DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR VAN DORN ESTATES

For Platted Lands in Adams County, Idaho.

THIS DECLARATION is made this _____thth day of September 2006; by Steve Dorn Investments LLC. hereinafter called "Declarant".

WHEREAS Declarant is the owner of the real property described in Article III of this Declaration ("the Property") and desires to create on a portion thereof a residential community;

WHEREAS Declarant desires to provide for the preservation of the values and amenities in the Property, and to this end, desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are intended for the mutual benefit of said property and of each owner of a portion thereof; and,

NOW, THEREFORE, the Declarant declares that the Property, and such additions to the Property as may be made pursuant to Article X hereof, is and shall be held, transferred, sold, conveyed and occupied subject to covenants, conditions, easements, charges, and liens hereinafter set forth.

ARTICLE I DECLARATION

Declarant hereby declares that each lot, parcel or portion of the Property located within Van Dorn Estates, is and shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following terms, covenants, conditions, easements and restrictions, all of which are declared and agreed to be in furtherance of a general plan for protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness of the Property. The terms, covenants, conditions, easements and restrictions set forth herein: (I) shall run with the land constituting the Property, and shall be binding upon all persons having or acquiring any right, title or interest in the Property or any lot, parcel or portion thereof; (II) shall insure to the benefit of and be binding upon Declarant, Declarant's successor in interest and each Grantee or Owner and such Grantee's or Owner's respective successors in interest; and (IV) may be enforced by Declarant, by any Owner or such Owner's successors in interest, or by the Association as hereinafter described.

ARTICLE II DEFINITIONS

<u>Architectural Control Committee</u>: The term "Architectural Control Committee" shall mean the committee created pursuant to Article VIII.

<u>Articles</u>: "Articles" shall mean the Articles of Incorporation of the Association or other organizational or charter documents of the Association.

<u>Assessments</u>: "Assessments" shall mean those payments required of Residential Owners, including Regular, Special and Limited Assessments of the Association as further defined in the Declaration.

<u>Association</u>: "Association" shall mean the Van Dorn Estates Property Owners' Association.

Association Rules: "Association Rules" shall mean those rules and regulations promulgated by the Association governing conduct upon and use of the Residential Property under the jurisdiction or control of the Association, the imposition of fines and forfeitures for violation of Association Rules and regulations, and procedural matters for use in the conduct of business of an Association.

<u>Board</u>: "Board" shall mean the Board of Directors or other governing board or individual, if applicable, of the Association.

Bylaws: "Bylaws" shall mean the Bylaws of the Association.

Committee: The term "Committee" shall mean the Architectural Control Committee.

<u>Declarant</u>: The term "Declarant" shall mean Steve Dorn Investments LLC, or its' successors in interest, or any person or entity to whom rights under this Declaration are expressly transferred by Steve Dorn Investments LLC.

<u>Declaration</u>: The term "Declaration" shall mean this Declaration of Protective Covenants, Conditions and Restrictions contained herein.

<u>Dwelling, Dwelling Units</u>: The term "Dwelling" and "Dwelling Units" are interchangeable and shall mean any building or portion thereof located on a parcel and designed and intended for use and occupancy as a single family residence.

<u>Improvements</u>: The term "Improvements" shall include buildings, outbuildings, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, hedges, windbreaks, plantings, planted trees and shrubs, poles, signs and all other structures or landscaping improvements of every type and kind.

<u>Lot</u>: The term "Lot" shall mean any parcel of real property located in the Residential Property and designated as a Lot on the Recorded plat of the Existing Property.

Owner: The term "Owner" shall refer to that person or entity or those persons or entities who hold the ownership interest in any Lot as shown on the records of the County Recorder, Adams County, Idaho; such term shall also include any person, persons, entity or entities who succeed to such recorded interest by any means, including buyers under executory contracts of sale and excluding those holding an interest merely as security for the performance of an obligation.

<u>Record, Recorded</u>: The term "Record" or "Recorded" shall mean with respect to any documents, the recordation of said document in the Office of the County Recorder, Adams County, Idaho.

<u>Residence</u>: The term "Residence" shall mean a building or buildings, including any garage, carport or similar outbuilding, used for residential purposes.

<u>Residential Owner</u>: The term "Residential Owner" shall mean any Owner of a Lot within the Residential Property.

Residential Property: The term "Residential Property" is defined at Section 3.02 below.

<u>Single Family Residential Use</u>: The term "Single Family Residential Use" shall mean the occupation and use of a single family dwelling in conformity with this Declaration and any requirements imposed by applicable zoning laws or other state or municipal agencies, rules or regulations.

<u>Structure</u>: The term "Structure" shall include buildings, outbuildings, roads, driveways, parking areas, fences, walls, stairs, decks and poles.

ARTICLE III PROPERTY SUBJECT TO THIS DECLARATION

- 3.01 <u>The Property</u>: The real property which makes up the Van Dorn Estates, as platted with the Adams County Recorder, is located in Adams County, Idaho and is more particularly described at **Exhibit "A"** attached hereto and incorporated herein by reference (hereafter the "Existing Property").
 - 3.02 Residential Property: The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this declaration is located in Adams County, Idaho and is more particularly described at Lots 1 through 15 of Van Dorn Estates, as platted with the Adams County Recorder, as well as any additional Lots which may be annexed into Van Dorn Estates pursuant to Article X below.
 - 3.03 <u>Notice With Regard to Potential Adverse Activities Neighboring Van Dorn</u> Estates: See attached **Exhibit "B"**.

ARTICLE IV PROTECTIVE COVENANTS

4.01 <u>Use and Living Units</u>: All of the subject lots in the residential Property shall be used and occupied solely for single family residential purposes, or agricultural purposes, as allowed herein. There shall be no commercial use of the Residential Property, including but not limited to pasture rental and in-home businesses. However, a homeowner working at a computer, for example, does not constitute an "in-home business".

None of the subject lots or parcels that are part of the Residential Property shall be split, divided or subdivided into smaller lots or parcels than indicated on the Recorded Plat of Van Dorn Estates property, in the office of the County Recorder of Adams County, Idaho.

All single-family residences shall be subject to the following conditions and limitations:

- A. No buildings other than one detached residence, a private garage for the use of the occupants of such residence, and such other usual and appropriate outbuildings strictly incidental and appurtenant to a private residence, or the care and keeping of animals, shall be erected or maintained on any parcel. No use whatsoever shall be made of any parcel herein other than the site and grounds of a private residence. The term "private residence" as used herein is intended to exclude every form of multi-family dwelling, boarding or lodging house and the like, but is not intended to exclude a guest house for the entertainment of social guests, or servants or caretakers' quarters, for persons employed upon the premises, if such guest housing is allowed by applicable Adams County Ordinances. There shall be no more than a maximum of three (3) buildings allowed on any lot, of which only two (2) may be occupied as residences. A primary residence with a detached garage shall count as one building.
- B. No structure of a temporary character, to specifically include mobile home, basement, shack, garage, barn or other outbuilding, shall be used on any lot at any time as a residence, either temporarily or permanently; nor shall any residential structure be moved on to any lot from any other location, unless the prior written approval of the Architectural Control Committee is obtained, such approval to be obtained in the same manner as for new construction.
- C. Visitors and guests may park a camper, motor home or trailer in the Subdivision for a reasonable term, not to exceed two (2) weeks consecutive duration nor more than a total of thirty (30) days each calendar year, except with the special permission of the Architectural Control Committee.
- D. A residence shall contain a minimum of 1,200 (800 on the ground floor) square feet of total living area; plus a minimum two-car garage. All construction must be of good quality and done in a good workmanlike manner.
- E. All buildings shall conform to the property line setbacks of fifty (50) feet from any street right-of-way or adjoining property line. No construction shall occur within designated wetlands areas, or within any easement.
- F. No Improvements which will be visible above ground or which will ultimately affect the visibility of any above ground improvement shall be built, erected, placed or materially altered on, or removed from the Residential Property unless and until the building plans, specifications and plot plan, or other appropriate plans and specifications, have been reviewed in advance by the Architectural Control Committee and the same have been approved in writing. The procedures for review are more fully set forth in Article VIII. The review and approval or disapproval may be based upon the following factors: size, height, design and style elements, mass and form, topography, setbacks, finished ground elevations, architectural symmetry, drainage, color materials, physical or aesthetic impacts on other properties, artistic conformity to the terrain and other improvements on the Residential Property, and any and all other factors which the Architectural Control Committee, in its reasonable discretion, deems relevant. Said requirements as to the approval of the architectural design shall apply only to the exterior

appearance of the improvements. This Declaration is not intended to serve as authority for the Architectural Control Committee to control the interior layout or design of residential structures except to the extent incidentally necessitated by use, size and height restrictions.

- G. Detached garages, guest quarters, barns, outbuildings and storage sheds shall be allowed, if in conformity with the provisions of this Declaration and the applicable ordinances of Adams County. Garages, storage sheds, patio covers, and detached patio covers, shall be constructed of, and roofed and sided with, the same or compatible materials, and with similar colors and design, as the residential structure on the applicable Lot.
- H. All access driveways shall have a wearing surface approved by the Architectural Control Committee and shall be graded to assure proper drainage. A ten (10) foot driveway setback from property lines shall be required with the exception of lots 2 and 3, which will have no setback requirements.
- I. Each residential structure shall have a street number discreetly placed at or near the street entrance to the Lot. All mailboxes and stands, if any, will be of consistent design, material and coloration.
- J. Exterior lighting, including flood lighting shall be part of the architectural concept of the improvements on the Lot. Fixtures, standards and all exposed accessories shall be harmonious with building design and shall be approved by the Architectural Control Committee. Lighting shall be restrained in design, shall be directed at the ground, and excessive brightness shall be avoided. For instance, lighted arenas shall not be allowed.
- K. The maximum height of any building shall be in compliance with the applicable Adams County land use or zoning ordinances, but shall not exceed thirty five (35) feet in height, measured from the high side of the finished grade, adjacent to the highest point of any roofline.
- L. Roofs shall be required to be of pitched design and shall be covered with non-flammable materials (e.g. composition shingle). Fire retardant wood shingles or shakes shall be discouraged, but may be used with prior consent of the Architectural Control Committee.
- M. No exterior surfaces of any structure shall be painted other than earth tones, excluding trim. For example, white is not an earth tone, and shall not be permitted on the exterior surface of any structure, excluding trim. No reflective roofing material may be exposed on any lot. All exterior walls of any structure shall be of natural materials such as wood, stained wood, rock or brick, but may be a manufactured product, such as wood manufactured siding. Prior to construction, the Architectural Control Committee must approve samples of such materials.
- N. TV Satellite dishes (larger than 24 inches) should be screened from view of the road and other homes, if possible, and be first approved by the Architectural Control Committee.

4.02 <u>Landscaping</u>: All lots shall be properly cared for at all times so as to maintain a nice appearance to the public view. The owner of each such lot, upon erecting a single family residence or other approved structure thereon, shall provide and maintain minimal natural landscaping on the rear and side portions of the lot as well as the front lot area. All disturbed areas shall be re-established with native vegetation. In the event of neglect to properly maintain and care for any such lot, or to provide for such minimal landscaping, the Architectural Control Committee shall have the right, but shall have no obligation, to have the necessary work performed on any parcel to keep it from presenting an unsightly appearance, the charges for work so performed to be billed to, and paid for by, the owner or owners of such lot and become a lien upon the property. Use of native vegetation is encouraged in order to create a harmonious theme within the subdivision.

The Architectural Control Committee shall approve all landscaping, exterior structure surfaces, dimensions and locations on the lot thereon prior to commencement of any work. Planting trees is encouraged on Lots without trees. Proper planning is required so matured trees do not unreasonably block the views of adjacent lot owners. No structure or landscaping shall be approved which shall detract from the attractiveness or desirability of Van Dorn Estates.

4.03 <u>Animals</u>: Except as hereinafter provided, no animals, livestock or poultry of any kind shall be raised, bred or kept on any lot in the Residential Property other than dogs, cats or other household pets, provided that the same are not kept, bred or maintained for commercial purposes. No more than two (2) adult dogs will be allowed per Lot unless an exception is granted in writing from the Architectural Control Committee. The same shall not be allowed to run at large and must be kept and maintained upon the property of the owner thereof. Dogs shall not be allowed to disturb wildlife, waterfowl or other game species. Dogs are expressly prohibited from chasing cattle.

Farm animals may be kept and maintained on any Lot, provided that the maximum number of such "large" animals that may be kept on any one lot shall be equal to two animals for each 5 acres. This restriction shall be calculated based upon the total number of acres in the Lot. Special arrangements may be made for one or two lot owners to provide animal boarding for members of the association.

Each Lot Owner shall be required to fence in their animals, pursuant to the fencing requirements of Section 4.11. Animals shall not be allowed outside of the fenced area, which is defined in Section 4.11.

4.04 Garbage, Refuse Disposal and Storage of Materials:

- A. No parcel shall be used or maintained as a dumping ground for rubbish, trash, junk or other waste materials. All such waste of this nature must be kept in sanitary containers out of sight of the street and secure from access by domestic or wild animals and must be removed from the parcel at least once each week. All equipment for the storage or disposal of such waste material shall be maintained in a clean and sanitary condition at all times.
- B. All snowmobiles, extra vehicles, boats, boat trailers, travel trailers, camper trailers, motor homes, automotive campers or any other similar property on any lot stored

beyond the time frame contemplated in Section 4.01C herein, such storage is considered to be of a permanent nature, said property shall be stored in an enclosed building of permanent design.

- C. No building materials of any kind shall be placed or stored upon any lot until the owner thereof is ready and able to commence construction, and then such materials shall be placed and kept neatly within the property lines of such lot.
- D. No burning of any household garbage, trash or other noxious refuse shall be permitted on any lot unless in a contained structure with spark eliminator. (Note: extreme caution during fire season). Any other burning shall take place only with proper notification to the New Meadows Rural Fire Department, The Southern Idaho Timber Association or any other agency or authority with jurisdiction. The policies, practices and instructions of such entity shall be strictly followed.
- 4.05 <u>Nuisances</u>: Discharge of firearms is strictly prohibited and no one shall perform in the Residential Property any activity which is noxious or offensive or an annoyance or nuisance to the owner of any lot, or involves the pollution of the earth or water of, or the air over, any part of the Residential Property or creates noxious, offensive, annoying or dangerous odors or noises or visual or tactile conditions or creates or leaves a residue of non-degradable substances. The feeding of wildlife, with the exception of birds, is prohibited
- 4.06 <u>All Terrain Vehicles</u>: Except as associated with agricultural activities, all terrain vehicles, snow machines, motorcycles and other similar motorized vehicles may be operated within the Subdivision <u>only</u> for direct ingress and egress from the owner's lot to areas outside of the Subdivision, and must obey posted speed limits and be courteous to horseback riders. The Board or Architectural Control Committee shall determine whether a violation of the subparagraph has occurred.

4.07 Prohibited Lot Uses:

- A. There shall be no mining, smelting or milling of ores or similar mineral operations within the Residential Property.
- B. No outdoor privy or any common cesspool shall be installed on any lot at any time except as required during residence construction.
- C. Nothing shall be done or kept on any lot by any person which will increase the rate of insurance or any other lot or which will result in the cancellation of any insurance or which constitutes a violation of any law.
- D. No excavation shall be made on any parcel except as is necessary for the erection of approved structures, in which case the same shall be properly filled within thirty (30) days of the completion of the underground work.
- 4.08 <u>Utilities</u>: The Declarant shall provide underground electrical power and phone service to the edge of each lot. The purchaser and owner of each parcel agree to use the service so provided. Private electrical generating systems shall not be permitted for domestic electrical service, except as a backup system in case of primary electrical service failure. Solar panels are

allowed but need to be approved by the Architectural Control Committee. All electrical power lines, telephone lines and other utility service lines shall be underground from each individual parcel line to the point of use on each parcel. Overhead lines and utility poles shall not be permitted, except during the construction phase. Each lot owner is responsible for drilling a well and developing a septic system.

- 4.09 <u>Weed Control</u>: All Residential Owners shall conform to the county ordinances and state laws relating to noxious weed control, and if they fail to do so the Association or Architectural Control Committee, or their agents, shall have the right to come on the property and do what is necessary to make the property conform to such laws and ordinances at the lot owner's expense.
- 4.10 <u>Signs</u>: No signs of any kind containing more that six (6) square feet shall be displayed to the public view on any lot, except that the Declarant may place larger project signs on the property at its discretion. Entrances to the area shall be signed in such a manner as to advise hunters and motorists of a residential community. One sign identifying the Contractor during construction or advertising a house or lot for sale shall be permitted per lot. The sign shall not be placed more than forty eight (48) inches above the prevailing ground plane, nor closer than twenty (20) feet to a street or road right-of-way.
- 4.11 <u>Fences</u>: No fence, wall or hedge higher than four (4) feet, six (6) inches shall be erected or maintained on any Lot; except, however, with the consent in writing of all adjoining lot owners, a fence, wall or hedge higher than four (4) feet, six (6) inches, but in no event higher than six (6) feet, may be erected and maintained on any lot. The Board shall develop rules for a uniform fencing requirement, pursuant to the terms of Section 5.06 with regard to Association Rules. Such rules shall document a uniform style and the materials to be utilized in each type of fencing; for example, perimeter and pasture fencing should be uniform, while enclosures for domestic animals may have different requirements. The architectural control committee shall first approve all fences.

Van Dorn Estates is subject to a Perimeter Fence Agreement. It is the responsibility of the Association to maintain its share of the perimeter fence in cooperation with the neighboring property owners.

As stated in Section 4.03, each Lot Owner shall be responsible for fencing in their animals. In other words, any Lot owner desiring to maintain large animals shall be required to fully enclose the area occupied by such animals. Further, as in provided below, no animals will be allowed within the common area open space described immediately below, except that Lot Owners may trail ride horses or walk their dogs within that area.

4.12 <u>Drainage</u>: There shall be no interference with the established drainage pattern over any portion of the Residential Property unless an adequate alternative provision is made for proper drainage and is first approved in writing by the Architectural Control Committee. For the purposes hereof, "established" drainage is defined as the system of drainage, whether natural or otherwise, which exists at the time the overall grading of any portion of the Residential Property is completed by Declarant, or that drainage which is shown on any plans approved by the Architectural Control Committee.

- 4.13 <u>Parking</u>: Parking shall be accommodated on Lots with no parking of vehicles allowed on private or public streets. The improvements on each Lot shall provide at least a two-car garage.
- 4.14 <u>Fire Hazard Mitigation</u>: All roofs shall be covered with fire resistant material. The use of fire retardant wood shakes or shingles shall be discouraged and shall be allowed only with the prior consent of the Architectural Control Committee, which may base its decision on the recommendation of the Meadows Valley Rural Fire Protection Association. No combustible material shall be placed or allowed to accumulate within three (3) feet of a structure. Within a thirty-foot (30') perimeter surrounding a dwelling, grasses shall be kept below six inches (6") in height, shrubs and trees shall be appropriately thinned; mature conifers shall be limbed to a height of eight feet (8') above the ground and all dead and down wood shall be removed.
- 4.15 <u>Wetlands</u>: The wetlands within the Subdivision, whether delineated or not, shall be treated and managed in accordance with regulations of the U.S. Army Corp of Engineers.
- 4.16 <u>Tree Cutting</u>: The cutting of any live trees more than eight (8") inches in diameter shall require prior approval from the Architectural Control Committee.
- 4.17 <u>Water Rights</u>: There are currently no water rights associated with Van Dorn Estates.

ARTICLE V VAN DORN ESTATES PROPERTY OWNER'S ASSOCIATION

- 5.01 Organization: Declarant shall initially organize The Van Dorn Estates Property Owner's Association. The Association is charged with the duties and vested with the powers prescribed by law and set forth in the Articles, Bylaws and this Declaration. Neither the Articles nor Bylaws shall for any reason be amended or otherwise changed so as to be inconsistent with this Declaration. In the event that there should exist any ambiguity in any provision of the Articles or Bylaws then such provision shall be construed, to the extent possible, so that such provision shall be interpreted so as to be consistent with the provisions of this Declaration.
- 5.02 <u>Membership</u>: Every person or entity who is a recorded Owner of a fee or undivided fee interest in any Lot within Van Dorn Estates shall be a Member of the Association. Membership shall be appurtenant to, and may not be separated from the fee ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. Transfer of a Lot shall automatically transfer membership in the Association.
- 5.03 <u>Voting Rights</u>: The Association shall have one (1) class of Members, all of whom shall be voting members.

All Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot all such persons shall be entitled to all rights and privileges of membership. The vote for such Lot shall be exercised as its Owners collectively determine but in no event shall more than one (1) vote be cast with respect to any lot.

- 5.04 No Fractional Votes; No Severance of Voting Rights: Fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes should be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint Owners of the Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Lot to which it is appurtenant except that any Owner may give a revocable proxy or may assign such Owner's right to vote to a lessee, mortgage, beneficiary or contract purchaser of the Lot concerned for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Lot to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner subject to any assignment of the right to vote to a lessee, mortgage or beneficiary as provided herein.
- 5.05 <u>Board of Directors and Officers</u>: The affairs of the Association shall be conducted and managed by the Board of Directors ("Board") and such officers as the Board may elect or appoint in accordance with the Articles and Bylaws as the same may be amended from time to time. The Board of the Association shall be elected in accordance with the provisions set forth in the Association Bylaws.

5.06 Powers and Duties of the Association:

- A. <u>Powers</u>: The Association shall have all the powers of a corporation organized under the nonprofit corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, Bylaws and Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law and under this Declaration and the Articles and Bylaws and to do and perform any and all acts which may be necessary to, proper for or incidental to the proper management and operation of the Associations affairs and the performance of the other responsibilities herein assigned without limitation.
 - (1) <u>Assessments</u>: The power to levy Assessments on any Member or any portion of the Property and to force payment of any Assessments all in accordance with the provision of this Declaration.
 - (2) <u>Right of Enforcement</u>: The power and authority from time to time in its own name, on its own behalf or on behalf of any Owner who consents thereto, to commence and maintain actions and suite to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or Bylaws, including the Association Rules adopted pursuant of this Declaration and to enforce, by injunction or otherwise, all provisions hereof.
 - (3) <u>Delegation of Powers</u>: The authority to delegate its powers and duties to committees, officers, employees or to any person, firm or corporation. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise by any person or entity of any such duty or power so delegated.
 - (4) <u>Association Rules</u>: The power to adopt, amend and repeal, by majority vote of the Board, such rules and regulations as the Association deems reasonable

provided, however, that any Association Rules shall apply equally to all Owners, and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the 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 mailing or delivery the Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration. In the event of any conflict between such Association Rules and any provisions of this Declaration or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provision of this Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

- (5) Emergency Powers: The power, exercised by the Association or by any person authorized by it, to enter upon any portion of the Property (but not inside any building constructed thereon) in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance of construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable and the Association shall repair any damage caused thereby.
- B. <u>Duties</u>: In addition to duties necessary and proper to carry out the powers delegated to the Association by this Declaration and the Articles and Bylaws, without limiting the generality thereof, the Association or its agent, if any, shall have the authority and the obligation to conduct all business affairs of the Association and to perform, with limitation, each of the following duties:

(1) Association Common Areas:

- a) Those roads within the subdivision road system that are designated as private (not County) roads shall be constructed by the Declarant and maintained, including snow removal, by the Association. For the purposes of this section, "private roads" are not to be construed as driveways on individual lots.
- b) The Declarant may elect to landscape the entry and to construct an entry gate, in which case, the Association would be responsible for its maintenance.
- c) It is the responsibility of the Association, as mentioned in section 4.11, to maintain its share of perimeter fencing in cooperation with neighboring property owners.
- (2) <u>Insurance</u>: Obtain insurance from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect any insurance policy the Board deems necessary or advisable including, without limitation, directors and officers liability insurance.
- (3) <u>Rule Making</u>: Make, establish, promulgate, amend and repeal such Association Rules as the Board shall deem advisable.

(4) <u>Architectural Control Committee</u>: Appoint and remove members of the Architectural Control Committee subject to the provisions of this Declaration.

ARTICLE VI ASSESSMENTS

- 6.01 <u>Covenant to Pay Assessments</u>: By acceptance of a deed to any Lot in the Property, each Owner of such Lot hereby covenants and agrees to pay, when due, all Assessments or charges made by the Association, including all Regular, Special and Limited Assessments and Charges made against such owner pursuant to the provisions of this Declaration or other applicable instrument.
 - A. <u>Assessment Constitutes Lien</u>: Such Assessments and charges, together with interest at a rate established by the Board, costs and reasonable attorney's 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 or charge is made.
 - B. <u>Assessment is Personal Obligation</u>: Each such Assessment, together with interest at a rate established by the Board, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such property beginning with the time when the Assessment falls due. The personal obligation for delinquent Assessments shall remain such Owner's personal obligation regardless of whether he remains an Owner.
- 6.02 <u>Regular Assessments</u>: All Lot Owners, excluding the Declarant, are obligated to pay Regular Assessments to the Association on a schedule of payments established by the Board. The Declarant shall not be required to pay assessments in the first three years following the recordation of the final plat, however the Declarant in that time period shall contribute the funds and/or services that are necessary to permit the Association to perform its responsibilities and meet its financial needs. Following the expiration of the three-year period, the Declarant shall pay a regular assessment for each lot owned.
 - A. <u>Purpose of Regular Assessments</u>: The proceeds from any Regular Assessments are to be used to pay for all costs and expenses incurred by the Association and the Architectural Control Committee, including legal and attorney's fees and other professional fees for the conduct of their affairs, and a reserve fund therefore.
 - B. <u>Computation of Regular Assessments</u>: The Association shall compute the amount of its Expenses on an annual basis. The initial regular assessment shall be \$200 per year, paid annually. Thereafter, the computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of the Association.
 - C. <u>Amounts Paid by Owners</u>: The Board can require in its discretion, or as provided in the Articles or Bylaws, payment of Regular Assessments in monthly, quarterly, semiannual or annual installments. The Regular Assessment to be paid by any particular Lot Owner for any given fiscal year shall be computed as follows:

Each Lot Owner shall be assessed and shall pay an amount computed by multiplying the Association's total estimate of annual Expenses by the fraction produced by dividing the Lots attributable to the Lot Owner by the total number of Lots in the Property, excluding lots owned by the declarant for the first three years.

6.03 Special Assessments:

- A. <u>Purpose and Procedure</u>: In the event that the Board shall determine that its regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of the Association for any reason, including but not limited to attorney's fees and/or litigation costs, other professional fees or for any other reason, the Board shall determine the amount necessary to defray such Expenses and levy a Special Assessment which shall be computed in the same manner as Regular Assessments. No Special Assessment shall be levied without the vote or written assent of a majority of the votes of the Members of the Association who are entitled to vote, and who are present at a properly scheduled meeting or represented by proxy. The Board shall in its discretion determine the schedule under which such Special Assessment will be paid.
- B. <u>Consistent Basis of Assessment</u>: Every Special Assessment levied by and for the Association shall be levied and paid upon the same basis as that prescribed for the levying and payment of Regular Assessment for the Association.
- 6.04 <u>Limited Assessments</u>: Notwithstanding the above provisions with respect to Regular and Special Assessments, a Board may levy a Limited Assessment against a Member as a remedy to reimburse the Association for costs incurred in bringing the Member and/or such Member's lot into compliance with the provisions of this Declaration and the Association's Articles and Bylaws.
- 6.05 <u>Uniform Rate of Assessment</u>: Unless otherwise specifically provided herein, Regular and Special Assessments shall be fixed at a uniform rate per Lot for all Members of the Association.
- 6.06 <u>Assessment Period</u>: Unless otherwise provided in the Articles or Bylaws, the Assessment period shall commence on January 1 of each year and terminate December 31 of the year.
- 6.07 Notice and Assessment Due Date: Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the record Owner of every Lot subject thereto. Regular Assessment or Special Assessment shall become delinquent if not paid within twenty (20) days after the levy thereof. Payment which is delinquent shall accrue interest at eighteen percent (18%) per annum calculated the date of delinquency to and including the date full payment is received by the Association. The Association may bring an action against a delinquent Owner and/or may foreclose the lien against such Owner's Lot as more fully provided herein. Each Owner is personally liable for Assessment, together with all interest, costs and attorney's fees.
- 6.08 <u>Estoppel Certificate</u>: The Association, upon at least twenty (20) 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 Lot

Owner is in default under the provisions of this Declaration and further stating the dates to which any Assessments have been paid by the Owner.

6.09 Special Notice Requirements: Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of levying a Special Assessment, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessment, shall be sent to all Members of the Association not less that fifteen (15) days nor more than thirty (30) days before such meeting.

ARTICLE VII ENFORCEMENT OF ASSESSMENTS; LIENS

- 7.01 Right to Enforce: Each Owner is and shall be deemed to covenant and agree to pay the Association each and every assessment provided for in this Declaration; and agrees to the enforcement of all such assessments in the manner herein specified. In the event an attorney or attorneys are employed for collection of any assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and condition of the Declaration, each Owner agrees to pay reasonable attorney's fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against said owner. In addition to any other remedies herein or by law provided, the Board or its authorized representative, may enforce the obligations of the Owners to pay the assessments provided for in this Declaration, and each of them, in any manner provided by law in equity, or without any limitation of the foregoing, by either or both of the following procedures:
 - A. Enforcement by Suit: By commencement of a suit at law against any Owner or Owners personally obligated to pay assessments, for such delinquent assessments as to which they are personally obligated. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon as provided for herein, costs of collection, court costs and reasonable attorney's fees in such amount as the Court may adjudge against the delinquent Owner. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien hereinafter provided for.
 - B. Enforcement by Lien: There is hereby created a claim of lien with power of sale, on each and every Lot to secure payment in the Association of any and all assessments levied against any and all Owners, together with interest thereon as provided for in this Declaration, fines imposed for violation of these Covenants, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. Any time after the occurrence of any delinquency in the payment of any assessment, the Board or any authorized representative thereof may make a written demand on the delinquent Owner for payment. Each delinquency shall constitute a separate basis for a demand claim of lien. Any number of defaults may be included with a single demand or claim of lien. Any demand of lien or lien on account of prior delinquencies shall be deemed to include subsequent delinquencies and amounts due on account thereof. If such delinquency is not paid within ten (10) days after delivery of such demand, the Board or its duly authorized representative may thereafter elect to file and record a Note of Delinquent Assessment on behalf of the Association against the Lot of the defaulting Owner. The amount of the assessment, plus any costs of

collection, attorney's fees and interest assessed in accordance with this Declaration shall be a lien on the Owner's Lot from and after the time the Association records the Notice of Delinquent Assessment. Such Notice shall be executed and acknowledged by any officer of the Association and shall contain substantially the following:

- 1. The claim of lien made pursuant to this Declaration;
- 2. The name of record of the Owner;
- 3. The legal description of the Lot against which claim of lien is made;
- 4. The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and attorney's fees (with any proper offset allowed); and
- 5. The name and address of the trustee authorized by the Association to enforce the lien by public sale.

Upon recordation, the lien claimed therein shall immediately attach and become effective in favor of the Association as a lien upon the Lot against which such assessment was levied. Such lien shall have priority over all liens or claims created subsequent to the recordation of the Notice. Any such lien may be foreclosed by appropriate action in Court or in the manner provided by the Idaho Code for the foreclosure of a deed of trust with power of sale, or in any manner permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any Title Company authorized to do business in Idaho as Trustee for the purpose of conducting such power of sale foreclosure. The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other Owners and shall secure payment of all sums set forth in the Notice, together with all sums becoming due and payable in accordance with this Declaration after the date of recordation of said notice. The Association shall have the power to bid it at any foreclosure sale and to purchase, acquire, hold, lease, mortgage and convey any lot.

Each Owner hereby expressly waives any objection to the enforcement and foreclosure of assessment liens in this manner. Upon the timely curing of any default for which the Board filed a Notice, the Board shall cause an officer of the Association to file and record appropriate releases of such Notice in the Office of the County Recorder of Adams County, Idaho. No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by non-use or abandonment of his Lot. Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of a Notice of Delinquent Assessment, whether judicially, by power of sale, or otherwise, or until the expiration of ten (10) days after a copy of said Notice, showing the date of the recordation thereof, has been mailed to the Owner of the Lot which is described in such Notice.

ARTICLE VIII ARCHITECTURAL CONTROL

8.01 <u>Purpose and Theme of Controls</u>: It is the desire of the Declarant that design controls be implemented for all building improvements within the Property to insure that the overall excellence of the Property shall be maintained throughout its development. To this end, the Architectural Control Committee (hereinafter referred to as the "Committee") will be

established pursuant to Section 8.02 of this Article VIII to guide the site development and design of all structures and improvements. The Committee is to encourage a diversity of types, sizes, and styles of architecture and yet will be required to conform to a total visual homogeneity.

Consistent use of earth tone colors and textures, natural woods and masonry materials will be encouraged to enhance the aesthetic features of the buildings in this mountain environment.

The discretion hereinafter invested in the Committee will be exercised towards the end that high standards of workmanship and quality of materials will be maintained throughout the Property and that all improvements will be in harmony with and complement the natural landscape, topography and flora.

- Architectural Control Committee: No building, fence, wall, structure or other improvement shall be commenced, altered, placed or maintained upon any Lot within the Property, nor shall any exterior addition to or change or alteration therein be made, until plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to and approved in writing by the Committee, which shall be composed initially of the Board of Directors. If any member of the Committee resigns or is unable to act, the remaining members shall appoint his or her successor. Pending such appointment, the remaining members shall discharge the functions of the Committee. The Committee shall be comprised of three (3) members, who shall be appointed annually by the Board. A majority of the members shall be necessary for action. Meetings may be held by telephone conference. The Committee shall designate a Chairperson. The Board may elect to act as the Committee.
- 8.03 <u>Documentation Required for Architectural Approval</u>: No structure or improvement shall be considered approved by the Committee until the parcel owner has submitted the following to the Committee:
 - A. Two (2) sets of plans and specifications for the proposed improvements;
 - B. A site plan of the lot showing the location of all existing and proposed improvements, and which also identifies the location, size and type of all trees to be removed;
 - C. Drawings showing all exterior building elevations;
 - D. A schedule of exterior materials and colors to be used on the proposed improvement;
 - E. The owner's proposed construction schedule; and,
 - F. An application fee in an amount to be set by the Committee. The fee shall be up to \$500.00, and such fee may be changed at the discretion of the Committee. The intent of the application fee is to compensate a licensed architect to review plans and advise the Committee in the design review process.
- 8.04 <u>Basis for Approval or Disapproval</u>: The Committee shall give its approval for the requested improvement only if:

- A. The owner or applicant shall have strictly complied with the requirements of Section 8.03 hereof;
- B. The Committee finds that the plans and specifications conform to the requirement of Article IV on this Declaration, and furthermore that the owner or applicant is in compliance with all of the provisions and requirements of this Declaration in its entirety; and,
- C. The Committee, in its sole and reasonable discretion, finds that the proposed improvement is compatible with the theme of the Property and with the purposes intent of this Declaration as a whole as to quality of workmanship and materials, as to harmony of external design with existing structures, and as to location with respect to topography and finished grade elevations.

The Committee may waive submission of plans and specifications for approval where minor construction or a minor addition to an existing structure is involved which does not appear to materially affect the Property.

8.05 Form of Approval or Disapproval:

- A. All approvals or disapprovals given under Section 8.04 shall be in writing and done in a timely manner.
- B. In disapproving any plans and specifications or other documents the Committee shall specify, in writing, the deficiencies it has relied upon in rendering such disapproval and shall give the applicant the right and opportunity to resubmit his or her plan and specifications or other documents in amended form. The Committee shall thereafter reconsider such documents as if they were being submitted for the first time.
- C. One set of plans and specifications shall be retained by the Committee as a permanent record.
- D. Nothing contained in this Section shall be deemed to relieve the owner of any parcel from complying with all of the provisions of this Declaration or with the provisions of all applicable building codes, zoning regulations, or other governmental regulations or laws governing the lands within the Property.
- 8.06 <u>Arbitration</u>: In the event an owner or applicant disputes the decision of the Committee, said dispute shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect unless the Committee and the owner or applicant mutually agree otherwise. The arbitrators shall be governed and guided in their decision by this Declaration. If so, the award rendered by the arbitrators shall be final and shall be binding upon the parties to the same extent as if a judge of a competent court had rendered it. The owner or applicant shall file a demand for arbitration with the Committee and with the American Arbitration Association. Such demand shall be made within a reasonable time after the dispute in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings on such dispute would be barred by the applicable statute of limitations.

- 8.07 Proceedings with Work: Upon receipt of approval from the Committee pursuant to Section 8.05 above, the owner shall as soon as practicable, satisfy all the conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations and excavations authorized by such approval, said commencement to be in all cases within one (1) year from the date of such approval. If the owner shall fail to comply with this Section, the approval given pursuant to Section 8.05 shall be deemed revoked, unless the Committee upon written request of the owner made prior to the expiration of said one (1) year period extends the time for such commencement. No such extension shall be granted except upon a finding by the Committee that there has been no change in the circumstances upon which the original approval was granted.
- 8.08 <u>Completion of Construction</u>: The owner shall complete the construction authorized by the approval given in Section 8.05 within one (1) year after commencing construction thereof except, and only for so long, as such completion is rendered impossible or would result in great hardship to the owner due to strikes, fires, acts of God, unusual wintertime conditions, actual inability of the owner to procure deliveries of necessary materials, or by other forces or persons beyond the control of the owner to prevent. Financial inability of the owner or his/her contractor to secure labor or materials or to discharge liens or attachments shall not be deemed a cause beyond his control.
- 8.09 <u>Failure to Complete Work</u>: Any construction which is not completed in a good and workmanlike manner, or in substantial conformity to the plans and specifications approved for it by the Committee, within the time limits provided by this Article, and where such failure is not excused by the provisions hereof, shall be deemed a nuisance, and the Committee shall have the right to enter upon the premises and to have such incomplete construction removed or to carry such construction forward to completion, and the costs and expenses incurred in such removal of completion shall constitute a lien upon the property under the Mechanic's Lien Law of the State of Idaho, such lien to attach as of the time of the commencement of the work involved in removing or completing the incomplete construction. Such lien may be enforced in the same manner as provided for the enforcement of Mechanic's liens.

ARTICLE IX ENFORCEMENT

- 9.01 <u>Persons Entitled to Enforce</u>: The provisions of this Declaration may be enforced by any of the following persons or entities in accordance with the procedures outlined herein:
 - A. The Delcarant, its successors and assigns;
 - B. The Board:
 - C. The Committee; and,
 - D. The owner or owners of any lot adversely affected, but only after each of the aforementioned persons or entities has been given demand to take enforcement action and has failed to do so, may prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any covenant, conditions, or restriction and either to prevent him or her or them from so doing to recover damages or other relief for such violation.

ARTICLE X DECLARANT'S DEVELOPMENT RIGHTS, SPECIAL RIGHTS AND RESERVATIONS

10.01 <u>Declarant's Right to Annex Property</u>: Declarant shall have, retain and reserve certain rights as hereinafter set forth with respect to the Association, and the Property. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each deed or other instrument by which any property within the Property is conveyed by Declarant. The rights and reservations hereinafter set forth shall be prior and superior to any other provisions of the Association documents and may not, without Declarant's written consent, be modified, amended or rescinded or affected by any amendment of the Association documents. Declarant's consent to any one such amendment shall not be construed as consent to any other amendment.

10.02 <u>Delcarant's Right to Annex Property:</u>

- A. <u>Annexation of Property</u>: For a period of twenty (20) years, or until such time as Declarant no longer owns any Lot within the Property, which ever shall first occur, Declarant may add or annex any real property owned by Declarant to the Property. The Owners of Lots within such annexed property shall become Members of the Association.
- B. Filings with Regard to Annexation: The additions authorized under this Section shall be made by filing of record a Supplementary Declaration of Protective Covenants with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property. Such Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as not inconsistent with the scheme of this Declaration. Upon recordation of such Supplementary Declaration, the additions authorized under this Section shall thereafter be treated in all respects as part of the Property. No permission shall be necessary from the owners of the Property before the Declarant may bring such lands within the scheme of this Declaration.
- C. <u>Effects of Annexation</u>: Such annexation(s) and Supplemental Declaration(s) may alter the rights and responsibilities of the Association and owners in several ways, including the fact that additional owners may be added to the Association, thereby diluting the relative effect of a current Lot Owner's vote, and the Association may incur other expenses as a result of such annexation.
- 10.03 <u>Declarant's Approval</u>: Until Declarant no longer owns any Lot in the property, the Association shall not, without first obtaining the prior written consent of the Declarant, which consent shall not be unreasonably withheld: levy any special assessment; change or repeal any rules of the Association; make any substantial change in Association services; or, make any amendment to Association Documents.
- 10.04 Other Reservations: Declarant shall have the right at any time, prior to acquisition of title to a Lot by a purchaser from Declarant, to grant, establish and/or reserve on

that Lot additional licenses, reservations and rights-of-way to utility companies or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property. Declarant hereunder may assign the rights of the Declarant to any successor in interest in connection with Declarant's interest in any portion of the Residential Property by an express written assignment recorded in the Office of the Adams County Recorder.

ARTICLE XI GENERAL PROVISIONS

- 11.01 <u>Binding Effect</u>: The various restrictive measures and provisions of these covenants and restrictions are declared to constitute mutual equitable servitudes for the protection and benefit of each parcel in the Property and of the owners thereof and for the benefit of the Property as a whole. Each grantee of a conveyance or purchaser under a contract of sale, by accepting a deed or contract of sale, accepts such subject to all of the covenants, conditions and restrictions set forth in this Declaration and specifically agrees to be bound by each and all of them.
- 11.02 <u>Term of Declaration</u>: Unless amended as herein provided, all provisions covenants, conditions and restrictions and equitable servitudes contained in this Declaration shall be effective for twenty (20) years after the date upon which this Declaration was originally recorded, and, thereafter, shall be automatically extended for successive periods of ten (10) years each unless terminated by agreement of the Owners as provided for herein below.
- 11.03 Amendment of the Declaration by Declarant: Until the first lot subject to this Declaration has been conveyed by Declarant by recorded deed, any of the provisions, covenants, conditions, restrictions and equitable servitudes contained in this Declaration may be amended or terminated by Declarant by the recordation of a written instrument, executed by Declarant, setting for such amendment or termination.
- 11.04 Amendment of Declaration by Members: Except as otherwise provided in this Declaration, and subject to provisions elsewhere contained in this Declaration requiring the consent of Declarant or others, any provision, covenant, condition, restriction, or equitable servitude contained in this Declaration may be amended or repealed at any time and from time to time, upon approval of the amendment or repeal by at least two-thirds (2/3rd) of those members who are entitled to vote and who are present or represented by proxy at a meeting of the membership, scheduled for the purpose of considering such amendments, at which a quorum is present.
- 11.05 Required Consent of Declarant to Amendment of Association Documents:

 Notwithstanding any other provision in this Declaration to the contrary, no proposed amendment nor repeal of any provision of this Declaration or any other Association Document shall be effective unless Declarant has given its written consent to such amendment or repeal, which consent may be evidenced by the execution by Declarant of a certificate of the amendment or repeal. The foregoing requirement for consent of Declarant to any amendment or repeal shall terminate at such time as the last Lot in the Property has been conveyed by the Declarant to an Owner other than the Declarant.

- 11.06 Priority of First Mortgage Over Assessments: Each lender who recorded its mortgage or deed of trust before assessments have become delinquent and who obtains title to the Lot encumbered by the first mortgage whether pursuant to remedies provided in the mortgage, by judicial foreclosure, or by deed or assignment in lieu of foreclosure, shall take title to the lot free and clear of any claims for unpaid assessment or charges against such Lot which accrued prior to the time such first mortgage acquires title.
- 11.07 <u>Remedies Cumulative</u>: Each remedy provided under the Association documents is cumulative and not exclusive.
- 11.08 <u>Costs and Attorneys Fees</u>: In any action or proceeding under the Association documents to the party which seeks to enforce the Association documents and prevails shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys fees and expert witness fees. "Action or proceeding" as herein stated shall include, without limitation, any arbitration, mediation, or alternative dispute resolution proceeding.
- 11.09 <u>Limitation of Liability</u>: The Association, Board of Directors, the Architectural Control Committee, Declarant and any member, agent of employee of any of the same shall not be liable to any person for any action or for any failure to act if the action or failure to act was in good faith and without malice, and shall be indemnified by the Association to the fullest extent permissible by the laws of Idaho, including without limitation, circumstances in which indemnification is otherwise discretionary under Idaho law, in accordance with and subject to the terms and limitations contained in the Bylaws.
- 11.10 <u>Governing Law</u>: The Association documents shall be construed and governed under the laws of the State of Idaho.
- 11.11 <u>Severability</u>: Invalidation of any one or more of the covenants, conditions and restrictions contained herein by judgment or otherwise shall in no way affect the validity of any of the other provisions, which shall remain full force and effect.
- 11.12 <u>Number and Gender</u>: Unless the context requires a contrary construction, as used in the Association documents, the singular shall include the plural and plural the singular, and the use of any gender shall include all genders.
- 11.13 <u>Captions for Content</u>: The titles, headings and captions used in the Association documents are intended solely for convenience of reference and are not intended to affect the meaning of any provision of this Declaration.
- 11.14 <u>Mergers or Consolidations</u>: The Association may merge with another incorporated association to the extent permitted by law. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer and enforce the covenants, conditions and restrictions established by this Declaration governing the Property together with the covenants and conditions established upon any other property, as one plan.

Association, this Declaration shall control. IN WITNESS THEREOF, said Declarant has executed this Declaration on This _____th day of September 2006. Steve Dorn Investments LLC By: D. Steven Dorn Member On this _____th day of September, 2006, before me, ____ A Notary Public, personally appeared D. Steven Dorn known or identified to me to be the Member of Steve Dorn Investments LLC, that executed the instrument or the person who executed the instrument on behalf of said Corporation, and acknowledged to me that such Corporation executed the same. **IN WITNESS WHEREOF**, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written. NOTARY PUBLIC FOR OREGON Residing at:

My Commission Expires:

11.15 <u>Conflicts in Documents</u>: In case of any conflict between the provisions of this

Declaration and any Association Rules, the Articles of Incorporation, or the Bylaws of the