

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BLACK BEAR SUBDIVISION

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this 5th day of January, 1993, by David H. Geddes, hereinafter referred to as "Declarant".

R E C I T A L S:

A. Declarant is the owner of certain real property in Adams County, Idaho. described as Black Bear Subdivision, as platted and recorded in Book _____, Page _____, Book of Plats, Instrument Number 83419, at the office of the Adams County Recorder, Council, Idaho (the "Properties").

B. Declarant has deemed it desirable to impose a general plan for the improvement and development of the Properties as a planned development and the adoption and establishment of covenants, conditions and restrictions upon the real property and each and every Lot and portion thereof and upon the use, occupancy and enjoyment thereof; all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties.

C. Declarant has deemed it desirable for the efficient preservation of the value, desirability and attractiveness of the Properties, pursuant to the provisions of this Declaration, to create a corporation to which should be delegated and assigned the powers of maintaining the Properties as hereinafter provided, and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the assessment and charges hereinafter created and referred to.

D. BLACK BEAR PROPERTY OWNERS ASSOCIATION, INC., a nonprofit corporation, has been incorporated under the laws of the State of Idaho for the purpose of exercising the powers and functions aforesaid.

E. Declarant hereby declares that all of the Properties shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following easements, restrictions, Covenants, conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Properties, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Properties or any portion thereof. The covenants, conditions, restrictions, reservations, easements and equitable servitudes set forth herein shall run with the Properties and shall be binding upon all persons having any right, title or interest in the Properties, or any part thereof, their heirs, successors and assigns; shall inure to the benefit of every portion of the Properties and any interest therein; shall inure to the benefit of and be binding upon Declarant, each Owner and their respective heirs, executors and administrators; and, may be enforced by Declarant, by any Owner or by the Association (as hereinafter defined).

ARTICLE I

DEFINITIONS

1.01 Association: The term "Association" shall refer to the Black Bear Property Owners Association, Inc., formed for the benefit of the Community at large; for the purpose of managing the affairs of the Community including protecting the welfare and interest thereof, collecting assessments and enforcing this "Declaration".

1.02 Community: The term "community" as used herein shall refer to the Black Bear Subdivision considered as a whole, together with the owner and/or owners of record of such properties.

1.03 Declarant: The term the "Declarant" as used herein shall mean and refer to Norman Del Geddes and David H. Geddes, Tenants in Common, dealing with their separate property, as well as their successors and assigns.

1.04 Declaration: The term "covenants" and/or "Declaration" as used herein shall mean and refer collectively to the Covenants, conditions, restrictions, reservations, easements, liens and charges imposed by or expressed in this Declaration.

1.05 Dwelling, Dwelling Units: The terms "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.

1.06 Improvement: The term "Improvement" as used herein shall mean any structure or appurtenance thereto of every type and kind, including but not limited to buildings, walkways, sprinkler pipes, garages, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, antenna, hedges, windbreaks, plantings, planted trees and shrubs, poles, signs and all other structures or landscaping of every type and/or kind.

1.07 Lot: The term "Lot" as used herein shall mean and refer to any numbered plot of land shown upon any recorded subdivision plat of the Properties.

1.08 Member: The term "Member" shall mean and refer to those persons entitled to membership in the Association as provided in this Declaration and in the Association Articles of Incorporation and By-Laws.

1.9 Owner: The term "Owner" as used herein shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

1.10 Parcel: The term "Parcel" shall mean any parcel of real property designated for single family residence use together with the associated acreage therein contained, as shown within the recorded plat for Black Bear Subdivision in the records of the County Recorder, Adams County, Idaho.

1.11 Properties: The term "Properties" as used herein shall mean and refer to that certain real property in Adams County, Idaho, described as Black Bear Subdivision, as platted and recorded in Book _____, Page _____, Book of Plats, Instrument No. 83419, at the office of the Adams County Recorder, Council, Idaho.

1.12 Regular Assessment: The term "Regular Assessment" as used herein shall mean and refer to the amount which is to be periodically paid by each Owner to the Association for common expenses as provided by the terms of this Declaration.

1.13 Record, Recorded: 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.

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

1.15 Single Family Residential Use: 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.

1.16 Special Assessment: The term "Special Assessment" as used herein shall mean a charge against some or all Owners and their Lots, representing the pro-rata cost to the Association for installation or construction of any capital improvements to the Properties deemed necessary by the Association pursuant to the provisions of this Declaration.

1.17 Structure: The term "Structure" shall including buildings, outbuildings, roads, driveways, parking areas, fences, walls, stairs, decks and poles.

ARTICLE II

NATURE AND PURPOSE OF COVENANTS

The covenants, conditions and restrictions set forth in this Declaration constitute a general scheme for the development,

protection and maintenance of the Properties to enhance the value, desirability and attractiveness of the Lots for the benefit of all Owners of Lots therein. These covenants, conditions and restrictions are imposed upon Declarant and upon the Owners of all Lots. Said covenants, conditions and restrictions are for the benefit of all Lots, and shall bind the Owners of all such Lots. Such covenants, conditions and restrictions shall be a burden upon and a benefit to not only the original Owner of each Lot, but also his/her successors and assigns. All such covenants, conditions and restrictions are intended as and are hereby declared to be covenants running with the land or equitable servitudes upon the land, as the case may be.

ARTICLE III
USE RESTRICTIONS

All real property within the Properties shall be held, used and enjoyed subject to the following limitations and restrictions.

3.01 Land Use and Living Units: All of the existing property shall be used and occupied solely for single family residential purposes, together with incidental agricultural and livestock use. None of the subject parcels shall be split, divided or subdivided into smaller lots or parcels than are shown on the recorded plat for Black Bear Subdivision 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 to and appurtenant to a private residence, or the care and keeping of livestock, shall be erected or maintained on any parcel. No use whatsoever shall be made of any parcel herein other than as the site and grounds of a private residence and livestock pasture. The term "private residence" as used herein

is intended to exclude every form of multi-family dwelling, boarding or lodging house, sanitarium, hospital and the like, but is not intended to exclude a guest house for the entertainment of social guests, or servants quarters for servants or employees employed upon the premises.

B. Except as otherwise provided herein, no structure of a temporary character, which shall specifically include mobile homes, basement, shack, garage, barn or other outbuilding shall be used on any parcel at any time as a residence, either temporarily or permanently.

C. "Incidental agricultural and livestock use" is intended to mean the proper care and keeping of domestic animals, i.e. horses, mules, llamas, rabbits, dogs or cats, and is restricted in the sense that such use shall not be carried on as a commercial venture and shall be also limited in scope so as not to present a nuisance or inconvenience to other members of the Community. Livestock are intended for recreational purposes and the use and enjoyment by the owners and/or their guests. Agricultural use is limited to family gardening activities.

D. Owners and guests of owners may park a camper, motorhome, or travel trailer on an owner's parcel for a reasonable term, not to exceed two weeks duration, nor more than thirty (30) days total each calendar year. This use is limited to a maximum of two (2) camper units per lot at any given time. Such use shall not constitute a hazard or nuisance to other owners within the community and shall comply with State and local Codes and Ordinances. Outside campfires are not permitted under any circumstances.

3.02 Dwelling Size, Features and Location:

A. No residence or dwelling shall be erected or permitted to remain on any parcel having a total floor area, exclusive of open porches, garages or other outbuildings, of less than nine hundred (900) square feet, of which six hundred (600) square feet shall be on the first floor. Prefabricated housing is

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discouraged but will be considered for approval by the Board of Directors on an individual basis.

B. No residence, dwelling or other structure on a parcel shall be permitted to exceed thirty five feet (35') in height as measured from the highest natural lay of the land immediately adjacent to such structure to the peak of the roof.

C. Roofs shall be required to be of pitched design and shall preferably be covered with non-flammable materials (e.g., non-reflective metal, ceramic tile, etc.). Fire retardant wood shingles or shakes are also acceptable, but are not preferred over non-flammable materials and are therefore, discouraged. Exterior surfaces of dwellings, garages and all other outbuildings shall be of natural materials.

D. The final plat for Black Bear Subdivision has designated zones of "wetland areas" delineated thereon affecting Parcels 4, 5, 6, 8, 10, 11, 14 and 15. These zones are identified by the Corp of Engineers as seasonal or permanent wetlands and subject to protective measures to minimize permanent harmful effects of development. Structures or improvements may be restricted within these zones.

E. At such time as the construction of a residence, garage, barn, outbuilding, fence or other improvement has commenced, then such construction activity shall be pursued with diligence to completion. The construction of such improvement shall not exceed two construction seasons or eighteen (18) months. A self-contained camper, motorhome or travel trailer may be used as a place of temporary residence during the period of construction of a residence, provided such use does not violate local or State Codes and/or ordinances.

F. Building improvements shall be set back fifty feet (50') from road right-of-way lines and fifty feet (50') from side and back lot lines. This setback applies to all building improvements, including residential structures, barns and outbuildings.

3.03 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 wastes must be kept in sanitary containers out of sight of the street 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. No building materials of any kind shall be placed or stored upon any parcel 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 parcel.

C. No burning shall be permitted on any parcel without the proper notification and permission of the Southern Idaho Timber Protective Association in McCall, Idaho, and/or any other regulatory agency or authority with jurisdiction. The individual responsible for any burning activity shall provide all necessary men and/or equipment required to adequately supervise and totally contain the fire until "dead out". The routine burning of household trash will not be allowed under any conditions or circumstances.

3.04 Nuisances:

A. No one shall perform within the Community any activity which is noxious, offensive or an annoyance or nuisance to the owner of any parcel. Any activity which involves the pollution of the earth, water, or the air over any part of the Community, or produces offensive noises, visual or tactile conditions, or which creates or leaves a residue of non-biodegradable substances in offensive quantities is prohibited.

B. All outdoor lighting used for area lighting, landscape lighting or porch lighting shall be unobtrusive and shall be so located as to eliminate glare and not be a nuisance to other property owners.

3.05 Signs: One sign, identifying the contractor during construction or advertising a home or parcel for sale is

permitted per Lot, provided it is single sided and no more than eighteen inches by twenty four inches (18" x 24") in dimensions. The sign is to be on its own post and shall not be placed higher than forty eight inches (48") from the prevailing ground plane. The sign must be placed no closer than twenty feet (20') to the nearest roadway right-of-way and shall be approximately parallel to the centerline of the roadway. All real estate or contractor signs, at the discretion of the Association, are subject to removal without prior notice on an annual basis.

3.06 Prohibited Uses:

A. There shall be no mining, smelting or milling of ores or similar mineral operations within the Community.

B. No excavation shall be made on any parcel except as is necessary for the erection of approved structures and the same shall be properly filled within thirty (30) days of the completion of the underground work.

C. No outdoor privy or any common cesspool shall be installed on any parcel at any time.

D. No clothesline or outside laundry facility shall be maintained on the front portion of any parcel.

E. Nothing shall be done or kept on any parcel by any person which will increase the rate of insurance on any other parcel or which will result in the cancellation of any insurance or which constitutes a violation of any law.

F. Trespass upon private property is forbidden in the Community, except where designated recreation easements have been created. In particular, adjacent property may not be used for access to any construction site under any circumstances other than with the express permission of the owner of the adjacent property. Adjacent property may not be used as a parking lot by any contractor or subcontractor working on the parcel. Damage to adjacent property shall be the responsibility of the parcel owner and the general contractor causing said damage.

G. "Recreation easements" have been created by the plat on private properties for the use, benefit and enjoyment of the

Community at large. The use of these easements shall in all instances respect the interests of the owner(s) of the parcel(s) affected by the use. Littering, property damage, objectionable noise and any activity considered offensive is prohibited. Neither animals nor motorized vehicles, such as (bikes, ATV's, snowmobiles, etc.,) shall be allowed on or within such easements.

H. No equipment, trucks, cars, campers, boats, trailers, vehicles or recreational equipment or facilities of any kind shall be parked on or within road rights-of-way within the Black Bear Subdivision

I. Black Bear Subdivision is established as a residential wildlife sanctuary. All forms of hunting and trapping are prohibited. Discharge of firearms or use of hunting bows is not allowed.

3.07 Animals: All animals shall be confined to the parcel of their owner and shall not be permitted to run loose within the Community. Any household pets or larger animals which become a menace or nuisance shall not be allowed to remain on any parcel.

All facilities that are constructed to care for livestock animals (barns, pens, corrals, paddocks, outbuildings, feeders, water troughs, fencing, etc.), shall be constructed and maintained in such a manner so as not to detract from or cause a nuisance to the Community.

3.08 Utilities: Declarant has provided underground electrical power and telephone service to the Community as a whole. The owner of each parcel agrees to use the services so provided. Private electrical generating systems shall not be permitted except as a backup system in case of primary electrical service failure.

Domestic potable water is to be provided to each parcel by individual wells located on each parcel. The well is to be drilled and paid for by the respective owner or his designated agent. Licensed well drillers are to be employed for this purpose with the necessary permits obtained and well logs provided.

Sewage waste water is to be disposed of by means of an approved septic tank and drain field. The necessary permits are to be obtained from the Southwest District Health Department. The expense of the disposal system is the responsibility of the owner or his designated agent. The owner is responsible for the continued maintenance and upkeep of the sewage disposal system.

3.09 Snow Removal and Road Maintenance: Bally Mountain Road is an existing U.S. Forest Service road presently located in a sixty-six foot (66') wide road easement. That portion of this road providing access to Black Bear properties will be improved to a new standard approved by Adams County. This improved road and sixty-six foot (66') easement is offered for dedication to Adams County for maintenance and snow removal purposes and will serve as public access to privately owned and public lands situated East of Black Bear.

The remaining road system for Black Bear is to be built to an approved Adams County standard within a fifty foot (50') road and utility easement. These roads and easements are to be dedicated to the Association for maintenance and snow removal. An annual assessment will be levied against each lot to pay the expenses incurred for maintenance and snow removal. This fund and the associated operating and maintenance expenses will be administered by the Association and its duly-elected officers.

Snow removal from individual parcels, private roads and driveways, and maintenance of such roads and driveways, shall be the responsibility of each property owner and not the responsibility of the Declarant or the Community as a whole.

3.10 Tree Removal: The commercial harvesting of trees on any parcel shall not be permitted. Selected thinning to accommodate residential construction and view corridors is allowed.

Tree thinning or removal associated with prudent "forest management" practices and procedures to enhance growth and control disease and insects is permitted.

3.11 Wetlands Preservation and Recreation Easement: The Board of Engineers has designated a "wetlands habitat" to exist over portions of parcels 4, 5, 6, 10 and 11. It is the desire and intent of the Declarant to preserve the natural beauty and fragile character of the meadow and aquatic zones associated with this habitat. Accordingly, a "wetlands preservation and recreation easement" is created by the plat and dedicated to the Black Bear Community for its use, enjoyment and benefit.

The respective owner(s) of the aforementioned parcels, 4, 5, 6, 10 and 11, are deed restricted from prohibiting access to, on, over or across any portion of this "recreation easement" by any other property owner within the Community or their guests when accompanied by the owner. Furthermore, each of the respective owner(s) of the parcels containing the "wetlands preservation and recreation easement" are also deed restricted from encroachment into this easement with improvements of any kind, type or nature or otherwise affecting the zone with any activity detrimental to the habitat. The zone is to be left in a natural state and not used for livestock pasture or other agricultural uses.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

4.01 Organization. The Association is organized as an Idaho corporation under the Idaho Nonprofit Corporation Law. The Association is charged with the duties and vested with the powers prescribed by law and set forth in the Articles, By-Laws, and this Declaration. Neither the Articles nor By-Laws 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 By-Laws, 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.

4.02 Membership: Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot 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.

4.03 Voting Rights: The Association shall have two (2) classes of voting memberships:

Class A: Class A Members shall be all Owners with the exception of Declarant, (as defined in the Declaration) and 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.

Class B: Class B Members shall be the Declarant who shall be entitled to two (2) votes for each Lot owned. Provided, however, these voting rights shall be applicable only in the voting for the election of Directors. In all other matters, Class B Members shall be entitled to one (1) vote for each Lot owned.

4.04 Suspension of Voting Rights: No member, whether Class A or Class B shall be entitled to vote or be counted for purposes of a quorum unless they are then current in the payment of assessments, whether Regular or Special, which have been levied by the Association.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

5.01 Covenant to Pay Assessment: Declarant, on behalf of itself, and for each Lot owned, hereby Covenants, and 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 covenant and agree to pay to the Association Regular and Special assessments, to be established and collected as herein provided. Assessments, together with interest, costs and reasonable attorneys' fees, shall be the personal obligation of the person who was the Owner

of a Lot at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to such person's successors in title unless expressly assumed.

5.02 Purpose of Assessments: Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the community and the performance of the duties of the Association as set forth in this Declaration.

5.03 Amount of Regular Assessments and Limitation on Increases in Regular Assessments. The amount and time of payment of Regular Assessments against each Lot shall be determined by the Board of Directors of the Association giving due consideration to the current maintenance costs and future needs of the Association. Except for the terms of this Declaration as provided for in the Section of this Article entitled "Exceptions from Limitation on Assessment Increases", the Regular Assessments against each Lot shall not be increased more than twenty percent (20%) over the Regular Assessments for the preceding year without the written assent of Two-Thirds (2/3) of the Members, or vote, in person or by proxy of Two-Thirds (2/3) of the Members, at a meeting or election of the Association at which a quorum is present.

5.04 Special Assessments for Capital Improvements and Limitation on Increases In Special Assessments. In addition to the Regular Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, restoration, repair or replacement of a capital improvement within the Properties including fixtures and personal property related thereto or any other action or undertaking on behalf of the Association. Provided, any Special Assessment for the fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year shall be approved by the written assent of Two-Third (2/3) of the Members, or, vote in

person or by Proxy of Two-Thirds (2/3) of the Members, at a meeting or election of the Association at which a quorum is present.

5.05 Special Quorum and Meeting Requirements for Increases In Assessments: For purposes only of Sections 5.03 and 5.04 of this Article, a quorum means more than fifty percent (50%) of the Members of the Association.

5.06 Exceptions from Limitation on Assessment Increases: The limitation on percentage increases of Regular and Special Assessments under Sections 5.03 and 5.04 above shall not limit assessment increases necessary for addressing emergency situations. For purposes of this Section, an emergency situation is any one of the following:

- A. An extraordinary expense required by an order of a court;
- B. An extraordinary expense necessary to repair or maintain the Properties or any part thereof for which the Association is responsible and where a threat to personal safety on the Properties is discovered;
- C. An extraordinary expense necessary to repair or maintain the Properties or any part thereof for which the Association is responsible and that could not have been reasonably foreseen by the Board in preparing its annual budget. However, prior to the imposition or collection of an increased assessment under this Section, the Board shall pass a resolution containing written findings as to the necessity of the extraordinary expense involved and why the expense was not or could not have been reasonably foreseen in the budgeting process. Such resolution shall be distributed to the Members with the notice of assessment.

5.07 Rate of Assessment:

(A) Both Regular and Special Assessments must be fixed at a uniform rate, to be calculated independently for developed and undeveloped parcels. Undeveloped parcels

shall be assessed in an amount which is one-half (1/2) of the assessment for developed parcels.

(B) Developed parcel is defined as any parcel upon which an activity is undertaken which activity requires a permit from any State or local agency having jurisdiction thereunder. Permits shall include but not be limited to building permits.

5.08 Commencement of Assessments:

(A) The assessment period shall be June 1 to May 31st, inclusive of each and every year.

(B) The amount of the initial regular assessment shall be Two Hundred and No/100 Dollars (\$200.00) for developed parcels and One Hundred and No/100 Dollars (\$100.00) for undeveloped parcels. For each assessment period thereafter, the Board of Directors shall establish the amount of the regular assessment against each Lot at least sixty (60) days in advance of the due date. Written notice of the amount of the assessment shall be mailed to every Owner, at least forty five (45) days in advance of the due date.

(C) The due date for assessments shall be June 1. Assessments shall be deemed delinquent if not paid within fifteen (15) days of the due date.

(D) Assessments shall commence upon completion of road and utility improvements. The Board, upon completion, shall pro-rate assessments for the first assessment period, in the amounts set forth in Section 5.08(B), above.

5.09 Certification of Payment: The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth the status of assessments on a specified Lot. Said certificate shall be conclusive evidence as to all third parties relying thereon to show the status of assessments acknowledged therein but shall not

relieve any Owner of the responsibility for assessments not in fact paid.

5.10 Reserves: The Regular Assessments may include reasonable amounts, as determined by the Board, as reserves for any purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not co-mingled with any other funds of the Association.

5.11 Effect of Nonpayment of Assessments; Remedies of the Association: Each Owner is and shall be deemed to covenant and agree to pay to 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 conditions of this Declaration, each Owner agrees to pay reasonable attorneys' 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 or 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 attorneys' 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 to the Association of any and all assessments levied against any and all Owners, together with interest thereon as provided for in this Declaration, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At 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 for payment to the delinquent Owner. Each delinquency shall constitute a separate basis for a demand, claim of lien or a lien, and any number of defaults may be included within a single demand or claim of lien and any demand or claim 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 Notice 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 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 the record Owner;
3. The legal description of the Lot against which claim of lien is made; and,

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4. The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs, and attorneys' fees (with any proper offset allowed);

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 this Declaration. 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 other 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 Lot 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 in 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 a Notice was filed by the Board, the Board shall cause an officer of the Association to file and record an appropriate release 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, until the expiration of ten (10) days after a copy of said Notice, showing the date of recordation thereof, has been mailed to the Owner of the Lot which is described in such Notice.

5.12 Usage Charges and Interest on Delinquent Assessments. Any assessment imposed pursuant to the terms of this Declaration, if delinquent, shall include a late charge in the maximum amount which shall be imposed by the Board. Interest shall accrue on all sums imposed in accordance with this Article, including the delinquent assessment, reasonable costs of collection and late charges, at an annual percentage rate of twelve percent (12%) interest, commencing thirty (30) days after the assessment becomes due.

ARTICLE VI

DUTIES AND POWERS OF THE ASSOCIATION

6.01 General Powers of the Association: All rights, duties and powers relating to the Lots, as hereinafter set forth, shall be vested in the Association and its Board of Directors. The specific and primary purposes and powers of the Association and its Board of Directors is to enforce the provisions of this Declaration and the Association's Articles and By-Laws, and any other instruments relating to the management and control of the Association and the Properties. The Association may do any and all other acts and things that a nonprofit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of its affairs for the specific and primary purposes of meeting its duties as set forth in this Declaration. The Association, through its Board of Directors, shall have the authority to delegate its powers to committees, officers of the Association or its employees.

6.02 Contracts of the Association: The Association shall have the right and power to employ or engage a manager and other employees or agents and contract for such services, labor and materials as it may deem reasonable or necessary to operate and

maintain the Properties, the improvements thereon and to discharge its other duties as herein provided.

6.03 General Duties of Association: In addition to the duties and powers enumerated in its Articles of Incorporation and By-Laws, or elsewhere provided for herein, and without limiting the generality thereof, and subject to the limitations on the power of the Board as set forth in this Article, the Association acting through the Board shall:

A. Maintain such policy or policies of insurance as the Board deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members including, but not limited to, hazard and liability insurance, fidelity bonds, workmen's compensation and officers' and directors' liability insurance;

B. Initiate proceedings against Owners of the Association for violations of provisions of this Declaration or the Association's Articles of Incorporation or By-Laws in accordance with the procedures set forth in this Declaration.

6.04 Association Rules: The Board shall have the power to adopt, amend, and repeal such rules and regulations as it deems reasonable. The rules of the Association shall govern such matters in furtherance of the purposes of the Association, and shall not be inconsistent with this Declaration, the Articles or By-Laws. A copy of the rules of the Association as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of the rules of the Association shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon completion of the notice requirements, said rules of the Association shall have the same force and effect as if they were set forth in and were part of this Declaration and shall be binding on the Owners and their successors in interest whether or not actually received thereby. The rules of the Association, as adopted, amended or repealed, shall be available

at the principal office of the Association to each Owner. In the event of any conflict between any such rules of the Association and any other provision of this Declaration, or the Articles or By-Laws, the provisions of the rules of the Association shall be deemed to be superseded by the provisions of this Declaration, the Articles or the By-Laws to the extent of any such conflict.

6.05 Entry Onto Lots: The Association and its representatives shall have the right to enter upon any Lot within the Properties to the extent such entry is necessary in connection with the performance by the Association of its duties and responsibilities under this Article or under this Declaration, including, without limitation, the construction, maintenance or effectuation of emergency repairs for the benefit of the Lots, or for any of the Owners within the Properties.

ARTICLE VII

INSURANCE

7.01 Types: The Association, to the extent available, may obtain and continue in effect in its own name the following types of insurance:

- A. Fidelity coverage against dishonest or fraudulent acts on the part of directors, officers, managers, trustees, employees or volunteers who handle or who are responsible for handling funds belonging to or administered by the Association. The Board of Directors may purchase such other insurance as it may deem necessary, including, but not limited to, medical insurance, malicious mischief and vandalism insurance, worker's compensation, and directors' and officers' liability.

ARTICLE IX

NOTICES

In each instance in which notice is to be given to an Owner, the same shall be in writing. Delivery of notice to one of two or more co-Owners of a Lot, or to any general partner of a partnership shall be deemed delivery to all of the co-Owners or

to the partnership as the case may be. Delivery of notice to any officer or agent for the service of process of a corporation shall be deemed delivery to the corporation. Notice may be delivered by United States mail, certified or registered, postage prepaid, return receipt requested, addressed to the Owner at the last known address. Any notice so deposited in the mail, shall be deemed delivered forty-eight (48) hours after such deposit. Any notice to be given to the Association may be delivered personally to any member of the Board, or delivered in such other manner as may be authorized by the Association. Any notice to be given to the Association shall be delivered by the United States mail, certified or registered, postage prepaid, return receipt requested, and any notice so deposited in the mail, shall be deemed delivered forty-eight (48) hours after such deposit.

ARTICLE X

ANNEXATION OF PROPERTY TO BLACK BEAR SUBDIVISION

10.01 Annexation: The Declarant, its successors and assigns shall have the right, at any time before the sale by Declarant of all Lots within the Subdivision, to annex additional contiguous lands to the subdivision. Annexation shall be made by filing with the appropriate agency in Adams County, Idaho, a Declaration of Annexation or other similar instrument as may be required and appropriate. The general plan and scheme of this Declaration shall apply to such annexed property. The Declaration of Annexation shall provide for the creation of mutual easements for the use and enjoyment by Lot owners of this subdivision and lot Owners of the annexed lands.

Such Declaration of Annexation may contain such 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 as is not inconsistent with the scheme of this Declaration. In no event, however, shall such Declaration of Annexation revoke, modify or add to the

covenants and restrictions established by this Declaration within the existing properties.

10.02 Memberships: Memberships in the Association shall be expanded to include Members within annexed lands.

10.03 Assessments: Assessments within annexed lands shall commence upon the completion of road and utility improvements.

ARTICLE XI

GENERAL PROVISIONS

11.01 Enforcement: The Association, or any Owner or the successor in interest of an Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens, the Association shall have the exclusive right to the enforcement thereof. Failure by the Association or by any Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

11.02 Severability: Should any of the covenants contained in this Declaration be void or be or become unenforceable in law or in equity, the remaining portions of this Declaration shall, nevertheless, be and remain in full force and effect.

11.03 Term: Subject to the limitations set forth in the Section of this Article entitled "Amendments", this Declaration and the covenants herein contained shall be in effect for a term of forty (40) years, from and after the date there Declaration and Covenants are recorded, and shall automatically be extended for successive periods of ten (10) years unless within six (6) months prior to the expiration of the initial term or any ten (10) year renewal period a written agreement executed by the then record Owners of more than three-fourths (3/4) of the Lots within

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the Properties shall be placed on record in the Office of the County Recorder of Adams County by the terms of which agreement the effectiveness of this Declaration is terminated or the covenants herein contained are extinguished in whole or in part as to all or any part of the property then subject thereto.

11.04 Amendments: This Declaration of Covenants, Conditions and Restrictions may be amended only by the affirmative assent or vote of seventy-five percent (75%) of the voting power of the Association. This amendment provision shall not be amended to allow amendments by the vote of less than the prescribed percentage of voting power required for amendments hereof. An amendment or modification shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment or modification has been approved as hereinabove provided, and recorded in the Official Records of Adams County, Idaho.

11.05 Nonliability of Officials: To the fullest extent permitted by law, the Board shall not be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, course of action, act, omission, error, negligence or the like, made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

11.06 Construction: The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community or tract. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

11.07 Singular Includes Plural: Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine.

11.08 Nuisance: The result of every act or omission, whereby any provision, condition, restriction, covenant, easement

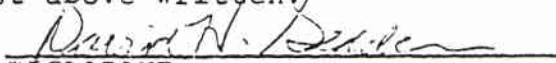
or reservation contained in this Declaration which is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association, or any other land owner in the Properties. Such remedy shall be deemed cumulative and not exclusive.

11.09 Conflicts: In case of any conflict between this Declaration and the Articles of Incorporation or By-Laws of the Association, this Declaration shall control.

11.10 Attorneys' Fees: In the event of any controversy or claim respecting this Declaration, or in connection with the enforcement of this Declaration, the prevailing parties shall be entitled, in addition to all expenses, costs and damages, to reasonable attorneys' fees, whether or not such controversy or claim is litigated and prosecuted to judgment.

11.11 The Declaration: By acceptance of a deed or by acquiring any ownership interest in any of the real property included within this Declaration, each person or entity, or himself or itself, his heirs, personal representatives, successors, transferees and assigns, binds himself, his heirs, personal representatives, successors, transferees and assigns, to all of the provisions, restrictions, covenants, conditions, rules and regulations now or hereafter imposed by this Declaration and any amendments thereof. In addition, each such person by so doing thereby acknowledges that this Declaration sets forth a general scheme for the improvement and development of the real property covered hereby, and hereby evidences his intent that all the restrictions, conditions, covenants, rules and regulations contained herein shall run with the land and be binding on all subsequent and future Owners, grantees, purchasers, assignees, and transferees thereof.

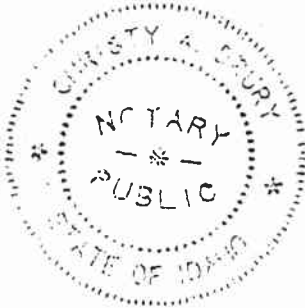
IN WITNESS WHEREOF, DECLARANT has executed this Declaration of Covenants, Conditions and Restrictions for Black Bear Subdivision, the day and year first above written.


DECLARANT

STATE OF IDAHO,)
County of Adams.) ss.

On this 5th day of January, 1993, before me, Christy A. Drury, a Notary Public in and for said State, personally appeared David H. Geddes, known to me to be the person whose name is subscribed herein and acknowledged to me that he executed the same of his own free act and deed.

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

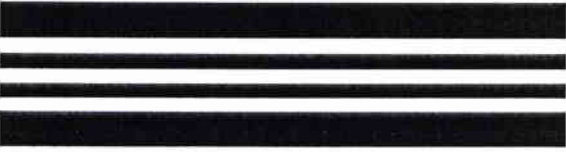


Christy A. Drury
NOTARY PUBLIC FOR IDAHO
Residing at: Fruitvale, ID
My Commission Expires: 8/4/98

INSTRUMENT NO. 83421
State of Idaho)
County of Adams) ss.

Filed for record at the request of
Timberline Title & Escrow
47 min. past 11 o'clock A.M.
this 8 day of January, 1993
MICHAEL FISK, RECORDER
by Sarah M. Dom
Deputy

Fee \$ 81.00



PATCH II (FILE B)

83420

BYLAWS OF THE BLACK BEAR SUBDIVISION
PROPERTY OWNERS' ASSOCIATION, INC.

I.

OFFICES

The principal office of the corporation shall be located at 1963 So. Springbrook Lane, Boise, Idaho, 83705.

II.

PURPOSES

The purposes and objects of the corporation are as follows:

(A) To perform the functions and provide service as set forth in the Declaration of Protective Covenants, Conditions and Restrictions for Black Bear Subdivision, located in Adams County, Idaho, hereinafter referred to as the "Declaration".

(B) To exercise all other power allowed by law and not inconsistent with the limiting language contained hereinbelow;

(C) This corporation is organized and shall be operated exclusively for the above-stated purposes and for other non-profit purposes. Notwithstanding any other provision of these Bylaws, the corporation shall not carry on any other activities not permitted to be carried on a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

III.

MEMBERSHIP AND VOTING RIGHTS

Section 1: Organization: The Association is organized as an Idaho corporation under the Idaho Nonprofit Corporation Law. The Association is charged with the duties and vested with the powers prescribed by law and set forth in the Articles, and the Declaration of Covenants, Conditions and Restrictions for Black Bear Subdivision (hereinafter "Declaration"), recorded at the

office of the Adams County Recorder. Neither the Articles nor these Bylaws shall, for any reason, be amended or otherwise changed so as to be inconsistent with the Declaration. In the event that there should exist any ambiguity in any provision of the Articles or these Bylaws, then such provision shall be construed, to the extent possible, so that such provision shall be interpreted to be consistent with the provisions of the Declaration.

Section 2: Membership: Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot of Black Bear Subdivision, 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.

Section 3: Voting Rights: The Association shall have two (2) classes of voting memberships:

Class A: Class A Members shall be all Owners, with the exception of Declarant, (as defined in the Declaration) and 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.

Class B: Class B Members shall be the Declarant who shall be entitled to two (2) votes for each Lot owned. Provided, however, these voting rights shall be applicable only in the voting for the election of Directors. In all other matters, Class B Members shall be entitled to one (1) vote for each Lot owned.

Section 4: Suspension of Voting Rights: No member, whether Class A or Class B shall be entitled to vote or be counted for purposes of a quorum unless they are then current in the payment of assessments, whether Regular or Special, which have been levied by the Association.

IV.

MEETINGS OF MEMBERS

Section 1: Annual Meetings: An annual meeting of the members for the purpose of hearing reports from all officers and standing committees and for electing directors shall be held in the County of Adams, State of Idaho, in June of each year, beginning with the year 1994. The time and place shall be fixed by the directors.

Section 2: Regular Meetings: In addition to the annual meetings, regular meetings of the members may be held at such time and place as shall be determined by the board of directors.

Section 3: Special Meetings: A special meeting of the members may be called by the board of directors. A special meeting of the members must be called within sixty (60) days by the president, or the board of directors, if requested by not less than ten percent (10%) of the members having voting rights.

Section 4: Notice of Meetings: Written notice stating the place, day, and hour of any meeting of members shall be delivered either personally or by mail to each member, not less than fifteen (15) days before the date of such meeting.

Section 5: Quorum: The members holding twenty percent (20%) of the votes that may be cast at any meeting shall constitute a quorum at any meeting of the members. In the absence of a quorum, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 6: Proxies: At any meeting of the members, a member entitled to vote may vote by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

Section 7: Voting by Mail: Where directors or officers are to be elected by members, or where there is an act requiring the vote of the members, such election or vote on such proposed action may be conducted by mail in such manner as the board of directors shall determine.

V.

BOARD OF DIRECTORS

Section 1: General Powers: The affairs of the corporation shall be managed by the board of directors.

Section 2: Number, Tenure and Qualifications: The number of directors shall be a maximum of three (3). Each director shall be a member of the association, and shall hold office until the next annual meeting of the members following his/her original qualification shall have been held, and until his/her successor shall have been elected and qualified.

Section 3: Regular Meetings: The board of directors shall meet regularly with such frequency as they deem necessary and appropriate, at a time and place it shall select.

Section 4: Special Meetings: A special meeting of the board of directors may be called by or at the request of the president or of any two (2) directors.

Section 5: Notices: Notice of any special meeting of the board of directors shall be given at least fifteen (15) days prior thereto, by written notice delivered personally or sent by mail to each director.

Section 6: Quorum: A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board, but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time, and without further notice; PROVIDED, that other definitions of quorum found elsewhere in these Bylaws shall control for purposes of the Article in which such definition shall appear.

Section 7: Manner of Acting: The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law or by these bylaws.

Section 8: Vacancies: Any vacancy occurring in the board of directors, and any directorship to be filled by reason of the increase in the number of directors, shall be filled by election by

the board of directors. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

VI.

OFFICERS

Section 1: Officers: The officers of the corporation shall be a president, a vice-president, a secretary and a treasurer. Any two or more offices may be held by the same person, except the offices of president and secretary.

Section 2: Qualifications and Method of Election: The officers shall be members of the corporation, shall be elected by the board of directors, and shall serve for a term of one (1) year. Officers may also be members of the board of directors.

Section 3: President: The president shall preside at all meetings of the corporation and of the board of directors at which he/she is present, shall exercise general supervision of the affairs and activities of the corporation, and shall serve as a member ex officio of all standing committees.

Section 4: Vice-President: The vice-president shall assume the duties of the president during his/her absence.

Section 5: Secretary: The secretary shall keep the minutes of all of the meetings of the corporation and of the board of directors, which shall be an accurate and official record of all business transacted. The secretary shall be custodian of all corporate records.

Section 6: Treasurer: The treasurer shall receive all corporate funds, keep them in a bank approved by the board of directors, and pay out funds only on notice signed by him/her and by one other officer.

Section 7: Vacancies: A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by any member of the board of directors for the unexpired portion of the term.

VII.

DUTIES AND POWERS OF THE ASSOCIATION

Section 1: General Powers of the Association: All rights, duties and powers relating to the Subdivision, shall be vested in the Association and its Board of Directors. The specific and primary purposes and powers of the Association and its Board of Directors are to enforce the provisions of the Declaration and the Association's Articles and these Bylaws, and any other instruments relating to the management and control of the Association. The Association may do any and all other acts and things that a nonprofit corporation is empowered to do, which may be necessary, convenient or desirable in the administration of its affairs for the specific and primary purposes of meeting its duties set forth in the Declaration. The Association, through its Board of Directors, shall have the authority to delegates its powers to committees, officers of the Association or its employees.

Section 2: Contracts of the Association: The Association shall have the right and power to employ or engage a manager and other employees or agents and contract for such services, labor and materials as it may deem reasonable or necessary to discharge its duties as herein provided.

Section 3: Association Rules: The Board shall also have the power to adopt, amend, and repeal such rules and regulations as it deems reasonable. The rules of the Association shall govern such matters in furtherance of the purposes of the Association. The rules of the Association may not discriminate among Owners and shall not be inconsistent with the Declaration, the Articles or Bylaws. A copy of the rules of the Association as they may from time to time be adopted, amended or repealed or a notice setting forth the adoption, amendment or repeal of specific portions of the rules of the Association shall be delivered to each Owner in the same manner established in the Declaration for the delivery of notices. Upon completion of the notice requirements, said rules of the Association shall have the same force and effect as if they were set forth in and were part of the Declaration and shall be binding

on the Owners and their successors in interest whether or not actually received. The rules of the Association, as adopted, amended or repealed, shall be available at the principal office of the Association to each owner. In the event of any conflict between any such rules of the Association and any other provision of the Declaration, or the Articles or these Bylaws, the provisions of the rules of the Association shall be deemed to be superseded by the provisions of the Declaration, the Articles or these Bylaws to the extent of any such conflict.

VIII.

GENERAL PROVISIONS

Section 1: Enforcement: The Association, or any Owner or the successor in interest of an Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration, these Bylaws, or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens, the Association shall have the exclusive right to the enforcement thereof. Failure by the Association or by any Owner to enforce any covenant, condition or restriction herein continued shall in no event be deemed a waiver of the right to do so thereafter.

Section 2: Severability: Should any of the covenants contained in these Bylaws be void or be or become unenforceable in law or in equity, the remaining portions of these Bylaws shall, nevertheless, be and remain in full force and effect.

Section 3: Amendments: These Bylaws may be amended only by the affirmative written consent of two-thirds (2/3) of the members or vote in person or by proxy of two-thirds (2/3) of the members at a meeting in which a quorum of the members is obtained. This amendment provision shall not be amended to allow amendments by the assent or vote of less than the prescribed percentage of voting power required for amendments hereof. An amendment of modification

shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment or modification has been approved as hereinabove provided. In all events, amendments of these Bylaws shall be done in a manner that is wholly consistent with the terms of the Declaration.

Section 4: Nonliability of Officials: To the fullest extent permitted by law, neither the Board, any other committees of the Association or any member of such Board or committee shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, course of action, act, omission, error, negligence or the like, made in good faith within which such Board, committees or persons reasonably believe to be the scope of their duties.

Section 5: Construction: The provisions of these Bylaws shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community or tract. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretations or construction.

Section 6: Singular Includes Plural: Whenever the context of these Bylaws requires same, the singular shall include the plural and the masculine shall include the feminine.

Section 7: Conflicts: In case of any conflict between these Bylaws and the Articles of Incorporation or the Declaration the Declaration shall control.

IX.

DISSOLUTION

Section 1: Dissolution: Upon dissolution of the corporation, its assets shall be distributed in accordance with the corporation's exempt, non-profit status, and shall not be distributed to or inure to the private benefit of its members.

X.

FISCAL YEAR

Section 1: Fiscal Year: The fiscal year of the corporation shall be the calendar year.

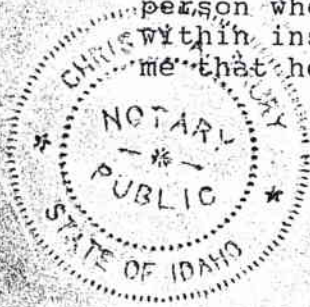
DATED this 5th day of January, 1992³. D.H.

BLACK BEAR PROPERTY
OWNER'S ASSOCIATION, INC.

By: David H. Geddes

STATE OF IDAHO)
) ss
COUNTY OF ADAMS)

On 5th day of January, in the year of 1993,
before me, a Notary Public, personally
appeared DAVID H. GEDDES
known or identified to me to be the
person whose name is subscribed to the
within instrument, and acknowledged to
me that he executed the same.



Christy A. Dury
Notary Public
Residing at Fruitvale, ID
Commission Expires: 8/4/98

INSTRUMENT NO. 83420

State of Idaho)
County of Adams) ss.

Filed for record at the request of
Timberline Title & Escrow
46 min. past 11 o'clock A.M.
this 8 day of January, 19 93

MICHAEL FISK, RECORDER
by Sarah Wilson
Deputy

Fee \$ 27.00