up rules.

3. Survival of Remaining Terms of Declaration. Except as amended herein, the Declaration and all of its terms and provisions remains in full force and effect.

4. Effective Date. This First Amendment shall be effective as of the date of recording in Latah County, Idaho, of an original of this First Amendment properly executed and acknowledged hereto.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of this 12th day of August, 2014.

Gardner Mace Ranch, L.C., a Utah limited liability company,
by its manager

KC Gardner Company, L.C., a Utah limited liability company

By: [Signature]
Name: Christian Gardner
Title: Manager

STATE OF UTAH)
) ss.

County of SALT LAKE)

On this 12 day of AUGUST, 2014 before me, SONIA C. PEREZ, a Notary Public in and for said State, personally appeared Christian Gardner, known or identified to me to be the Manager of KC Gardner Company, L.C., a Utah limited liability company, the Manager Gardner Mace Ranch, L.C., a Utah limited liability company, and the Manager who subscribed said company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said KC Gardner Company, L.C., and that such KC Gardner Company, L.C., executed the same in the name of Gardner Mace Ranch, L.C.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Notary Public for State of UTAH

Residing at DAVIS COUNTY, UT

Commission Expires: 10-16-16

SEAL



**Recording Requested By and
When Recorded Return to:**

Geoffrey M. Wardle
GARDNER MACE RANCH, L.C.
101 S. Capitol Boulevard, Suite 1700
Boise, ID 83702

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**SECOND AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION**

THIS SECOND AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION
("First Amendment") is made and entered into this 13 day of October,
2015, by Gardner Mace Ranch, L.C., a Utah limited liability company ("Declarant").

RECITALS

A. Declarant recorded the Master Declaration of Covenants, Conditions, and Restrictions for Mace River Ranch Subdivision dated November 20, 2013 ("Declaration"), and recorded November 22, 2013 as Instrument No. 113127412 in the official records of Ada County, Idaho.

B. Declarant recorded a First Amendment to Master Declaration of Covenants, Conditions and Restriction for Mace River Ranch Subdivision dated August 12, 2014 ("First Amended Declaration"), and recorded August 14, 2014 as Instrument No. 2014-065972 in the official records of Ada County, Idaho.

C. Pursuant to Section 20.5 of the Declaration, Declarant possesses the unilateral right to amend the Declaration without the consent of any other Owner because the Change of Control Date has not yet occurred.

D. Declarant desires to amend certain provisions of the Declaration to clarify membership in the Association and to clarify the use of metal as a building material.

NOW, THEREFORE, Declarant does hereby amend the Declaration as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Declaration.

2. **Amendment to Section 3.2.** Declarant does hereby delete Section 3.2 of the Declaration and replaces it in its entirety, as if originally included in the Declaration:

Section 3.2 Voting Rights. The Master Association shall have two (2) classes of voting membership:

Section 3.2.1 Class A: Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be the Member entitled to exercise the rights. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot, and fractional voting shall not be allowed. The vote of a Member whose Lot is being sold under contract of purchase shall be exercised by the contract buyer, unless the contract expressly provides otherwise.

Section 3.2.2 Class B: Class B Member(s) shall be the Declarant and any successor(s) in title to any Lot(s) to whom Declarant has assigned in a recorded instrument all of its rights as Declarant hereunder, and shall be entitled to ten (10) votes for each Lot owned. The Owner of any Lot or any number of Lots shall not be a Class B Member absent such written assignment. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first:

- (i) Upon the Change of Control Date as defined in Section 20.7, terminating and converting all of the Class B membership to Class A membership; or
- (ii) January 1, 2025.

3. Amendment to Section 15.5.2. Declarant does hereby delete Section 15.5.2 of the Declaration and replaces it in its entirety, as if originally included in the Declaration:

Section 15.5.2 Roofing Materials and Colors. Roofs shall be black or charcoal in color. All roofs shall be constructed with thirty year architectural shingles with significant visual relief. Ornamental copper, metal, slate, masonry, or tile may be approved as roofing or accent materials by the Architectural Control Committee, provided that all such materials satisfy the requirements of this Section and are of a quality that is comparable to the requirement of architectural shingles above. Wood or synthetic shakes and all other types of shingle or asphalt treatment shall be prohibited.

4. Survival of Remaining Terms of Declaration. Except as amended herein, the Declaration and all of its terms and provisions remains in full force and effect.

5. Effective Date. This Second Amendment shall be effective as of the date of recording in Ada County, Idaho, of an original of this First Amendment properly executed and acknowledged hereto.

IN WITNESS WHEREOF, the Declarant has executed this Declaration as of this 13
day of October, 2015.

GARDNER MACE RANCH, L.C.
a Utah limited liability company, by its manager

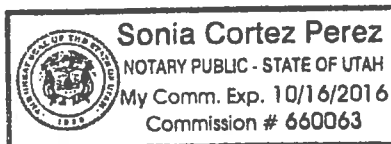
KC GARDNER COMPANY, L.C.
a Utah limited liability company

By: [Signature]
Name: Christian Gardner
Title: Manager

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this 13 day of OCTOBER, 2015 before me, SONIA C. PEREZ,
a Notary Public in and for said State, personally appeared Christian Gardner, known or
identified to me to be the Manager of KC Gardner Company, L.C., a Utah limited liability
company, the Manager Gardner Mace Ranch, L.C., a Utah limited liability company, and the
Manager who subscribed said company name to the foregoing instrument, and acknowledged
to me that he executed the within instrument on behalf of said KC Gardner Company, L.C., and
that such KC Gardner Company, L.C., executed the same in the name of Gardner Mace Ranch,
L.C.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year first above written.



[Signature]
Notary Public for State of UTAH
Residing at DAVIS COUNTY, UT
Commission Expires: 10-16-16

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~~Accommodation~~
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101 S. Capitol Boulevard, Suite 1700
Boise, ID 83702

ADA COUNTY RECORDER Christopher D. Rich
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THIRD AMENDMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION

THIS THIRD AMENDMENT TO MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION
("Third Amendment") is made and entered into this 23 day of August,
2016, by Gardner Mace Ranch, L.C., a Utah limited liability company ("Declarant").

RECITALS

A. Declarant recorded the Master Declaration of Covenants, Conditions, and
Restrictions for Mace River Ranch Subdivision dated November 20, 2013 ("Declaration"), and
recorded November 22, 2013 as Instrument No. 113127412 in the official records of Ada
County, Idaho.

B. Declarant recorded a First Amendment to Master Declaration of Covenants,
Conditions and Restrictions for Mace River Ranch Subdivision dated August 12, 2014 ("First
Amended Declaration"), and recorded August 14, 2014 as Instrument No. 2014-065972 in the
official records of Ada County, Idaho.

C. Declarant recorded a Second Amendment to Master Declaration of
Covenants, Conditions and Restrictions for Mace River Ranch Subdivision dated October 13,
2015 ("Second Amended Declaration"), and recorded on October 14, 2015, as Instrument No.
2015-095063 in the official records of Ada County, Idaho.

D. Declarant has previously annexed additional real property making such
property subject to the Declaration as set forth in the following instruments: (i) Supplemental
Declaration of Covenants, Conditions and Restrictions and Notice of Annexation for Mace River
Ranch Subdivision No. 2, dated October 28, 2014, and recorded on October 30, 2014 as
Instrument No. 2014-088473 in the official records of Ada County, Idaho; and (ii) Supplemental
Declaration of Covenants, Conditions and Restrictions and Notice of Annexation for Mace River
Ranch Subdivision No. 3, dated March 26, 2015 and recorded on April 24, 2015 as Instrument
No. 2015-034046 in the official records of Ada County, Idaho.

E. Declarant has separately recorded an Amended and Restated Supplemental
Declaration of Covenants, Conditions, and Restrictions and Notice of Annexation for Mace River
Ranch Subdivision No. 4 dated November 5, 2015 ("Phase 4 Supplemental Declaration"), and

THIRD AMENDMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR MACE RIVER RANCH SUBDIVISION

1

recorded November 9, 2015 as Instrument No. 2015-103137, annexing Phase 4 and making it subject to the Declaration, while establishing specific design elements applicable to Phase 4, including separate and special provisions of Article XV applicable to Phase 4. To the extent that similar revisions are being made here to the Declaration, Declarant will specifically address them as to the Phase 4 Supplemental Declaration in an amendment specific to Phase 4 to be recorded contemporaneously herewith.

F. Pursuant to Section 20.5 of the Declaration, Declarant possesses the unilateral right to amend the Declaration without the consent of any other Owner because the Change of Control Date has not yet occurred.

G. Declarant desires to amend certain provisions of the Declaration, as amended, to clarify certain additional provisions as set forth herein.

NOW, THEREFORE, Declarant does hereby amend the Declaration as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Declaration.

2. **Amendment to Section 12.1.** Declarant does hereby delete Section 12.1 of the Declaration and replaces it in its entirety, as if originally included in the Declaration:

12.1 Maintenance by Association□ The Association designated in this Master Declaration and any Supplemental Declaration shall provide maintenance to and be responsible for the Common Areas and Improvements thereon, including any Association-owned street lights, the Irrigation Water Supply System, the Storm Water Drainage and Retention System (as provided in Article VIII, above), and any Waterway which may be located upon a Lot, including, all Common Area Lots, and including, but not limited to all Waterways and Improvements located on Lot 2, Block 1, Mace River Ranch Subdivision No.1, which are located within the floodway and which may be damaged from time to time by natural events such as flooding. With respect to the Waterways and Improvements located on Lot 2, Block 1, Mace River Ranch Subdivision No.1, The Association shall maintain, repair and operate the Improvements and that Lot consistent with their initial design and consistent with the various local, state, and federal laws and regulations applicable thereto. 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.

3. **Amendment to Section 15.6.** Declarant does hereby add a new Section 15.6.7 and Section 15.6.8 to the Declaration as if fully set forth in the Declaration originally:

15.6.7 Swimming Pools. No swimming pool shall be constructed without the prior approval of the Architectural Control Committee. Any submittal for a swimming pool shall comply with the

requirements of Article XIV, and shall provide complete plans for the proposed location, design, and specifications for both the pool and all other pumps and equipment. Solar pool heating panels shall not be permitted unless camouflaged and screened satisfactory to the Architectural Control Committee. Any gas pool heaters, together with all pool pumping equipment, including, pumps, filtration and valves shall be screened from view. The Owner shall obtain an engineer's certificate certifying that the lot is suitable for installation of an in-ground swimming pool, which certification shall be submitted to the Architectural Control Committee prior to commencement of construction of the proposed pool.

15.6.8 Solar Systems. Solar energy panels and systems ("**Solar Systems**") are Improvements as defined in Section 1.15 above. As Improvements, all Solar Systems are subject to the Architectural Control requirements of Article XIV and Design Standards set forth in Article XV. Prior to commencing the installation of any Solar System, the Owner shall make a submission to the Architectural Control Committee consistent with Article XIV, shall pay the fee established from time to time by the Architectural Control Committee, and shall ensure that the installation by its contractor will comply with the standards set forth in Article XV. Additionally, all submissions for Solar Systems shall include the following supplemental information:

15.6.8.1 Scale Drawing, Photographs, and Schematics. The Owner or its contractor shall submit scale drawings of the Solar System, depicting its proposed installation location, and the total area that will be occupied by the Solar System. Additionally, photographs of the Lot where the Solar System is proposed to be installed shall be provided with the submittal, together with photographs of adjoining Lots and Common Area reasonably depicting the location and placement of the Solar System. Finally, complete manufacturer schematics, specifying the proposed system for installation together with details of the dimensions, mounting, and operation of the Solar System, shall be provided with the submittal.

15.6.8.2 Siting. All Solar Systems shall be located in accordance with the Dimensional Standards set forth herein including, but not limited to the standards applicable to Setbacks and Height; Roof Style and Pitch; Roofing Materials and Colors; and the other provisions of this Section 15.6 regarding Exterior Features. No Solar System shall be installed that projects above the highest ridge of the roof where it is attached. All Solar Systems shall be integrated to the extent possible with the design of the Dwelling. The Architectural Control Committee may ultimately approve siting

of a Solar System conditioned upon its placement in a location which is less conspicuous, even if that location is less efficient, but is consistent with the Design Standards. The Architectural Control Committee shall endeavor to reasonably balance design concerns with the operational requirements of Solar Systems, but is empowered to make determinations to deny or conditionally approve a Solar System based upon inappropriate installation locations and aesthetics.

15.6.8.3 System Approval. Approval of a Solar System by the Architectural Control Committee is not an endorsement or representation or warranty of any Solar System, any manufacturer of a Solar System, or any installer of a Solar System. Approval by the Architectural Control Committee is solely an approval based upon satisfaction of the Design Requirements of this Declaration. An Owner desiring to install a Solar System should evaluate a variety of systems, manufacturers, and installers before committing to one and making a submittal to the Architectural Control Committee for approval. Designs of Solar Systems vary among system type and among manufacturers; as such, each Owner should undertake its own evaluation of which system type is most appropriate for its Lot and which is most likely to be approved as an Improvement as set forth herein. All actions of the Architectural Control Committee shall remain subject to the waiver and release of liability set forth in Section 14.12.

15.6.8.4 Installation, Maintenance, and Removal. Approved Solar Systems shall be installed in such a way as to make them as inconspicuous as possible, including all piping, cabling, and mounting hardware. They shall be of such colors as are consistent with Section 15.2.7.2 above, and shall be maintained consistent with the other provisions of this Declaration, including occasional painting and upkeep. In the event of removal of a Solar System, the area of the Dwelling and Lot impacted by the installation shall be returned to its original condition consistent with the provision of this Declaration.

15.6.8.5 No Solar Easement Created Hereunder. The approval of a Solar System hereunder does not grant to the Owner of the Lot where such is installed any easement over any other Lot or any Common Area for solar access. Absent an express recorded easement creating a solar easement in favor of a specific Lot, neither the Association nor any other Owner shall have any obligation to landscape or maintain the landscaping on their Lot for the benefit of an Owner who has installed a Solar System or the Lot upon which such is installed, except to the extent such landscaping is otherwise required to be installed or maintained hereunder. All Owners

are responsible to make their own installation investigation including the evaluation of the future conditions that may exist upon the maturation of existing or future landscaping.

4. Amendment to Section 15.7.8. Declarant does hereby delete Section 15.7.8 of the Declaration and replaces it in its entirety, as if originally included in the Declaration:


15.7.8 Driveways. Driveways shall have a decorative application (for example, brick or stone pavers, washed gravel or stamped concrete) along the edges of each driveway for a minimum of twelve inches (12") and for all front entry sidewalks. Rock or gravel shall not be utilized for landscaping or to provide parking areas adjacent to driveways. All driveways proposed for access to a back yard for permitted vehicle or other storage shall be subject to review and approval by the Architectural Control Committee.

5. Survival of Remaining Terms of Declaration. Except as amended herein, the Declaration and all of its terms and provisions remains in full force and effect.

6. Effective Date. This Third Amendment shall be effective as of the date of recording in Ada County, Idaho, of an original of this Third Amendment properly executed and acknowledged hereto.

IN WITNESS WHEREOF, the Declarant has executed this Third Amendment as of this 23 day of August, 2016.

GARDNER MACE RANCH, L.C.
a Utah limited liability company,
by its authorized person

By: 
J. Thomas Ahlquist
Title: Authorized Person

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

On this 23 day of August, 2016 before me, Ce-Ce Talley,
a Notary Public in and for said State, personally appeared J. THOMAS AHLQUIST, known or
identified to me to be the authorized person of Gardner Mace Ranch, L.C., a Utah limited liability
company, and the person who subscribed said company name to the foregoing instrument, and
acknowledged to me that he executed the within instrument on behalf of Gardner Mace Ranch,
L.C., and executed the same in the name of Gardner Mace Ranch, L.C.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year first above written.



C. Talley
Notary Public for State of Idaho
Residing at Boise, Idaho
Commission Expires: 6.27.2020