

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
PRICE VALLEY RANCH ESTATES SUBDIVISION

THIS DECLARATION of Covenants, Conditions and Restrictions for Price Valley Ranch Estates Subdivision ("Declaration") is made this 16th day of August, 1994 by PRICE VALLEY RANCH ESTATES VENTURE, an Idaho Joint Venture formed and operating pursuant to the Idaho Uniform Partnership Act, Title 53, Chapter 3, Idaho Code, (the "Declarant").

ARTICLE ONE
DECLARANT'S STATEMENT OF GOALS AND PURPOSES

SECTION 1: The Property. Declarant is the owner of real property located in portions of Sections 17, 18, 19 and 20, Township 19 North, Range 1 East of Boise Meridian, Adams County, Idaho known as Price Valley Ranch Estates Subdivision ("Subdivision") according to the Plat thereof recorded in the office of the Adams County, Idaho Recorder on the 8th day of August, 1994, in the office of the County Recorder as Instrument No. 86470 (the "Property") which Plat is incorporated herein by this reference. Declarant intends by this Declaration to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners of Lots within the Subdivision. The Property is made subject to this Declaration and any amendments or supplements hereto by the recording of this Declaration with the Adams County, Idaho Recorder. Declarant desires to provide a flexible and reasonable procedure for the overall development and use of the Property and the Lots and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such Property as is now or may hereafter be subjected to this Declaration.

SECTION 2: Statement of Purpose. Declarant hereby subjects the Property to the protective covenants, conditions and restrictions set forth herein for the benefit of the Property and Owners of Lots. This Declaration is intended to preserve and enhance the value, desirability and aesthetic qualities of the Property and to ensure the highest quality development and use of the Property and to guarantee proper maintenance, repair and care thereof.

SECTION 3: The Subdivision Concept. The Subdivision is being developed to provide a limited number of rural residential Lots.

The Property provides unique natural resources including streams, views, meadows, forests, and wildlife populations. The Subdivision has been designed to preserve and enhance these natural resources for the benefit of the Owners of the Lots ("Lot Owners") within the Subdivision. Declarant intends that the Subdivision be developed as, and continue as, a first class rural residential subdivision with a rustic, western, ranch-style motif calculated to enhance and blend with the natural environment. This Declaration is intended to guide the development of the Subdivision to provide such results while simultaneously interfering to the least possible extent with the rights of the Lot Owners consistent with the stated goals.

SECTION 4: Legal Structure. The development and use of the Property by Lot Owners will be governed by this Declaration, by the Articles of Incorporation and Bylaws of the PRICE VALLEY RANCH ESTATES HOMEOWNER'S ASSOCIATION (the "Association"), an Idaho nonprofit corporation in which all Lot Owners and Declarant will be Members. Additionally, the use of the Property is governed by certain Architectural Review Rules ("Committee Rules") regulating the architectural style, size, location and specifications of Improvements on the Property and the type and quality of the materials used in such Improvements.

SECTION 5: Governing Law. The development and use of the Property is governed by, and all Lot Owners and Declarant agree to be bound by, all federal, Idaho and Adams County laws, rules, regulations, ordinances, codes and decisions including but not limited to, zoning, land use and health and safety requirements of the State of Idaho and Adams County, Idaho as the same may exist and be applicable from time to time ("Governmental Regulations").

ARTICLE TWO
DECLARATION

SECTION 1: Scope. Declarant hereby declares that all of the Property, and each Lot therein, is and shall be held, sold and conveyed, encumbered, hypothecated, leased, used, occupied, and improved subject to the following covenants, conditions, restrictions, easements and equitable servitudes which are for the purpose of protecting the value and desirability of, and which shall run with, the Property. The covenants, conditions and restrictions contained in this Declaration shall:

A. Be binding upon all persons or entities having or acquiring any right, title, or interest in or to the Property or any Lot, and their successors or assigns; and

B. Inure to the benefit of all of the Property and all Lots and any and all interests therein; and

C. Inure to the benefit and be binding upon Declarant, and its successors, and assigns and each grantee and such grantee's respective successors and assigns as described herein; and

D. Be enforced by Declarant, its agent, any Lot Owner or grantee or any Lot Owner's successors in interest or by the Association.

SECTION 2: Declarant's Retained Rights. No provision of this Declaration shall be construed to prevent or limit Declarant's right to complete development of the Property and to construct Improvements thereon, nor to prevent or limit Declarant's right to maintain construction or sales facilities or similar facilities on any portion of the Property. This Declaration shall not be construed to limit or restrict Declarant's right to post signs related to construction or sales of Lots. —

SECTION 3: Governmental Authority. The covenants, conditions and restrictions contained in this Declaration are IN ADDITION TO any other land use restrictions, zoning ordinances, laws, rules and decisions of governmental and judicial authorities including Adams County as the same may exist and be applicable from time to time. This Declaration does not supplant any such Governmental Regulations which from time to time may exist and be applicable, and such Governmental Regulations must be complied with, independent of and in addition to this Declaration. The provisions of this Declaration shall control when the same are more restrictive than applicable Governmental Regulations.

ARTICLE THREE DEFINITIONS

Unless the context requires otherwise, the following words and phrases when use in this Declaration shall have the following meanings:

SECTION 1: ACCESSORY BUILDINGS shall mean any building constructed upon a Lot other than a Residence. A detached garage is not an "Accessory Building" but is a part of a Residence.

SECTION 2: AGRICULTURAL ACTIVITY shall mean limited livestock grazing as allowed under zoning and land use ordinances for Adams County, Idaho as the same may exist from time to time and pursuant to this Declaration.

SECTION 3: ARCHITECTURAL REVIEW COMMITTEE shall mean the Committee established hereunder charged with a review of architectural plans and specifications for Improvements on the Lots and for the review of the materials utilized in the construction, repair, renovation or remodeling of such Improvements.

SECTION 4: ARTICLES shall mean the Articles of Incorporation of the Association which have been or shall be filed in the office of the Secretary of the State of Idaho, as the same may be amended or restated from time to time.

SECTION 5: ASSESSMENTS shall mean those payments required to be made by the Association Members, including regular and special assessments as described herein.

SECTION 6: ASSOCIATION shall mean the Price Valley Ranch Estates Homeowner's Association, Inc., the non-profit Idaho corporation described in this Declaration, and its successors and assigns.

SECTION 7: ASSOCIATION EASEMENTS shall mean reciprocal easements granted to Owners and the Association for Subdivision Roads and utilities within the Subdivision for the benefit of all Lot Owners.

SECTION 8: ASSOCIATION RULES shall mean the rules of the Board and the Committee as they may exist from time to time.

SECTION 9: BENEFICIARY shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust, which mortgage or deed of trust encumbers a Lot or Lots on the Property.

SECTION 10: BOARD shall mean the Board of Directors of the Association.

SECTION 11: BOARD RULES shall mean those rules promulgated by the Board.

SECTION 12: BYLAWS shall mean the Bylaws of the Association which are adopted by the Board, as such Bylaws may be supplemented, modified or amended from time to time.

SECTION 13: COMMERCIAL ACTIVITY shall mean the operation or conduct of any activity on the Property or any Lot intended to produce monetary profit for the person or entity conducting such operation or activity whether the person or entity is a Lot Owner or not. Commercial Activity may require a Conditional Use Permit from Adams County.

SECTION 14: COMMITTEE shall mean the Architectural Review Committee described herein.

SECTION 15: COMMITTEE RULES shall mean those rules issued by the Committee and approved by the Board.

SECTION 16: COUNTY shall mean Adams County, Idaho.

SECTION 17: DECLARANT shall mean Price Valley Ranch Estates Venture, an Idaho Joint Venture, formed and operating pursuant to the Idaho Uniform Partnership Act, Title 53, Chapter 3, Idaho Code, or any person, persons, entity or entities to whom the rights of the Declarant under this Declaration are sold, assigned or transferred, other than the sale of a Lot or Lots, by the Declarant voluntarily or by operation of law.

SECTION 18: DECLARATION shall mean this document as the same may be amended, modified or supplemented from time to time.

SECTION 19: DEED OF TRUST shall mean a mortgage or a deed of trust, as the case may be.

SECTION 20: GOVERNMENTAL REGULATIONS shall mean any and all federal, State of Idaho, County or other governmental entity law, rule, regulation, ordinance, decision or ruling applicable to, affecting or related to the Property or any Lot.

SECTION 21: HEALTH DISTRICT shall mean the State of Idaho Southwest Health District or any successor department, agency or government authority.

SECTION 22: IMPROVEMENT shall mean any and all things constructed or installed upon, above, or below the Property or any Lot and appurtenances thereto of every kind, type and nature, including but not limited to, Residences, buildings, Accessory Buildings, barns, garages, carports, roads, driveways, parking areas, fences, corrals, walls, stairs, decks, landscaping, windbreaks, poles, signs, irrigation devices, antennae, tennis courts, swimming pools, satellite receiving dishes, or related equipment, whether temporary or permanent, fixed or removable. Improvement shall also mean any alteration, excavation or fill for any purpose to any Lot, vegetation, stream, spring, seep, ditch or fill.

SECTION 23: LOT shall mean one or more of Lots 1 through 31 of the Subdivision according to the Plat thereof filed with the County Recorder's office.

SECTION 24: MEMBER shall mean any person who, or a duly authorized representative of an entity which, is a Lot Owner. Said person is a "Member" of the Association. The Declarant is a Member of the Association so long as Declarant owns a Lot or Lots.

SECTION 25: MORTGAGE shall mean any mortgage or deed of trust or other pledge or conveyance of a Lot to secure the performance of an obligation owed by a Lot Owner to a third party which will be void and reconveyed upon the completion of such performance.

INSTRUMENT NO 81521

SECTION 26: Non-Motorized Path shall mean that certain path 15 feet in width located on the Property as reflected on the Plat. The Non-Motorized Path is common area available for use by Lot Owners as described herein and pursuant to the Association Rules.

SECTION 27: NOTICE AND HEARING shall mean thirty (30) days notice and a hearing before the Board at which time a Lot Owner shall have an opportunity to be heard in person or by counsel at such Lot Owner's expense on an issue related to such Lot Owners use or proposed use of a Lot, Lots or the Property.

SECTION 28: OWNER shall mean a person or persons or a legal entity or entities, including Declarant, holding a fee simple interest in a Lot or Lots. as the case may be, or the purchaser of a Lot or Lots under a contract of sale (but excluding those having such interest merely as security for the performance of an obligation). For the purposes of Articles 4 and 5 only, unless the context otherwise requires, the term "Owner" shall also mean the family, invitees, licensees and lessees of any Owner.

SECTION 29: PERSON shall mean an individual or any entity with the legal right to hold title to real property under the laws of the State of Idaho.

SECTION 30: PLAT shall mean the official Plat of the Subdivision as filed with the County Recorder.

SECTION 31: PRICE VALLEY RANCH ESTATES EASEMENTS shall mean those certain easements as follows:

A. The easement granted by Orren C. McMullen and Belle McMullen, husband and wife, to Boise Cascade Corporation recorded on the 10th day of January 1969 in the office of the County Recorder at Book 6M of Misc. Records at Pages 293-294; and

B. The easement granted by Boise Cascade Corporation to Evergreen Forest Products, Inc. recorded on the 11th day of August, 1994 in the office of the County Recorder as Instrument No. 86484.

Evergreen Forest Products, Inc. has or will assign certain of its rights and obligations under the Price Valley Ranch Estates Easements to the Declarant, retaining certain rights in and to the use of the Price Valley Ranch Estates Easements to Evergreen Forest Products, Inc. The Price Valley Ranch Estates Easements will provide access to the Subdivision for Lot Owners, their families and guests and to Evergreen Forest Products, Inc. and Boise Cascade Corporation and their employees, agents, business invitees, assignees and successors. The Declarant will transfer, convey and assign all of its rights, title and interest in and to the Price Valley Ranch Estates Easements to the Association as set forth

INSTRUMENT NO. 86521

herein. The rights and obligations of the Association are set forth in the Price Valley Ranch Estates Easements. The Road located upon the Price Valley Ranch Estates Easements is a "Road" as defined in this Declaration.

SECTION 32: PRICE VALLEY RANCH ESTATES HOMEOWNER'S ASSOCIATION, INC. shall mean the Idaho nonprofit corporation described herein in which all Lot Owners, including Declarant, are Members and which is the governing body of the Subdivision. Also known as the "Association."

SECTION 33: PRICE VALLEY RANCH ESTATES SUBDIVISION shall mean the real property described on the Plat of the Subdivision filed with the County Recorder and any amendments, additions or modifications thereto.

SECTION 34: PROPERTY shall mean the real property located in Adams County, Idaho described in the Plat.

SECTION 35: RESIDENCE shall mean an Improvement constructed upon a Lot for occupancy by a Person or Persons.

SECTION 36: RESTRICTIONS shall mean this Declaration, as it may be amended, modified or supplemented from time to time, and the Association Rules and the Committee Rules that are, from time to time, in effect.

SECTION 37: ROADS shall mean those roads constructed by Declarant and denominated as Private Roads on the Plat. Roads and their 50 foot rights of way are located on easements as set forth on the Plat. The Roads and the 50 foot wide easements over the Lots on which they are located are governed by the Board and repaired and maintained by the Association at Members' expense as provided herein.

SECTION 38: SINGLE FAMILY RESIDENCE shall mean an Improvement designed as a Residence for occupancy by only a single family at any one time.

SECTION 39: SUBDIVISION shall mean the Price Valley Ranch Estates Subdivision according to the Plat thereof filed in the office of the County Recorder.

SECTION 40: SUPPLEMENTAL DECLARATION shall mean a supplemental declaration of covenants, conditions and restrictions which is recorded for the purpose of setting forth additional Restrictions on the Property, the Subdivision and the Lots. Any such Supplemental Declaration shall be recorded in the Office of the County Recorder.

ARTICLE FOUR
LIMITATIONS AND RESTRICTIONS

Except upon prior written approval of the Committee or the Board, as applicable, the Property and the Lots shall be held, used and enjoyed subject to the following limitations and Restrictions which are in addition to any and all applicable Governmental Regulations:

SECTION 1: Architectural Review Committee. There shall be no excavation or alteration of any Lot, no action to construct, place or erect any Improvement on any Lot or which in any way alters the exterior appearance of any Improvement or Lot or removal of any Improvement, without the prior written approval of the Committee in accordance with this Declaration and the Committee Rules which are incorporated herein by reference as if set forth in full. These requirements shall apply only to the exterior appearance of Improvements and not the interior.

SECTION 2: Insurance. Nothing shall be done or kept on any Lot or the Property which shall increase the rate payable for, or result in the cancellation of, insurance for any Lot Owner, the Association or Declarant, or which would be in violation of any Association Rule or Governmental Regulations.

SECTION 3: Further Subdivision Prohibited. No Lot may be further subdivided, nor may any easement or other interest therein less than the whole be conveyed by the Owner thereof (excluding Declarant and except as set forth herein); provided, however, that nothing herein shall be deemed to prevent or require the approval of the Committee for the transfer or sale of any Lot to more than one person to be held by them as tenants in common, joint tenants, tenants by the entirety, or as community property. Neither shall such consent be required by a Lot Owner who subjects a Lot to the provisions of a Mortgage, Deed of Trust or other security instrument.

SECTION 4: Animals. No more than four (4) domestic animals may be kept on a Lot, except with the approval of the Board, and provided that they are not kept, bred or maintained as a part of any Commercial Activity and are not allowed to run at large, annoy or harass wildlife, make excessive noise or otherwise constitute a nuisance. Owners with livestock (horses or cattle) shall maintain pasture grasses and shall fence pastures. Livestock shall not exceed one (1) head of livestock per five (5) acres owned unless approved by the Board. Keeping livestock may be further restricted by Governmental Regulations. No livestock shall be allowed on any Lot unless constrained by fencing.

Section 5: Nuisance. No garbage, trash, refuse, rubbish or debris of any kind shall be placed upon or permitted to accumulate

upon the Property or a Lot which would render any portion thereof unsanitary, unsightly, offensive or detrimental to any other Lot Owner or occupants. No noise, including but not limited to, noise created by people, animals, equipment, vehicles, electronic device, audio receiver, television, stereo, musical instrument machinery, or other similar source shall be permitted which is offensive to or detrimental to any other Lot Owner or occupant. The speed limit on Roads within the Subdivision, including the Road located on the Price Valley Ranch Estates Easements, shall be 25 miles per hour or less as Road conditions may warrant or require. Violation of the speed limit shall constitute a nuisance hereunder.

SECTION 6: Maintenance and Repair of Improvements and Maintenance of Lots. No Improvement upon any Lot shall be permitted to fall into disrepair, and each such Improvement shall at all times be kept in good condition and repair and adequately painted or otherwise finished by the Owner thereof. Any maintenance and/or repair of any Improvement shall not alter the appearance, color, or finish of the exterior of said Improvement without prior review and written approval of the Committee. Lots shall be kept free of debris, refuse and trash and the natural vegetation shall not be removed, replaced or altered without the prior review and written approval of the Committee.

If any Owner permits any Improvement for which such Owner is responsible to fall into disrepair to the extent that it creates a dangerous, unsafe, unsightly, or unattractive condition and if such condition is not repaired or eliminated after fifteen (15) days prior written notice from the Board to such Owner, the Association may correct such condition and its agents may enter upon such Owner's Lot for the purpose of repairing or eliminating such condition and the Owner shall promptly reimburse the Association for the cost thereof. Any such cost incurred by the Association shall create a lien against such Lot in the same manner as other Assessments as set forth in this Declaration. Such Owner shall be personally liable for, and his property may be subjected to a lien for, all costs and expenses incurred by the Association in taking such corrective action, including all costs incurred in collecting the amounts due to the Association for such corrective action from the Lot Owner. Each such Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand from the Board therefor or the amounts may, at the option of the Board, be added to amounts payable by such Owner as a regular Assessment.

SECTION 7: Watercourses and Drainage. All watercourses and drainages shall be managed in the best interest of the Property and Lots. There shall be no alteration, Improvement, or interference with any established watercourse or drainage pattern over any Lot within the Property unless approved in writing by the Committee. Any alteration, Improvement, or interference with any watercourse

or drainage shall also comply with applicable Governmental Regulations.

For purposes of this Declaration, "alteration" shall mean to obstruct, diminish, fill, pond, dredge, destroy, alter, modify, relocate, or change. "Water courses" shall include: streams (both perennial and intermittent), wetlands, ponds, springs, seeps, dry washes, and any associated culverts, ditch, or water control structures. "Established" is defined as the watercourse or drainage which exists prior to the grading of the Lot or Property, or as shown on the Plat or any plans submitted to the Committee.

Any alteration of vegetation within one hundred (100) feet of any watercourse or drainage, as measured from the natural or ordinary high water mark, must have prior written approval of the Committee. No vegetation may be mowed or otherwise disturbed within one hundred (100) feet of the natural or ordinary high water mark of any watercourse or drainage.

SECTION 8: Water Supply and Sewage Facilities. All Residences on all Lots shall be provided, at the Owner's expense, with adequate sewage treatment facilities including septic tanks and drain fields and with wells for domestic water. Individual sewage and water systems shall be permitted on any Lot provided such system is designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of the Committee and is approved by the Health District. The Health District has selected approved sites and/or system design for drainfields for all Lots. Any such facilities must at all times comply with all Governmental Regulations. No septic tank or drain field shall be located within 100 feet of a watercourse, drainage or well unless approved by the Health District and the Committee. Individual Lots may require additional sewage treatment facilities based on soil types and hydrological conditions, the determination of which, and expense of which, shall be borne solely by the Lot Owner. All such facilities shall be adequately maintained so as to cause no offensive odors or above ground discharge.

SECTION 9: No Hazardous or Offensive Activities. No activities shall be conducted on the Property or Lots and no Improvements shall be constructed on any Lot which are unsafe or hazardous to any person or property. No firearms, including air or spring powered pellet or "BB" pistols or rifles may be discharged upon any Lot or the Property. No hunting shall be allowed on the Property at any time. No open fires shall be lighted or permitted on any portion of the Property or any Lot except those controlled and attended fires required for clearing or maintenance of land and previously approved in writing by the Board and applicable governmental regulatory agencies or those fires within a contained and safe area used for cooking or recreational purposes upon a Lot.

SECTION 10: Visual Nuisance. No unsightly articles located on a Lot shall be visible from any other Lot. Without limiting the generality of the foregoing, trailers, motor homes, trucks (other than pickups), boats, tractors, vehicles (other than automobiles), campers (on or off a vehicle), snowmobiles, snow removal equipment, garden or maintenance equipment, camping and recreational equipment, dilapidated or unrepaired vehicles and similar items shall be kept at all times, screened from view or located within an Improvement (garage or Accessory Building). Trailers, mobile homes and campers in actual use by non-residents for a period not to exceed seven (7) days in any thirty (30) day period are allowed on a Lot. All vehicles located on a Lot which are not screened from view or located within an Improvement must be operational and registered and/or titled, as may be required by law, and have current licenses if required by law.

Refuse, garbage and trash shall be kept at all times in covered containers and appropriately screened from view. No lumber scraps, shrub or tree clippings, compost piles, plant waste, metals, bulk materials, unused building material, or other materials may be kept, stored or allowed to accumulate on any Lot except if appropriately screened from view. Firewood shall be stored in a neat and orderly fashion.

SECTION 11: Temporary Structures. No temporary structures or Improvements shall be placed upon any Lot, except, a well-built and maintained temporary structure or trailer will be permitted during construction on a Lot, provided that it is located on the Lot on which construction is occurring and it shall be removed within fourteen (14) days of substantial completion of the Improvement. In no event shall a temporary structure associated with construction of an Improvement be placed on a Lot for a period in excess of 12 consecutive months.

SECTION 12: No Mining or Drilling. No part of the Property or a Lot shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals, rocks, stones, gravel, or earth, except that the Association may allow the drilling of wells for the extraction of water for domestic use and landscape irrigation if such use is in accordance with applicable Governmental Regulations.

SECTION 13: Vehicles. The use of all on and off-road vehicles, including but not limited to, trucks, automobiles, motorcycles, motor scooters, snowmobiles, all terrain vehicles, "dirt bikes," and other off-road type work or recreational vehicles shall be confined to the Owner's Lot and the Roads only. All such vehicles must be registered and/or titled and currently licensed as required by Governmental Regulations. All such vehicles shall obey the 25 miles per hour speed limit on Roads. All such vehicles

shall be equipped with appropriate mufflers or other noise limiting devices.

SECTION 14: Minimum Setback Requirements. No Improvement, other than a driveway, may be placed on a Lot nearer than 100 feet to a Lot line when such Lot line constitutes the centerline of a Road. No Improvements may be placed on a Lot any nearer a Lot line than the minimum setback requirements of the County zoning and land use ordinances or the setback requirements contained in a deed or contract for sale of the Lot in question, or as reflected on the Plat, whichever is the most restrictive.

SECTION 15: Landscaping. Within ninety (90) days after substantial completion of an Improvement, an Owner shall restore all areas disturbed by construction to their natural, pre-existing condition to the extent possible and shall thereafter maintain the same in a weed-free and well-maintained condition. All areas disturbed during construction shall be re-established with native vegetation. Domestic grass lawns will be allowed to the maximum extent of 10,000 square feet per Lot.

The Board may approve additional Committee Rules issued by the Committee regulating landscaping. If any Owner shall fail to replace or maintain landscaping in conformance with these rules or if any Owner shall allow his landscaping to deteriorate to a dangerous, unsafe, unsightly, or unattractive condition, and if such condition is not remedied or eliminated after fifteen (15) days period written notice to such Owner from the Board, the Board's agents shall have the right to enter upon the Lot to correct such condition and such Owner shall promptly reimburse the Association for the cost thereof. Such cost shall create a lien against the Lot enforceable in the same manner as those created by Assessments as set forth in this Declaration and as described in Article Four, Section 6 hereof.

SECTION 16: Construction Waste. No Owner shall allow any person or persons constructing, repairing, renovating or remodeling Improvements upon a Lot to deposit rubbish, trash, waste or debris of any kind upon the Property or Lot or allow litter to accumulate upon the Property or a Lot. No construction waste may be buried upon the Property or a Lot nor may it be burned on the Property or a Lot without Board approval and all required governmental permits.

SECTION 17: Violations. There shall be no violation of the provisions of this Declaration or the Association Rules. If any Owner, his family, or any licensee, lessee, or invitee is in violation thereof, the Board may, in addition to any other available legal remedies it may have, impose a Special Assessment upon such Owner of not more than One Hundred Dollars (\$100.00) per day for each violation. The Board may also seek injunctive relief in any court of competent jurisdiction. Before invoking any such

Assessment or seeking an injunction, the Board shall give such person reasonable notice of the violation and a reasonable opportunity to cure the violation and/or to be heard regarding the violation and any Assessment or proposed request for injunction. Any assessment imposed which remains unpaid for a period of ten (10) days or more, shall become a lien upon the Owner's Lot and the Improvements thereon upon its inclusion in a notice of Assessment as set forth herein.

SECTION 18: Wildlife. The Property provides habitat for numerous species of wildlife. The Association's goal will be to maintain and enhance wildlife populations with the cooperation of the Owners. This goal may include, restrictions on dogs and fencing on the Property and the Lots as set forth in the Association Rules as the same may exist from time to time.

SECTION 19: Development by Declarant. Nothing herein shall limit the right of Declarant to complete excavation, grading and construction of Roads to any Lot within the Property owned by Declarant, or to alter the same or to make such additional Improvements as Declarant deems advisable in the course of development of the Property so long as Declarant owns any Lot. The rights of Declarant hereunder and elsewhere in this Declaration may be assigned by Declarant. This Declaration shall not limit the right of Declarant any time prior to acquisition of title to a Lot by a purchaser from Declarant to establish on that Lot additional licenses, reservations and rights-of-way to utility companies or others as may from time to time be reasonably necessary to the proper development and sale of Lots. Declarant shall not be required to seek or obtain Board or Committee approval of any Improvement constructed or placed by Declarant on any portion of the Property or any Lot owned by Declarant.

SECTION 20: Timber and Existing Vegetation Removal. Commercial timber removal and existing vegetation removal on individual Lots shall not be allowed except as may be strictly necessary for the construction of an Improvement. Removal of the same associated with construction, to combat disease or insect infestation or to reduce fire risk shall be allowed with the approval of the Committee. Plans for timber and existing vegetation removal for construction of Improvements, to enhance views or to combat disease, insects or the risk of fire must be submitted for review and approved by the Committee prior to any removal activity.

**ARTICLE FIVE
PERMITTED USES AND RESTRICTIONS**

SECTION 1: Uses Allowed. All of the Lots shall be improved and used solely for Single Family Residential use in accordance with Governmental Regulations, this Declaration, and the

Association Rules. The Property is currently in the County Rural Residential Zone (R-1).

SECTION 2: Improvements. All Improvements of any kind shall require the prior written approval of the Committee in accordance with the terms hereof and the Committee Rules. Unless specifically approved in writing by the Committee:

A. Single-Family Residence. Each Lot may contain a single residential structure designed to accommodate no more than a single family, domestic help and occasional guests, and an attached or detached garage. One (1) Accessory Building is allowed per Lot. In no event may any Lot be improved with more than one (1) residential structure, one (1) detached garage and one (1) Accessory Building.

B. Accessory Buildings. One (1) Accessory Building may be located on each Lot. The construction of an Accessory Building must be approved by the Committee and must conform to all other applicable restrictions. No Accessory Building shall exceed two (2) stories in height above the ground level existing prior to the start of construction and it may not exceed 1,000 square feet in area.

C. Minimum Size. All Residences erected upon the Lots shall have a floor area of not less than one thousand (1,000) square feet, exclusive of garages, patios, decks, storage rooms, porches, overhangs, and similar areas.

D. Height Limitation. No Residence shall be more than two stories in height above the ground level existing prior to construction.

E. Fences. Private fencing by individual Lot Owners shall be unpainted wood post and rail, or equivalent, and shall not exceed forty-two (42) inches in height. Barbed wire, chainlink and solid wood or metal fences will not be permitted. Fences shall not be installed or removed without prior written Committee approval. The perimeter fencing around the Subdivision provided by Declarant shall be wire fencing.

F. Time for Completion of Construction. Construction of all Improvements on any Lot shall be pursued diligently and continuously from time of commencement thereof until the Improvement is fully completed inside and out, including finish painting, landscaping, paving and any other Improvements. All Improvements shall be completed within twelve (12) months of commencement of construction unless completion is prevented by cause beyond the control of Owner

and any extension of time shall be only for a period equal to the duration of such cause.

G. Utilities. All utilities placed upon any Lot for telephone service, the reception of audio or visual signals or electricity, and all pipes for water, gas, sewer, drainage, or other utility purposes, shall be installed and maintained below the surface of the ground. Utility hookups, wires, pipes, conduit, lines, cables and similar items shall follow the chosen driveway route to the building site whenever possible.

SECTION 3: Residential Use: Rentals. No Residence shall be used for any purpose other than a Single-Family Residence. No garage or Accessory Building shall be used as living quarters at any time. No business, profession, trade, or other Commercial Activity shall be conducted on any Lot except as set forth herein. Any such activity may also require a Conditional Use Permit from the County. Provided, however, that nothing in this Declaration shall prevent the rental or leasing of a Residence by the Owner thereof for residential purposes. The Lot and all Improvements located thereon must be rented or leased together to the renting or leasing party and the Improvements may not be rented separately. Nothing herein shall preclude the use of a portion of a Residence as a home office which does not involve an increased use of the Roads or involve retail or wholesale vending of inventory stored on the Lot. No commercial or business related signs or business advertising of any kind may be located on any Lot or on the Property except as specifically allowed by this Declaration or as approved by the Committee. The County may also require a Conditional Use Permit for a home office and/or for such signs or advertising.

SECTION 4: Roads and Driveways. Roads will be constructed by Declarant to meet minimum County standards. Declarant's rights and obligations in and to the Roads, including the Price Valley Ranch Estates Easements, and the easements upon which the Roads are constructed, will be transferred and assigned by Declarant to the Association at such time as Declarant owns less than 50% of the Lots. The Association shall be responsible for the repair, maintenance and replacement of the Roads at all times prior to and after the Roads are conveyed, transferred and assigned to the Association by Declarant. All driveways and parking areas shall be constructed of gravel, decomposed granite, concrete, brick pavers, or asphalt paving. Driveways may be no more than twenty-five (25) feet wide. No driveway shall be constructed which would alter, obstruct or diminish any watercourse or drainage except with prior written approval of the Committee. Governmental Regulations may dictate the location of driveways on the Lots.

SECTION 5: Non-Motorized Path. The Non-Motorized Path is 15 feet in width as reflected on the Plat. The path may be used by Owners, their families and their guests for walking, jogging, cross-country skiing, bike riding and horseback riding in compliance with the Association Rules. The Non-Motorized Path will be conveyed, transferred and assigned to the Association by the Declarant at such time as Declarant owns less than 50% of the Lots. The Association shall maintain, repair, insure and pay all property taxes related to the Non-Motorized Path at all times prior to and after the Non-Motorized Path is conveyed, transferred and assigned to the Association by Declarant.

SECTION 6: Subdivision Perimeter Fencing and Cattle Guards. Prior to the sale of any Lot, the perimeter of the Subdivision will be fenced at the Declarant's expense. Declarant will install cattle guards on Roads which cross the Subdivision perimeter. The Association shall, thereafter be responsible for the maintenance, repair and replacement, as needed, of all such fencing and cattle guards. Declarant will transfer and assign all of its rights and obligations in and to, and related to, the perimeter fencing to the Association at such time as Declarant owns less than 50% of the Lots.

ARTICLE SIX

PRICE VALLEY RANCH ESTATES HOMEOWNERS ASSOCIATION

SECTION 1: Association. The Association is a nonprofit Idaho corporation charged with the duties and vested with the powers prescribed by law and set forth in its Articles, Bylaws and this Declaration. Neither the Articles nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

SECTION 2: Membership.

A. Qualifications. Each Owner (including Declarant), by virtue of being an Owner of a Lot or Lots on the Property and for so long as he is such an Owner, shall be a Member of the Association.

B. Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Lots and shall not be transferred, pledged, or alienated in any way except upon the transfer of legal and equitable title to a Lot, and then only to the transferee of such title. Any attempt to make a prohibited transfer shall be void. Any transfer of legal and equitable title to a Lot shall operate automatically to transfer membership in the Association to the new Owner.

SECTION 3: Voting.

A. Number of Votes. The Association shall have two classes of voting membership:

Class A. Class A Members shall consist of all Owners with the exception of Declarant, and Class A Members shall be entitled to one vote for each Lot owned. Declarant shall become a Class A Member with regard to Lots owned by Declarant as provided below. The Owner of each Lot may, by notice to the Association and signed proxy, designate a person (who need not be an Owner) to exercise the vote for such Lot. Said proxy shall be revocable at any time by notice to the Association by the Owner. Such proxy may be granted or revoked by the guardian of an Owner's estate or by an Owners conservator, or in the case of a minor having no guardian, by the parent with legal custody of such minor, or during the administration of an Owner's estate, by his personal representative or administrator where the interest in said property is subject to administration in the Owner's estate.

Class B. The Class B Member shall be Declarant. Upon the first sale of a Lot by Declarant to an Owner, Declarant shall be entitled to three (3) votes for each Lot owned by Declarant. Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) When the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership, or

(2) Ten (10) years from the first transfer of legal and equitable title by Declarant of a Lot to an Owner other than Declarant.

B. Joint Owner Disputes. The vote for each Lot shall, if at all, be cast as unit, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree between or among themselves as to how their vote shall be cast, they shall forfeit their right to vote on the matter in question. If any Owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other Owners of the same Lot.

C. Meetings of Owners. There shall be a meeting of the Owners on the second Saturday in June of each year at 9:00 a.m. at Shore Lodge, McCall, Idaho, or at such other reasonable place or time (not more than thirty (30) days before or after such date) as may be designated by notice of

the Board given to the Owners by depositing the same in the United States mail, postage prepaid, not less than fourteen (14) nor more than sixty (60) days prior to the date fixed for said meeting. A special meeting of the Owners may be called at any reasonable time and place by notice of the Board or by the Owners having twenty percent (20%) of the total Class A and Class B votes and delivered to all other Owners not less than fourteen (14) days nor more than sixty (60) days prior to the date fixed for said meeting. The presence at any meeting, in person or by proxy, of the Owners entitled to vote at least a majority of the total Class A and Class B votes shall constitute a quorum.

The president of the Association (or the vice president in his absence) shall act as chairman of all meetings of the Owners and the secretary of the Association (or an assistant secretary thereof in his absence) shall act as secretary of all such meetings. Members of the Board shall be elected by the Members. At each annual meeting, the Board shall present a written accounting of the Association's financial condition, itemizing receipts and disbursements for the preceding calendar year and the allocation thereof to each Owner. Within ten (10) days after the date set for each annual meeting, or as soon thereafter as practical, the Assessment statement shall be delivered to the Owners not present at said meeting.

D. Cumulative voting. In any election of the members of the Board, every Owner (including Declarant) entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of votes to which that Owner is entitled in voting upon other matters multiplied by the number of directors to be elected. The candidates receiving the highest number of votes shall be deemed elected.

SECTION 4: Board of Directors and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint, in accordance with the Articles and the Bylaws, as the same may be amended from time to time. The initial Board shall be appointed by Declarant and shall hold office until the first annual meeting, at which time a new Board may be elected in accordance with the provisions set forth herein and in the Bylaws.

SECTION 5: Powers and Duties of the Association.

A. Powers. The Association shall have all the powers of a non-profit corporation organized under the general non-profit 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, the Bylaws and this Declaration. It 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 this Declaration, the Articles and the Bylaws, and to do and perform any and all acts which may be necessary or proper for, or incidental to the proper management and operation of the Roads and the Non-Motorized Path and the performance of the other responsibilities herein assigned, including without limitation:

(1) Assessments. The power to levy Assessments on the Owners of Lots and to enforce payment of such Assessments, all in accordance with the provisions of this Declaration.

(2) Right of Enforcement. The power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or the Bylaws, including the Association Rules adopted pursuant to this Declaration, and to enforce the same by mandatory injunction or otherwise.

(3) Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to contract for the maintenance, repair, replacement and operation of the Roads and the Non-Motorized Path. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise of any such duty or power so delegated.

(4) Adoption of Rules. The power to adopt, amend and repeal by majority vote of the Board such rules as the Association deems reasonable including the Board Rules and the Committee Rules issued by the Committee. The Association Rules shall govern the use of the Roads and the Non-Motorized Path and all other matters related to the use and occupancy of the Property or the Lots by the Owners, by the families of the Owners, or by an invitee, licensee, lessee, or contract purchaser of an Owner; provided, however, that the Association Rules may not discriminate among Owners and shall not be inconsistent with this Declaration, the Articles or the 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 any 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 provisions of this Declaration, the Articles or the Bylaws to the extent of such inconsistency.

(5) **Emergency Powers.** The Association or any person authorized by the Association may enter upon any Lot in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which it is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable.

(6) **Licenses, Easements and Rights-of-Way.** The power to grant and convey to any third party such licenses, easements and rights-of-way in, on or under the Roads or the Non-Motorized Path as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment thereof and for the preservation of the health, safety, convenience and welfare of the Owners, for the purpose of constructing, erecting, operating or maintaining:

(a) Underground lines, cables, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes;

(b) Public sewers, storm drains, water drains, and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes; and

(c) Any similar public or quasi-public improvements or facilities.

(7) **Legal, Accounting and Consultant Services.** To retain and pay for legal, accounting and other consultant services necessary or proper for the operation of the Association, enforcement of the Restrictions and the Association Rules, or performance of any other duties or rights of the Association.

B. Duties of the Association. In addition to power delegated to its by the Articles, without limiting the generality thereof, the Association or its agent, if any, shall have the obligation to conduct all business affairs of common interest to all Owners, and to perform each of the following duties:

(1) **Operation Maintenance of Roads and Non-Motorized Path.** Operate, maintain and otherwise manage or provide for the operation, maintenance and management of the Roads, including the Price Valley Ranch Estates Easements, including the repair, replacement, resurfacing and snowplowing of same,

the Roads and the Price Valley Ranch Estates Easements, including any signage, culverts, bridges, cattle guards or fencing located thereon or associated therewith both prior to and after the transfer and assignment thereof to the Association by the Declarant. The Board, on behalf of the Association, may contract for the operation and maintenance of the Roads.

(2) Insurance. Unless otherwise determined by the Board obtain, from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the following policies of insurance to insure the interests of the Association, including the Association's interests in the Roads, the Price Valley Ranch Estates Easements and the Non-Motorized Path:

(a) Comprehensive public liability insurance insuring the Board, the Association, the Declarant and the individual Owners and agents and employees of each of the foregoing against any liability incident to the use of the Roads, the Price Valley Ranch Estates Easements and the Non-Motorized Path. Limits of liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000.00) per person and One Million Dollars (\$1,000,000.00) per occurrence with respect to personal injury or death, and property damage.

(b) Full coverage directors and officers liability insurance with a limit of Two Hundred Fifty Thousand Dollars (\$250,000.00).

(c) Such other insurance necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association functions or to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property.

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

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

(3) Rule Making. Make, establish, promulgate, amend and repeal the Association Rules, including rules related to the use of the Non-Motorized Path as set forth herein.

(4) Architectural Review Committee. Appoint and remove members of the Architectural Review Committee, subject to the provisions of this Declaration.

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

(6) Non-Motorized Path. To maintain the Non-Motorized Path and pay any necessary county property taxes assessed against the Non-Motorized Path.

(7) Perimeter Fencing. To maintain, replace and repair, as necessary, the fencing and cattle guards around the perimeter of the Subdivision.

SECTION 6: Personal Liability. No member of the Board, or any committee of the Association, or any officer of the Association, or the Declarant, or any manager of the Association, if any, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss, or prejudice suffered or claimed on the account of any act, omission, error or negligence of the Association, the Board, the manager, if any, or any other representative or employee of the Association, the Declarant or any other committee, or any officer of the Association, or the Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith without willful or intentional misconduct.

SECTION 7: Budgets and Financial Statements. Financial Statements for the Association shall be regularly prepared and copies shall be distributed to each Member of the Association as follows:

A. An operating budget for each fiscal year shall be distributed not less than sixty days (60) before the beginning of each fiscal year. The Association's Fiscal Year shall be the calendar year.

B. A balance sheet, as of an accounting date which is the last day of the month closest in time to six (6) months from the date of the closing of the first sale of a Lot and an operating statement for the period from the date of the first closing to the said accounting date, shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of Assessments

received and receivable identified by the Lot number and the name of the person or entity assessed.

C. Within thirty (30) days after the close of each fiscal year, the Association, or its agent, shall cause to be prepared and delivered to each Owner, a balance sheet as of the last day of the Association's fiscal year and an annual operating statement reflecting the income and expenditures of the Association for its fiscal year. Copies of said documents shall be distributed to each Owner within next (90) days after the end of each fiscal year.

SECTION 8: Amendment. The provisions of Sections 1, 2 and 3 of this Article Six may only be amended with 100% of the votes of the Members.

ARTICLE SEVEN ASSESSMENTS

SECTION 1: Covenant to Pay Assessments. Each Owner by acceptance of a deed to a Lot or by entering into a contract for the purchase of a Lot, covenants and agrees to pay when due all Regular and Special Assessments or charges made by the Association through the Board. Such Assessments, together with interest, costs and reasonable attorney's fees which may be incurred in collecting the same, shall be a charge on the Lot of an Owner and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment is due. The personal obligation of a Lot Owner for delinquent Assessments shall not pass to a successor in title unless expressly assumed by the successor.

SECTION 2: Regular Assessments. Regular Assessments against each Lot shall commence on the first day of the first month following the closing of the sale of a Lot ("Initiation Date"). From and after the Initiation Date until January 1 of the calendar year immediately following the Initiation Date, there shall be assessed against each Lot a Regular Assessment per Lot as determined by the Board.

Not less than thirty (30) nor more than sixty (60) days prior to the beginning of each calendar year following the Initiation Date, the Board shall estimate the total amount of funds necessary to defray the expenses of the Association and shall assess the Owner of each Lot subject therein in December of each year for the following year. Said Assessment shall be prorated in accordance with the total number of Lots which are subject to Assessment by the Association. Regular Assessments shall include an amount allocated to an adequate reserve fund which is to be established

for maintenance, repairs, resurfacing and snowplowing of the Roads, maintenance, replacement and repairs to the perimeter fencing and maintenance of the Non-Motorized Path. The entire Regular Assessment shall be paid annually by each Owner of a Lot within thirty (30) days of the mailing date of the Assessment.

SECTION 3: Special Assessments.

A. In the event that the Board shall determine that the Regular Assessment for a given calendar year is or will become inadequate to meet the expenses of the Association for any reason, including but not limited to, costs of maintenance and unexpected repairs upon the Roads, the Board shall determine the approximate amount necessary to defray such expenses and levy a Special Assessment. The Board may, at its discretion, pro-rate such Special Assessment over the remaining months of the calendar year or levy the full Assessment immediately against each Lot.

B. Every Special Assessment shall be levied upon the same basis as that prescribed for the levying of Regular Assessments.

SECTION 4: Uniform Rate of Assessment. Unless otherwise specifically provided herein, Regular and Special Assessments must be fixed at a uniform rate for all Owners.

SECTION 5: Assessment Period. The Regular Assessment period shall commence on January 1 of each year and terminate December 31 of such year; provided, however, the initial Regular Assessment period shall commence on the Initiation Date and terminate on December 31 of the year in which the Initiation Date occurs. The first Regular Assessment shall be adjusted to the number of months remaining in the calendar year and shall be payable in equal monthly installments.

SECTION 6: Notice and Assessment Due Date. Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the Owner of every Lot subject thereto. The due dates for Regular Assessments and Special Assessments shall be the first day of each month unless some other due date is established by the Board. Each monthly installment of the Regular Assessment or Special Assessment shall become delinquent if not paid within ten (10) days after the levy thereof. There shall accrue with each delinquent monthly installment and Special Assessment, a late charge of Twenty-Five Dollars (\$25.00), together with interest at 10% per annum calculated from the date of delinquency to and including the date full payment is received by the Association. The Association making the Assessment may bring an action at law against the Owner personally obligated to pay the same to foreclose the lien against his Lot as is more fully provided for herein.

Each Owner is personally liable for said Assessments and no Owner of a Lot may exempt himself from liability for the Assessments by abandonment of the Lot.

SECTION 7: Estoppel Certificate. The Association, upon not less than 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 Owner is in default under the provisions of this Declaration, and further stating the dates to which Assessments have been paid by said Owner, it being intended that any such certificate delivered pursuant to this Section may be relied upon by any prospective purchaser or mortgagee of an Owner's Lot. Reliance on such certificate may not extend to any default as to which the Association had no actual knowledge.

SECTION 8: Special Notice and Quorum Requirements. Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of either levying a Special Assessment pursuant to this Article, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessments pursuant to this Article, shall be sent to all Members of such Association not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. Members (or their proxies) with votes totaling $66 \frac{2}{3}\%$ of the total possible votes of Members of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be Members (or their proxies) with votes totaling 50% of the total possible votes of Members of the Association. If a quorum is not then present, no meeting shall be held for at least sixty (60) days.

ARTICLE EIGHT
ENFORCEMENT OF ASSESSMENTS LIENS

SECTION 1: Right to Enforce. The right to collect and enforce the Assessments made by the Association is vested in the Association. Each Owner of a Lot upon becoming an Owner of such Lot is and shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the 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 attorney's fees or any other relief or remedy obtained against said Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay the Assessments provided for in this Declaration by commencement and maintenance of a suit at law

or in equity or such Board may exercise the power of sale pursuant hereto to enforce the liens created hereby. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided for.

SECTION 2: Assessment Lien.

A. Creation. There is hereby created a claim of lien with power of sale on each and every Lot to secure payment of any and all Assessments levied against any and all Lots in the Property pursuant to this Declaration, together with interest thereon at 10% per annum and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Lots upon recording of a claim of lien with the County Recorder. Said lien shall be prior and superior to all other liens or claims created subsequent to the recording of the notice of delinquency and claim of lien except for tax liens for real property taxes on any Lot and assessments on any Lot in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

B. Claim of Lien. Upon default of any Owner in the payment of any Regular or Special Assessment required hereunder, the Association may cause to be recorded in the Office of the County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Lot against which the same has been assessed, and the name of the record owner thereof. Each delinquency shall constitute a separate basis for a notice and claim of lien, but any number of defaults may be included within a single notice and claim of lien. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice of the satisfaction and release of such claim of lien. The Association may demand and receive the cost of recording of such release before recording the same. Any purchaser or encumbrancer, acting in good faith and for value, may rely upon such notice of satisfaction and release as conclusive evidence of the full satisfaction of the sums paid in the notice of delinquent sums.

SECTION 3: Method of Foreclosure. Such lien may be foreclosed by appropriate action in court or by sale by Association, its attorney or other person authorized to make the sale, such sale to be conducted in accordance with the provisions of Idaho Code applicable to the exercise of powers of sale

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.

SECTION 4: Required Notice. Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of the notice of delinquency and claim of lien, whether judicially by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Lot described in such notice of delinquency and claim of lien, and a copy thereof is recorded by the Association in the office of the County Recorder.

SECTION 5: Subordination to Certain Mortgages and Trust Deeds. The lien for the Assessments provided for herein in connection with a given Lot shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such given Lot prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in this Article with respect to a first mortgagee who acquires title to a Lot, the sale or transfer of any Lot shall not affect the Assessment lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether prior to, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments provided for in this Declaration.

SECTION 6: Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat and render invalid the rights of the beneficiary under any deed of trust or the mortgagee under a mortgage upon a Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such deed of trust or mortgage, such Lot shall remain subject to this Declaration.

**ARTICLE NINE
INSPECTION OF ASSOCIATION'S BOOKS AND RECORDS**

SECTION 1: Owner's Right of Inspection. The membership register, books of account and minutes of meetings of the Board and committees of the Association shall be made available for inspection and copying by any Owner or by his duly appointed representatives at any reasonable time and for a purpose reasonably related to the interests of the Owner at the office of the

Association or at such other place within the Property as the Board prescribe.

SECTION 2: Rules Regarding Inspection of Books and Records. The Board shall establish reasonable rules with respect to:

- A. Notice to be given to the custodians of the records by the persons desiring to make the inspection.
- B. Hours and days of the week when such inspection.
- C. Payment of the cost of reproducing copies of documents requested pursuant to this article.

SECTION 3: Director's Right of Inspection. Every member of the Board shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association, and the physical properties owned or controlled by the Association. The right of inspection by a Board Member includes the right to make copies of documents at Association expense.

ARTICLE TEN
ARCHITECTURAL REVIEW COMMITTEE

SECTION 1: Members of Committee. The Architectural Review Committee ("Committee"), shall consist of three (3) members. The following persons are hereby designated as the initial members of the Committee:

1. Robert T. Hitchcock
2. Todd M. Hitchcock
3. Richard Barrell

Each of said persons shall hold office until such time as he has resigned or has been removed and his successor has been appointed as provided herein. Members of the Committee may be removed at any time without cause, except as set forth in Section 2 of this Article.

SECTION 2: Declarant's Rights of Appointment. Up to the time that Declarant owns less than 50% of the Lots, Declarant shall have the right to appoint and remove all members of the Committee. When the Declarant no longer owns 50% of the Lots the Board shall have the right to remove and appoint members of the Committee. Notwithstanding any other provision of this Declaration (including those allowing amendment of this Declaration) the Committee shall at no time have more than three (3) voting members.

SECTION 3: Duties of Committee. Except as to changes by Declarant in the Property, no changes in the existing state of any Lot within the Property shall be made or permitted without the

prior written approval of the Committee. The Committee shall issue Committee Rules which must be approved by the Board setting forth procedures for the submission of plans for approval, requiring a fee to accompany each application for approval or additional factors which the Committee will take into consideration in reviewing submissions and additional standards for approval. The Committee Rules as they may exist from time to time are hereby incorporated by this reference as if set forth in full.

The Committee, pursuant to the Committee Rules, shall have sole authority to determine the proper use, appearance, design and aesthetic quality of any proposed Improvement. For purposes of this paragraph "changes in the existing state" of any Lot include, but are not limited to, construction of Residences, Improvements, (including utilities), Accessory Buildings, the excavation, alteration filling, or similar disturbance of the surface of the land, (including without limitation, change of grade, stream bed, ground level, or drainage pattern), the clearing, marking, defacing, damaging or removal of trees, shrubs, or other vegetation, the landscaping or planting of trees, shrubs, lawns, or plants, and any change in color, texture, or exterior appearance of any previously approved change in the existing state of property.

The Committee shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to the terms of this Declaration and the Committee Rules and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Committee.

The Committee shall have the authority to maintain a list of approved construction materials and to add or delete therefrom from time to time. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, landscape plans, drainage plans, elevation drawings and/or samples of exterior material and colors and sworn affidavits as to intended use of the proposed Improvement(s). Until receipt by the Committee of any such required plans and specifications, the Committee may postpone review of any plan submitted for approval.

Any Owner desiring Committee approval of any Improvement or other change in the existing state of any Lot shall make application in writing together with the required number of sets of all plans to the Committee for review. All approvals or disapprovals shall be set forth in writing by the Committee and mailed or delivered to the Owner.

SECTION 4: Meetings of the Architectural Review Committee.
The Committee shall meet from time to time as necessary to perform

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its duties hereunder. It may, from time to time, by resolution unanimously adopted in writing designate one of its members to take any action or perform any duties for and on its behalf, except the granting of variances. In the absence of such designation, the vote of any two (2) members of the Committee, or the written consent of any two (2) members of the Committee taken without a meeting, shall constitute an act of the Committee.

SECTION 5: No Waiver of Future Approvals. The approval by the Committee of any proposals or plans and specifications or drawings for any work done or which is related to any Improvement requiring its approval and consent, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matter whatever subsequently or additionally submitted for approval or consent related to another Improvement or the alteration, modification, repair or remodel of an existing and approved Improvement.

SECTION 6: Compensation of Members. The members of the Committee shall be entitled to reasonable compensation from the Association for services rendered, together with reimbursement for expenses incurred by them in the performance of their duties hereunder. Such compensation shall be determined by the Board and shall not exceed \$20.00 per hour. Said maximum compensation may be increased by the vote of a majority of the votes cast by Owners voting at any general meeting of the Association or a special meeting called for that purpose.

SECTION 7: Final Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

A. Upon the completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Committee.

B. Within sixty (60) days thereafter, the Committee or its duly authorized representative may inspect such Improvement. If the Committee finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

C. If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Committee shall notify the Board in writing such failure. Upon Notice and hearing, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Owner shall

remedy or remove the same within a period of not more than forty-five (45) days from the date of the Board's written ruling. If the Owner does not comply with the Board ruling within such period, the Association, at its expense, may remove or modify the noncomplying Improvement or otherwise remedy the noncompliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy an Assessment against such Owner for reimbursement pursuant to Article 4, Section 6 and Article 6 of this Declaration.

D. If the Committee fails to notify the Owner of any noncompliance within sixty (60) days after the receipt of said written notice of completion from the Owner, the Improvement shall be deemed to be in accordance with the approved plans.

SECTION 8: Nonliability of Architectural Review Committee Members. Neither the Committee nor any member thereof shall be liable to the Association, or to any Owner for any loss, damage, or injury arising out of or in any way connected with the performance of the Committee's duties hereunder, unless due to the willful misconduct or bad faith of such member. The Committee shall review and approve or disapprove all plans submitted to it for any considerations and the overall benefit or detriment which would result to the immediate vicinity and the Property and adjacent Lots in general. The Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes or any warranty that the Improvement is fit for any particular purpose or for habitation.

SECTION 9: Variances. The Committee may authorize variances from compliance with any of the architectural provisions of this Declaration or the Committee Rules, including restrictions upon height, size, floor area, set backs or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations so require. Such variances must be evidenced in writing and must be signed by at least two (2) members of the Committee. If such variances are granted, no violation of the covenants, conditions and restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Lot and the particular provisions hereof covered by the variance, nor

shall it affect in any way the Owner's obligation to comply with all Governmental Regulations affecting the use of the Lot or Improvement.

ARTICLE ELEVEN
EASEMENTS

SECTION 1: Grant of Easements. Notwithstanding anything expressly or implied contained herein to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by Declarant including those granted for the installation and maintenance of Roads, utilities and drainage facilities that are required for the development of the Property. In addition, Declarant hereby reserves for the benefit of the Association, the right of Declarant to grant additional easements and rights-of-way over the Property and the Lots to utility companies and public agencies as necessary, for the proper development of the Property until close of escrow for the sale of the last Lot in the Property to an Owner. Easements will be fully described on the legal description for each Lot.

SECTION 2: Utility Easements. Underground electrical and telephone utilities will be installed within the 50 foot Road rights-of-way by the Declarant. The rights and duties of the Owners of the Lots within the Property with respect to utilities shall be governed by the following:

A. Wherever a service connection, if any, is installed upon the Property, which connection or any portions thereof lies in or upon a Lot owned by other than the Owner of the Lots served by said connection, the Owner or Owners of Lots served by such connection and the serving utility shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Lots or to have their agent enter upon the Lot upon the Property in or upon which said connection or any portion thereof lies, to repair, replace and generally maintain said connection as and when the same may be necessary.

B. Whenever utility residence connections, if any, are installed within the Property which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to full use and enjoyment of such portions of said connections as service his Lot.

SECTION 3: Road Easements. Roads are located on fifty (50) foot rights of way. The Declarant will own all Roads until 50% of the Lots are sold at which time ownership of the Roads will be transferred to the Association. Road easements will be described on the legal description for each Lot and are shown on the Plat.

It is possible that the Roads may become public roads at some future date.

SECTION 4: No Construction Within Easements. No Improvement shall be made within any easement including Road easements without the prior written approval of Committee.

ARTICLE TWELVE
MISCELLANEOUS

SECTION 1: Term. The covenants, conditions, and restrictions of this Declaration shall run until the year Two Thousand Twenty-Five (2025) unless amended as herein provided. After such date, such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by at least three-fourths (3/4) of the Members, and such written instrument is recorded with the County Recorder.

SECTION 2: Amendment.

A. By Declarant. Until such time that Declarant owns less than 50% of the Lots, the provisions of this Declaration, other than this Section 2 of this Article, may be amended only by Declarant. Any amendment hereunder shall be effective only upon recordation with the County Recorder of an instrument in writing signed and acknowledged by Declarant setting forth the amendment.

B. By Owners. When the Declarant no longer owns 50% or more of the Lots, the provisions of the Declaration, other than this Section 2 of this Article, may be amended by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying that such amendment has been approved by the vote or written consent of at least three fourths (3/4) of the votes of the Members, and such an amendment shall be effective upon its recordation with the Adams County Recorder.

C. Amendment of Article Twelve, Section 2. Article Twelve, Section 2 may be amended only with a 100% of the votes of the Members.

D. Rights of Beneficiary. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat or render invalid the rights of a Beneficiary under any recorded deed of trust or mortgage upon a Lot made in good faith and for value, provided that after the foreclosure of any such deed of trust or mortgage such Lot shall remain subject to this Declaration, as amended.

SECTION 3: Notices. Any notice permitted or required to be delivered by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or the residence of such person, if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

SECTION 4: Interpretation. This Declaration shall be liberally construed to further its purposes.

SECTION 5: Choice of Law. This Declaration shall be construed in accord with the laws and regulations of the State of Idaho and the Ordinances of Adams County, Idaho.

SECTION 6: Enforcement and Nonwaiver.

A. Right of Enforcement. Any Owner of any Lot within the Property shall have the right to enforce any or all of the provisions of the Restrictions upon any Lot within the Property and the Owners thereof, except as provided to the contrary herein.

B. Violations and Nuisance. any act or omission violation hereof is declared to constitute a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action by Declarant or the Association or any Owner or Owners of Lots within the Property.

C. Violation of Law. Any violation of any state, municipal or local law, ordinance, or regulation pertaining to the ownership, occupation, or use of any property within the Property is hereby declared to be a violation of the Restrictions and subject to the enforcement procedures set forth in said Restrictions.

D. Remedies Cumulative. Each remedy provided by the Restrictions is cumulative and not exclusive.

E. Nonwaiver. The failure to enforce any of the provisions of the Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provisions of said Restrictions.

SECTION 7: Construction.

A. Restrictions Construed Together. All of the provisions of the Restrictions shall be liberally construed

INSTRUMENT NO. 84021

together to promote and effectuate Declarant's goals in making this Declaration as set forth in the preamble.

B. Restrictions Severable. Notwithstanding the provisions of the foregoing Paragraph A, each of the provisions of the Restrictions shall be deemed independent and severable and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

C. Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

D. Captions. All captions and titles used in this Declaration are intended solely for convenience or reference and shall not affect that which is set forth in any of the provisions hereof.

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first above written.

DECLARANT:

Price Valley Ranch Estates Venture,
an Idaho Joint Venture formed and
operating pursuant to the Idaho
Uniform Partnership Act, Title 53,
Chapter 3, Idaho Code

By: Evergreen Forest Products, Inc.,
a Joint Venture Partner

By: 
Robert T. Hitchcock, President

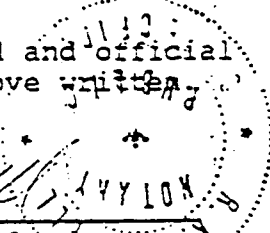
By: Price Valley Ranch Development
Company, Inc., a Joint Venture
Partner

By: 
Robert T. Hitchcock, President

STATE OF IDAHO)
) ss.
County of Adams)

On this 16th day of August, 1994, before me, a Notary Public, personally appeared ROBERT T. HITCHCOCK known to me or identified to me to be the President of Evergreen Forest Products, Inc., a Joint Venture Partner of Price Valley Ranch Estates Venture, an Idaho Joint Venture, who executed the within instrument on behalf of said corporation, in its capacity as a Joint Venture Partner in said Joint Venture, and acknowledged to me that such corporation executed the same.

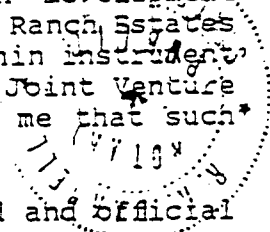
IN WITNESS WHEREOF, I have hereunto set my hand and official seal, the day and year in this certificate first above written.


[Signature]
Notary Public for Idaho
Residing at: Boise, Idaho
My Commission Expires: 5-17-2000

STATE OF IDAHO)
) ss.
County of Adams)

On this 16th day of August, 1994, before me, a Notary Public, personally appeared ROBERT T. HITCHCOCK known to me or identified to me to be the President of Price Valley Ranch Development Company, Inc. a Joint Venture Partner of Price Valley Ranch Estates Venture, an Idaho Joint Venture, who executed the within instrument on behalf of said corporation, in its capacity as a Joint Venture Partner in said Joint Venture, and acknowledged to me that such corporation executed the same.

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


[Signature]
Notary Public for Idaho
Residing at: Boise, Idaho
My Commission Expires: 5-17-2000

INSTRUMENT NO. 86521
State of Idaho)
County of Adams) ss.

Filed for record at the request of
Evergreen Forest Products
on 10 min. past 1 o'clock p.m.
this 18th day of August, 1994
MICHAEL FISK, RECORDER
by [Signature]
Deputy

**FIRST AMENDED AND RESTATED
DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS**

PRICE VALLEY RANCH ESTATES SUBDIVISION

For platted lands in:

ADAMS COUNTY, IDAHO, which legal description is attached.

THIS DECLARATION made this 18th of August, 1998 by Price Valley Ranch Estates Venture, an Idaho Partnership; John James and Gail K. Hogg, husband and wife; Milon C. and Joyce E. McDaniel, husband and wife; Wayne G. and Carol J. Stollfus, husband and wife; David A. Maloney, Trustee for the Daniel A. Maloney Revocable Trust; and Tom L. and Kathy Jo Holloway, husband and wife, hereinafter called Owners. This declaration of Protective Covenants, Conditions and Restrictions is intended to supercede Covenants, Conditions and Restrictions of Price Valley Ranch Estates Subdivision dated August 16, 1994 and recorded in Adams County, Idaho on August 18, 1994 as instrument number 86521.

WHEREAS OWNERS desire to create thereon a rural residential Community and desire to provide for the preservation of the values and aesthetic qualities offered by the natural surroundings in said Community; and to this end, desire to subject the real property described above to the covenants, conditions and restrictions 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;

NOW THEREFORE, the Owners declare that the real property described above, is and shall be held, transferred, sold, conveyed and occupied subject to covenants, conditions and restrictions hereinafter set forth, together with easements of record within the plat.

INSTRUMENT NO. 95322
State of Idaho)
County of Adams) ss.
Filed for record at the request of
Don Herten
21 min. past 11 o'clock A.M.
this 28 day of Dec, 1998
MICHAEL FISK, RECORDER
by fs Deputy
Fee \$ 4800

ARTICLE I

DEFINITIONS

1.01. COMMUNITY: The term "Community" as used herein shall refer to the Existing Properties considered as a whole.

1.02. DECLARATION: The term "Declaration" shall mean the Declaration of Protective Covenants, Conditions and Restrictions contained herein.

1.03. 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.

1.04. EXISTING PROPERTIES: The term "Existing Properties" shall mean that real property as herein before described.

1.05. IMPROVEMENTS: 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.

1.06. PARCEL: The term "Parcel" shall mean any parcel of real property designated for single family residential use together with the associated acreage therein contained, which may be set aside for agricultural or livestock purposes and as shown within the recorded "Certificate of Survey" of Existing Properties entitled Price Valley Ranch Estates Subdivision in the records of the County Recorder, Adams County, Idaho.

1.07. OWNER: The term "Owner" shall refer to that person or entity or those persons or entities who hold the ownership interest in any parcel 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.

1.08. 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.

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

1.10. 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.

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

ARTICLE II

PROTECTIVE COVENANTS

2.01. LAND USE AND LIVING UNITS: All of the Existing Property shall be used and occupied solely for single family residential purposes, together with the incidental agricultural and livestock use. None of the subject parcels shall be split, divided or sub-divided into smaller lots or parcels than as shown on the recorded plat for Price Valley Ranch Estates 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 incident 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. No structure of a temporary character, to 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, except for temporary structures needed during construction of the improvements. These units shall be removed immediately after construction is complete. Exterior construction to be completed in 2 years. Any uses as described herein shall comply with and be permitted by the appropriate State and County agencies having jurisdiction with respect to health and safety codes and regulations.

2.02. 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 1000 square feet, of which 600 square feet shall be on the first floor. No manufactured or modular homes will be allowed. Precut log homes will be considered. All residences shall be placed on a permanent concrete foundation. All residences shall be connected to a septic system approved by the Southwest District Health Department.

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

C. Roofs shall be pitched and covered with wood, tile, painted metal, or asphalt shingles. All other exterior surfaces of residences shall be covered with natural, pre-colored materials, and painted materials, all with earth-tone colors.

D. Driveways and parking areas shall be gravel or hard surface. No driveway or parking area shall be constructed which would alter any existing watercourses or drainages.

E. Accessory buildings may be constructed without foundations, however all exterior features shall conform to the residence in roof design and color.

F. Decorative fencing shall be confined to enclosure of an area around the residence and shall not be wire, cyclone or wire mesh. Animal fencing may be wire and shall contain an area large enough to eliminate overgrazing in any one area.

2.03. ARCHITECTURAL REVIEW:

A. A committee of three members shall be designated to review plans and specifications of proposed improvements. Up to the time the declarant owns less than 50% of the lots, declarant shall have the right to appoint all members of the committee. When the declarant no longer owns 50% of the lots, existing lot owners may remove and appoint members of the committee, except that the declarant may designate at least one member until 75% of all lots are sold. Lot owners other than the declarant may elect the other two members of the committee by a simple majority vote.

B. The committee shall have sole authority to determine proper use, appearance, design and quality of any proposed improvement, in conformance with the CC & Rs. Neither the committee nor any member shall be liable to any lot owner for any loss, damage, or injury connected with the performance of the committee's duties.

2.04. GARBAGE, REFUSE DISPOSAL AND STORAGE:

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 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 of any garbage, trash or other refuse shall be permitted on any parcel without the proper notification and permission of the Southern Idaho Timber Protective Association in McCall, Idaho.

D. Recreational vehicles, travel trailers, motor homes, boats, garden or maintenance equipment shall be stored in such a manner to be screened from view.

2.05. NUISANCES:

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

B. All outdoor lighting shall be unobtrusive and shall be so located as to eliminate any horizontal glare.

2.06. SIGNS: No signs shall be placed on any lot or in the subdivision except signs advertising the sale of any lot or residence. A contractor may place a sign during the course of construction and shall remove it upon completion of construction.

2.07. 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 days of the completion of the underground procedures.

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. 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 also 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.

2.08. 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 clearly become a menace or nuisance shall not be allowed to remain on any parcel. No more than one large livestock animal shall be kept for every two acres of land.

2.09. UTILITIES: The Developer has provided electrical power service to the Community as a whole. The purchaser and owner of each parcel agrees to use the services 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.

2.10. SNOW REMOVAL AND ROAD MAINTENANCE: Snow removal from individual parcels and private roads and driveways, and maintenance of such roads and driveways will be the responsibility of each property owner or combination of property owners and not the responsibility of the Sellers or the Community as a whole. However, to the extent that governmental authorities do not assume the responsibility for snow removal and road maintenance on the public roads leading to and within the Community, the same shall be carried out by the Community as a group and the costs thereof shared equally by the property owners.

2.11. **TREE REMOVAL:** The commercial harvesting of trees on any parcel shall not be permitted. Limited tree removal or trimming will be allowed to facilitate construction of improvements or to provide a view corridor. Tree thinning or removal associated with prudent "forest management" practices and procedures to enhance growth and control disease and insects is allowed, provided such activity has been approved by governing agencies.

2.12. **LOCATION OF IMPROVEMENTS:** It is the desire and intent of the Owners to preserve the natural beauty and fragile character of all areas within the Community. Location of building structures, including dwellings, garages, equipment sheds, barns, corrals, outbuildings, parking areas and the like are restricted to the general meadow perimeter areas and shall not encroach into the meadow zones more than 100 feet. Exceptions to this provision may be made with the written approval of the Owners.

ARTICLE III

ENFORCEMENT

3.01. PERSONS ENTITLED TO ENFORCE: 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 Owners, their heirs and assigns;
- (b) The owner or owners of any parcel adversely affected, but only after demand is made upon the aforementioned persons and their failure to act.

3.02. METHODS OF ENFORCEMENT: Any owner or other persons found or alleged to be in violation of any of the provisions of the Declaration shall be given fifteen (15) days written notice of the nature of the violation and opportunity to correct same. Upon failure of such owner to correct the violation within said (15) day period, or such further time as may be granted by the entity giving such notice of violation, these covenants may be enforced by any or all of the following means:

- (a) Legal or equitable action for damages, injunction abatement, specific performance, foreclosure, rescission or cancellation of any contracts of any executory nature;
- (b) Eviction for trespass by police action;
- (c) Action for the Owners, their agents or employees, to restore the portion of the affected property to the condition in which it is required to be kept by this Declaration.

3.03. FEES AND COSTS: Any person or association entitled to enforce any of the terms hereof, by any of the means contained herein, who obtains a decree from any court or arbitrator enforcing any of the provisions hereof, shall be entitled to a reasonable attorney's fee and all costs incurred or anticipated to be incurred in remedying or abating the offensive condition as a part of his judgement or decree against the party in violation hereof.

3.04. NON-LIABILITY FOR ENFORCEMENT OR NON-ENFORCEMENT: Owners shall not be liable to any person under any of these covenants for failure to enforce any of them, for personal injury, loss of life, damage to property, economic detriment, or for any other loss caused either by their enforcement or non-enforcement. Failure to enforce any of the covenants contained herein shall in no event be deemed a waiver of the right to do thereafter.

ARTICLE IV

GENERAL PROVISIONS

4.01. BINDING EFFECT: 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 Community and of the owners thereof and for the benefit of the Community 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.

4.02. TERM AND AMENDMENT OF DECLARATION: The covenants, conditions and restrictions of this Declaration shall run with and bind the land for a term of forty (40) years from the date this Declaration is recorded, after which time, they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument approved by a unanimous vote of the total outstanding votes at a meeting duly called for that purpose, which instrument shall be ineffective until recorded. One vote shall be cast for each separate lot or parcel.

4.03. EFFECT OF SECURITY INTEREST: None of the provisions of this Declaration shall in any way reduce the security or defeat or render invalid the lien of any mortgage or the title held under any deed of trust now or hereafter placed on any part of the Community. If, however, any portion of the said property is sold under foreclosure of any mortgage or deed of trust or the power of sale therein, the party acquiring title at such foreclosure or sale and his successors shall hold all property so acquired subject to all of the terms and conditions hereof.

4.04. SEVERABILITY: Invalidation of any one or more of the covenants, conditions or restrictions contained herein by judgement or otherwise shall in no way affect the validity of any of the other provisions, which shall remain in full force and effect.

4.05. NOTICES: Any notice required to be sent to any owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid to the last known address of the person who appears as owner.

4.06. APPLICATION OF DECLARATION: The provisions of the Declaration shall apply to all parts of the Community, where applicable, and not to just the parcels, and shall further apply to all persons (not just the owner) on any part of the Community property. It shall be the responsibility of the owners of the subject parcels within the Community to make sure that their tenants, if any, are fully aware of and abide by all of the conditions set forth in the Declaration at all times.

4.07. NON-DISCRIMINATION: No owner, or his broker or any other agent advertising his property for rent or sale, shall make any reference to, or discriminate on the basis of color, race or religion; not in renting or selling shall he inquire into, or discriminate or refuse to negotiate, or offer different terms, on the basis of color, race or religion of the prospective tenant or buyer.

IN WITNESS WHEREOF, said Owners have executed this Declaration on the 18th day of August, 1998.

**PRICE VALLEY RANCH ESTATES VENTURE;
an Idaho Partnership**

by [Signature]
Evergreen Forest Products, Inc., Partner

by [Signature]
Price Valley Ranch Development Company, Inc.,
Partner

STATE OF IDAHO)
) ss.
COUNTY OF)

On this 18th day of August, year 19 98, before me, a Notary Public in and for said State personally appeared Robert T. Hitchcock of the corporation that executed the within 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.

[Signature]
Notary Public for the State of Idaho,
Residing at Boise, Idaho

John James Hogg and Gail K. Hogg
John James Hogg and Gail K. Hogg

On this 31st day of September, in the year 1998, before me, R.K. Duvall, a Notary Public in and for said State of Idaho personally appeared John James Hogg & Gail K. Hogg known to me (or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that they executed the same.

R.K. Duvall
Residing at: Boise, Idaho
Commission Expires: 5-17-2000

Milton C. and Joyce E. McDaniel
Milton C. and Joyce E. McDaniel

On this 3rd day of September, in the year 1998, before me, R.K. Duvall, a Notary Public in and for said State of Idaho personally appeared Milton C. McDaniel & Joyce E. McDaniel known to me (or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that they executed the same.

R.K. Duvall
Residing at: Boise, Idaho
Commission Expires: 5-17-2000

Wayne G. and Carol J. Stollfus
Wayne G. and Carol J. Stollfus

On this 20th day of August, in the year 1998, before me, R.K. Duvall, a Notary Public in and for said State of Idaho personally appeared Wayne G. and Carol J. Stollfus known to me (or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that _____ executed the same.

R.K. Duvall
Residing at: Boise, Idaho
Commission Expires: 5-17-2000

Colleen M Edwards
Owen L. and Colleen M. Edwards

On this 13th day of Dec. in the year 1998, before me, R. K. Barrell a
Notary Public in and for said State of Illinois, personally appeared Owen L. Edwards
+ Colleen M. Edwards known to me (or proved to me on oath) to be the person(s) whose
name is subscribed to the within instrument and acknowledged to me that they executed the
same.

R. K. Barrell
Residing at 2012, E. 100.

My commission expires: 8.17.2000

David A. Maloney for David A. Maloney
David A. Maloney

On this 4th day of September, in the year 1998, before me, Vicki Howard, a Notary Public in and for said State of Idaho personally appeared David Maloney known to me (or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

Vicki Howard
Residing at: New Meadows Id
Commission Expires: 11-28-98

Tom L. and Kathy Jo Holloway
Tom L. and Kathy Jo Holloway

On this 22nd day of Dec., in the year 1998, before me, R.S. Bennett
~~Tom L. and Kathy Jo Holloway~~, a Notary Public in and for said State of Texas
personally appeared Tom L. Holloway & Kathy Jo Holloway known to me
(or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument
and acknowledged to me that they executed the same.

R.S. Bennett
Residing at: Boise, Idaho
Commission Expires: 5.17.2000

John J Mee Mary E. Mee
John J. and Mary E. Mee

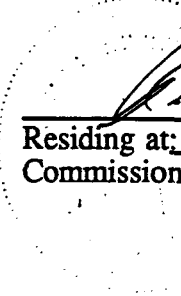
On this 17 day of DEC, in the year 1998, before me, _____
_____, a Notary Public in and for said State of _____
personally appeared JOHN J MEE + MARY E MEE known to me
(or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument
and acknowledged to me that THEY executed the same.

Michele K Grant
Residing at: 7180 CASCADE VALLEY CT #180 LV NV 89128
Commission Expires: 5-17-01



Dennis R. Bainbridge
Myrna Bainbridge
Dennis R. and Myrna Bainbridge

On this 11th day of Dec., in the year 1998, before me, R. K. Burt,
a Notary Public in and for said State of Illinois
personally appeared Dennis R. Bainbridge + Myrna Bainbridge known to me
(or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument
and acknowledged to me that they executed the same.


R. K. Burt
Residing at: 60 E. 1st St.
Commission Expires: 5-17-2000

Rudy A. ZL. Roxanne D. Hicks
Rudy A. and Roxanne D. Hicks

On this 23rd day of Dec., in the year 1998, before me R. S. [Signature]
Barnett a Notary Public in and for said State of Idaho
personally appeared Rudy A. & Roxanne Hicks known to me
(or proved to me on oath) to be the person(s) whose name is subscribed to the within instrument
and acknowledged to me that they executed the same.

[Signature]
Residing at: Boise Id.
Commission Expires: 6-17-2000