

**SECOND AMENDED AND RESTATED  
MASTER DECLARATION  
OF  
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS  
FOR  
PARAMOUNT DIRECTOR SUBDIVISION**

**An Age Qualified Community**

**September 21, 2020**

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**NOTICE TO POTENTIAL  
BUYERS AND OWNERS**

**THIS DOCUMENT IS A VERY IMPORTANT LEGAL DOCUMENT WHICH EACH POTENTIAL RESIDENT AND OWNER OF PROPERTY WITHIN THE SUBDIVISION SHOULD READ AND UNDERSTAND. THIS DOCUMENTS DETAILS THE OBLIGATIONS AND RESPONSIBILITIES OF ALL THE SUBDIVISION OWNERS AND RESIDENTS.**

**THE DECLARANT (AS DEFINED HEREIN) EXPRESSLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, STATEMENTS OR INFORMATION NOT SET FORTH HEREIN OR IN ANY WRITTEN DOCUMENT EXECUTED BY DECLARANT. THE ASSOCIATION (AS DEFINED HEREIN) HAS NUMEROUS DUTIES AND RESPONSIBILITIES THAT REQUIRES EXPENDITURES BY THE ASSOCIATION, SOME OF WHICH MAY NOT BE KNOWN AT THE TIME AN OWNER ACQUIRES A LOT WITHIN THE SUBDIVISION. THE FUNDS NEEDED TO MEET THESE EXPENDITURES SHALL BE PROVIDED BY ASSESSMENTS ON THE OWNERS. ANY REPRESENTATIONS OR WARRANTIES MADE BY ANY REAL ESTATE BROKER OR AGENT OR OTHER PERSON CONCERNING ANY MATTER, INCLUDING, BUT NOT LIMITED TO THE TOTAL OR THE TYPES OF ASSESSMENTS TO BE LEVIED AGAINST AN OWNER TO PAY FOR ANY ASPECT OF THE SUBDIVISION, SHOULD BE DISREGARDED IN THEIR ENTIRETY AND IN ALL EVENTS THE TERMS AND CONDITIONS OF THIS MASTER DECLARATION AND ANY APPLICABLE DOCUMENTS EXECUTED BY THE DECLARANT SHALL CONTROL.**

**SECOND AMENDED AND RESTATED MASTER DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS AND  
RECIPROCAL EASEMENT AGREEMENT FOR PARAMOUNT DIRECTOR SUBDIVISION**

THIS SECOND AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RECIPROCAL EASEMENT AGREEMENT FOR PARAMOUNT DIRECTOR SUBDIVISION ("**Master Declaration**") is executed this 22<sup>nd</sup> day of September, 2020 (the "**Effective Date**"), by Brighton Development Inc., an Idaho corporation ("**Declarant**" and "**Class B Member**"). All capitalized terms not otherwise defined in the text hereof are defined in ARTICLE III.

**ARTICLE I  
RECITALS**

**WHEREAS**, reference is made to that certain Master Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement for Paramount Director Subdivision, an Age Qualified Community dated January 5, 2018, recorded on February 15, 2018, as Instrument No. 2018-014011 in the records of Ada County, Idaho ("**Original Master Declaration**").

**WHEREAS**, the Original Master Declaration was superseded, amended and restated in full on August 1, 2019, and recorded on December 18, 2019 as Instrument No. 2019-127274 in the records of Ada County, Idaho (the "**Amended Declaration**").

**WHEREAS**, as of the Effective Date, Declarant still owns a part of the Property (as defined in the Original Master Declaration) and has not granted any of its rights as Declarant to any third parties, and thus remains the sole Declarant and sole Class B Owner.

**WHEREAS**, pursuant to Section 14.02(b) of the Original Master Declaration, Declarant desires to clarify or make minor amendments or corrections to the Master Declaration for the overall development, administration and maintenance of the Project and Declarant believes it is in the best interest of future Owners to amend and restate the Amended Master Declaration, as hereinafter set forth.

**WHEREAS**, the Declarant is the developer of a residential subdivision in Ada County, Idaho, with the real property of such subdivision more particularly described as follows (all of which real property is referred to herein as the "**Property**"):

**Paramount Director Subdivision No. 1**

**Lots 1 through and including 147, Block 1, PARAMOUNT DIRECTOR SUBDIVISION NO. 1, according to the official plat thereof filed in Book 112 of Plats at Pages 16463 through and including 16469, Instrument No. 2018-001727, records of Ada County, Idaho.**

**Paramount Director Subdivision No. 2**

**Lots 148 through and including Lot 219, Block 1 of PARAMOUNT DIRECTOR SUBDIVISION NO. 2, according to the official plat thereof filed in Book 116 of Plats at Pages 17478 through 17483, as Instrument No. 2019-040593 on May 15, 2019, records of Ada County, Idaho (the "**Phase II Property**").**



**WHEREAS**, the Declarant desires to subject the Property to the covenants, conditions, restrictions, easements, reservations, limitations and equitable servitudes herein set forth to accomplish the following: (i) insure the enhancement and preservation of property values, (ii) provide for the proper design, development, improvement and use of the Property by the Declarant and all other persons or entities who may subsequently acquire an interest in the Property and (iii) create a multi-phased active adult residential development of high quality;

**WHEREAS**, the Declarant may, from time to time, promulgate further conditions, covenants, restrictions and easements relating to particular tracts or parcels of real property within the Property, which may supplement and/or amend this Master Declaration; and

**WHEREAS**, in order to achieve the objectives and desires of the Declarant, the Declarant will control the management and government of the Property and the non-profit association of Owners to be created until such time as the Owners take over the management functions through the Association as provided in this Master Declaration.

## **ARTICLE II DECLARATION**

The Declarant hereby declares that the Property and each Lot (as defined herein) is and shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following covenants, conditions, restrictions, easement, reservations, limitations and equitable servitudes (hereafter collectively called "covenants and restrictions"), all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property or any Lot therein, and to enhance the value, desirability and attractiveness thereof. Declarant further declares that this Master Declaration: (a) runs with the land and shall be binding upon any person or entity having or acquiring any right, title or interest in any Lot or portion of the Property; (b) inures to the benefit of every Lot and portion of the Property; (c) inures to the benefit of and binds Declarant and each Owner having or holding any right, title, or interest in any Lot or portion of the Property, and their successors, heirs, and assigns; and (d) amends, restates, and supersedes in its entirety the Original Master Declaration and Amended Declaration.

This Master Declaration shall restrict the occupancy of Residents within the Property to Qualifying Residents, as that term is defined in Article III below. By adhering to the occupancy age restrictions set forth in Section 5.02, Declarant also intends that the Property constitutes an age fifty-five (55) or older community under the Fair Housing Act (Title VIII of the Civil Rights Act of 1968), 42 U.S.C. Section 3601 et. Seq., as amended by the Housing for Older Persons Act of 1995 (Pub. L. 104-76, 109 Stat, 787) (referred to herein as an "Age Qualified Community").

Notwithstanding the foregoing, no provision of this Master Declaration shall be construed or enforced to prevent or limit the Declarant's right to complete development of the Property in accordance with the plan therefor as the same exists or may be modified from time to time by the Declarant nor prevent normal construction activities during the construction of Improvements upon any Lot in the Property. No development or construction activities shall be deemed to constitute a nuisance or violation of this Master Declaration by reason of noise, dust, presence of vehicles or construction machinery, erection of temporary structures, posting of signs or similar activities, provided that the same are actively, efficiently and expeditiously pursued to completion. In the event any dispute concerning the foregoing shall arise, a temporary waiver of the applicable provision(s) of this Master Declaration may be granted by the ACC (as defined herein) provided that such waiver shall be for a reasonable period of time and shall not violate the ordinances of the City of Meridian, Idaho, applicable to the Property. Any such waiver need not be recorded and shall not constitute an amendment of this Master Declaration.

In the event of a conflict between the provisions of this Master Declaration and the requirements of the ordinances of the City of Meridian, Idaho, applicable to the Property, the more restrictive shall control.

### ARTICLE III **DEFINITIONS**

As used in this Master Declaration, unless the context otherwise specifies or requires, the following words and phrases shall be defined as follows:

**ACC**: The Architectural Control Committee for the Property, which committee works on behalf of the Association to manage the architectural, building, landscape and other plans for the Property and each Lot thereon.

**ACC Rules/ACC Standards**: Such rules or standards created by the Declarant and/or the Association through the ACC as authorized by Section 5.26, below. The general ACC Standards are attached hereto as Exhibit A. The ACC Rules/Standards may be amended by Declarant, Board or ACC. Any such amendment does not need to be recorded to be effective and shall not constitute an amendment of the Master Declaration.

**Annexation**: The process by which additional tracts or parcels of land not initially a part of the Property are made subject to this Master Declaration.

**Assessment**: A payment required of an Owner of a Lot, including Regular, Special or Limited Assessments as provided in this Master Declaration.

**Association**: Paramount Director Owners Association Inc., an Idaho non-profit corporation, formerly known as Cadence Owners Association Inc. The Association was incorporated by the Declarant, is comprised of the Members, and exists for the purpose of providing self-government for the Property.

**Association Rules**: The rules, regulations and policies adopted by the Board, pursuant to Section 5.02 and 7.05(e) below, as the same may be in effect from time to time. The Association Rules shall also include the ACC Rules/ACC Standards.

**Automobiles**: Cars, sport utility vehicles, motorcycles, motorized scooters, and/or standard size pick-up trucks and/or vans, all whether operable or inoperable.

**Board or Board of Directors**: The duly elected and qualified Board of Directors of the Association, including the permanent Board member elected by Declarant during the Term of the License contained in Section 14.16 herein.

**Building**: A structure, whether complete, substantially complete, or partially complete, including, but not limited to, a foundation for such structure, constructed on a Lot on a temporary or permanent basis and, unless specified to the contrary, shall include all other appurtenances and improvements thereto or used in connection therewith, whether complete, substantially complete or partially complete.

**Bylaws**: The Bylaws of the Association, including any amendments thereto duly adopted.

**Common Area:** All real property, including fee simple, easements (including, but not limited to, landscape easements), licenses, leases, or any other real property interests therein, located within or outside of the boundaries of the Property, including but not limited to, any Lots (including common Lots as may be shown on the Plat), roads and pathways, all improvements, personal property, intangibles, contractual rights and obligations in which the Association owns a real or personal property interest or controls, and/or which the Association has entered into or may enter into as described in this Master Declaration or by any other document.

**Common Facilities:** The recreational center established as part of the Property located within the Common Areas and owned by the Association.

**Development:** The Property to be undertaken by the Declarant resulting in the improvement of the Property, or any additional property annexed hereunder, including landscaping, amenities, construction of roadways, utility services and other improvements.

**Declarant:** Brighton Development Inc., an Idaho corporation ("Brighton"). Brighton may at any time prior to the Class B Termination Date convey, assign and transfer its rights as "Declarant" in this Master Declaration to another entity, so long as Brighton records a document evidencing such conveyance, assignment and transfer of its rights as Declarant to such entity(ies) in the records of Ada County, Idaho. A transferee of the Brighton's rights as described herein may also transfer its rights as described herein.

**Designated Parking Spaces:** An area(s) designated for parking by striping, signage, or both, or any location approved for on-street parking. Designated Parking Spaces do not include any location where parking is specifically prohibited, with or without restrictive signage.

**Governing Documents:** Governing Documents shall mean this Master Declaration, any applicable amendment or supplement, the Articles and Bylaws of the Association and the ACC Rules/ACC Standards, as may be amended from time to time.

**Improvements:** All structures and appurtenances to real property, of all kinds and types, including, whether complete, substantially complete or partially complete, including, but not limited to, Buildings, pedestrian pathways, Private Roads, roads, driveways, parking lots, sidewalks, walkways, walls, fences, screens, landscaping, poles, signs, pools, community center, storm drainage facilities, Irrigation System, sprinklers, and/or lighting. Improvements shall not include those items which are located entirely within the interior of a Building and cannot be readily observed when outside thereof, except for in the case of Common Area owned and/or maintained by the Association.

**Initial Construction:** The physical movement of any soil on a Lot with the intent of constructing Improvements on such Lot.

**Irrigation System:** Those facilities and systems for the transmission of pressurized irrigation and/or gravity irrigation to the Property and each Lot therein, which may include, but is not limited to, water mains, pump house, pipe delivery system, electrical conduits or systems, diversion structure, irrigation and control structure, delivery piping, manhole structures, sedimentation ponds, amenity ponds, pressure irrigation intake piping, pond overflow structure, overflow ditch, and/or other public utilities, with private utilities and governmental entities providing service or services to one or more the Lots in common.

**Licensor:** Brighton Studio Inc., an Idaho corporation, is the owner of the service mark and trademark further described in that certain Trademark License Agreement between Licensor and the Association, dated concurrently herewith.

**Limited Assessment:** An Assessment levied by the Association upon one or more Lots, but not upon all Lots within the Property, for the purpose of securing payment by the Owner(s) thereof of amounts expended by the Association to correct a condition prohibited or to cure an Owner's breach hereunder.

**Lot:** A portion of the Property which is a legally described tract or parcel of land within the Property, or which is designated as a Lot in a Plat, including any improvements located on such tract or parcel of land.

**Maintenance Area:** The term "Maintenance Area" shall mean and refer to any portion of the Property owned, managed and maintained by the Association other than Common Area for the common use and enjoyment of Owners, including Private Roads.

**Master Declaration:** This instrument as it may be amended and/or supplemented from time to time, including, but not limited to, by a Supplemental Declaration.

**Master Plan:** The overall master development plan prepared by the Declarant for the whole of the Property, as the same exists from time-to-time and which illustrates the proposed total development contemplated by the Declarant and the nature and location of each of the uses intended to be allowed within the Property.

**Member:** Any person(s) who is an Owner of a Lot within the Property is a Member of the Association, unless otherwise provided by applicable law.

**Mortgage:** Any mortgage or deed of trust or other hypothecation of land located in the Property to secure the performance of an obligation. Unless otherwise specifically provided, the reference to a "Mortgage" in this Master Declaration shall be limited to a "first Mortgage," including a "first Deed of Trust," on a Lot within the Property.

**Mortgagee:** The holder of a Mortgage or the beneficiary under a Deed of Trust, including an assignee(s) thereof, which Mortgage or Deed of Trust encumbers a Lot with the Property owned by an Owner. Unless otherwise specifically provided, the reference to a "Mortgagee" in this Master Declaration shall be limited to a holder of a first Mortgage, including a beneficiary under a first Deed of Trust on a Lot.

**Owner:** A person or persons or other legal entity or entities, including the Declarant, holding fee simple title to a Lot within the Property. The obligations of Owner in this Master Declaration run with the Property and are also personal to the Owner as the Owner of a Lot.

**Permitted Health Care Resident:** A person hired to provide live-in, long term, or terminal health care to a Qualifying Resident.

**Plat:** A final subdivision plat covering the Property or any portion thereof, and any future real property annexed into the Property pursuant to this Master Declaration from time to time, all as recorded in the office of the County Recorder, Ada County, Idaho, and as the same may be amended from time by duly recorded amendments thereto.

**Property:** The whole of the Property described in Article I, above, and any additional land annexed thereto pursuant to Article XII, below.

**Qualifying Resident:** A person fifty-five (55) years of age or older who occupies a Residence.

**Regular Assessment:** An assessment levied by the Association to provide funds to pay the ordinary estimated expenses of the Association.

**Residence:** A private, single-family dwelling constructed on any Lot within the Property. Every Residence must contain a Qualifying Resident.

**Resident:** A Resident means:

- (a) An Owner of a Lot actually residing thereon or therein;
- (b) A Qualifying Resident; or
- (c) The immediate family of an Owner and of each Tenant, actually living in the same household, on a particular Lot with such Owner or Tenant.

**Special Assessment:** An assessment levied by the Association other than a Regular or Limited Assessment.

**Supplemental Declaration:** The additional, amended, and/or different conditions, covenants, conditions, restrictions and easements which may relate to a particular tract or parcel of real property within the Property, which are created by the Declarant and recorded in the official records of Ada County, Idaho.

**Unit:** A Lot or a portion of the Residential Property improved with a Residence, which may be independently owned and is intended for development and use as a detached Residence for a single family or as attached housing for a single family. The term shall refer to the Lot which is part of the Unit as well as any Residence and related improvements such as fences, landscaping, garages, driveways or similar areas and improvements thereon. In the case of a single Lot which contains a primary Residence, all structures upon the Lot, together shall be deemed a single Unit. If one or more Residences are attached to each other but each is located on a separate Lot, then each attached Residence shall be deemed a separate Unit.

**Vehicles and Equipment:** Excluding Automobiles, all vehicles, recreational equipment, and/or gardening and maintenance equipment, and/or bicycles, and/or riding or moving devices, or any equipment related to the foregoing, including, but not limited to, trailers, mobile homes, larger than standard-size pickup trucks and/or vans, boats, tractors, recreational vehicles, garden or maintenance equipment, and toys, all whether operable or inoperable.

**Water Rights:** Any and all water and water rights, including, but not limited to, surface rights, groundwater and groundwater rights, pressurized and/or gravity irrigation rights and water, ditch and ditch rights, and storage and storage rights appurtenant to the Property and/or Lots, including, but not limited to water licenses, permits, shares, and/or certificates.

**ARTICLE IV**  
**PURPOSE**

The Property is hereby made subject to the covenants and restrictions contained in this Master Declaration, all of which shall be deemed to be imposed upon and run with the land and each and every Lot, Residence and parcel thereof, and shall apply to each and every Owner and Resident thereof and their respective successors in interest, to insure proper design, development, improvement, use and maintenance of the Property for the purpose of:

- (a) Ensuring Owners, Residents and Improvements of quality of design, development, improvement, use and maintenance as shall protect and enhance the investment and use of all Lots and Improvements.
- (b) Ensuring all of the Residences are occupied by at least one (1) Qualifying Resident.
- (c) The prevention of the erection within the Property of Improvements of improper design or construction with improper or unsuitable materials or with improper quality and method of construction.
- (d) Encouraging and insuring the erection of quality and attractive Improvements appropriately located within the Property to assure visual quality and harmonious appearance and function.
- (e) Securing and maintaining proper set-backs from streets and open areas within the Property and adequate free spaces between Improvements.
- (f) The integration of development of the different Lots by setting common general standards consistent with the ACC Rules/ACC Standards existing from time to time.
- (g) Ensuring attractive landscaping and the conservation of existing natural features with minimum adverse impact on the ecosystem.

As used hereafter, "Property Objectives" shall mean the foregoing specified purposes.

**ARTICLE V**  
**PERMITTED USES AND PERFORMANCE STANDARDS**

**SECTION 5.01 Use.**

(a) **Generally.** Unless as otherwise designated on the Master Plan for the Property, or unless otherwise specified in a Supplemental Declaration covering a particular Lot(s), Lots (excluding Common Area Lots) shall be used only for residential purposes and such uses as are customarily incidental thereto. As used herein and elsewhere in this Master Declaration, "residential" shall mean the following: use of the Improvements on a Lot for living accommodations by one (1) or more related or unrelated persons, including guests of the principal occupant(s), which guests reside therein on a temporary basis; except that, notwithstanding the provisions of §67-6530 et. seq., Idaho Code, as used in this Master Declaration, neither "residential" or "customarily incidental" uses include, nor shall the same be construed to include, the use of Lot for the operation of a shelter home for persons unrelated to each other or unrelated to the Owner or Resident, which is hereby expressly prohibited. As used herein, "customarily incidental" shall include, but is not limited to any and all uses by the Association of any Lots (including, but not limited to, Common Area uses, and/or development and sales activities relating to the Property, including model homes), so long as such use is in compliance with all applicable statutes, laws and ordinances. Unless otherwise specified in this Master Declaration, or shown on the Master Plan for the Property and specifically permitted in a

Supplemental Declaration, no Lot shall be used at any time for a use other than a residential use as defined herein, including, but not limited to, any commercial or business activity.

(b) **Failure to Comply.** Willful or negligent act or omission of an Owner and/or Resident to comply with this Master Declaration shall subject such Owner and/or Resident to enforcement actions pursuant to this Master Declaration and as determined by the Association from time to time, including, but not limited to, revocation of Common Area privileges, and/or fines. In the case of fines, and/or costs incurred by the Association to correct such Owner and/or Resident's acts or omissions, the Association may levy Limited Assessments against the Lot associated with such Owner and/or Resident, based on the procedure provided herein for such Limited Assessments.

#### **SECTION 5.02 Age Qualified Community – Restrictions on Use, Occupancy and Alienation.**

(a) **Restrictions on Occupancy.** The Residences within the Property are intended for the housing of persons fifty-five (55) years of age or older. The provisions of this Section 5.02(a) are intended to be consistent with, and are set forth in order to comply with the Fair Housing Act (Title VIII of the Civil Rights Act of 1968), as amended 42 U.S.C. 3601-3619 and the Housing for Older Persons Act of 1995 (Pub Law 104-76, 109 Stat, 787), the exemption set out in 42 U.S.C. §3607(b)(2)(C), and the regulations promulgated thereunder (collectively, as may be amended, the "Act") regarding discrimination based on familial status. Except as provided in Section 5.02(a)(i) below, each Residence, if occupied, must be occupied by at least one (1) Qualifying Resident. Except as provided in Section 5.02(a)(ii) below, no person under nineteen (19) years of age shall occupy or reside in a Residence. The Board, in its sole and absolute discretion, shall have the right and power to determine when a person "occupies or resides" in a Residence, provided that such determinations are consistent with the requirements of this Section 5.02.

(i) To be in compliance with the Act as an age qualified community, at least eighty percent (80%) of the occupied Residences within the Property shall at all times have as a permanent occupant at least one (1) Qualifying Resident; provided, however, a Permitted Health Care Resident may occupy a Residence for any period that such person is actually providing live-in, long-term, or hospice care to a Qualifying Resident for compensation. In the event of the death or hospitalization or other prolonged absence of a person who was the sole Qualifying Resident of a Residence, or in the event of the dissolution of the Qualifying Resident's marriage, then at the Board's sole and absolute discretion, any person nineteen (19) years of age or older who occupied the Residence with such Qualifying Resident at the time he or she ceases to occupy the Residence may continue to occupy the Residence with no Qualifying Resident, unless such occupancy (A) would result in fewer than eighty (80%) of the occupied Residences being occupied by one (1) person fifty-five (55) years of age or older, or (B) considering other factors the Board deems appropriate, may jeopardize (whether at the time of the request or in the future) the Property's status as "housing for older persons" under the Act.

The Board shall exercise its sole and absolute discretion based upon criteria that the Board shall determine as appropriate, including, without limitation, information then known to the Board concerning potential or pending changes in occupancy of other Residences within the Property, the ages of the persons requesting such permission, the proximity to age fifty-five (55) of those occupants of other Residences within the Property then under such age, and any other information known to and deemed relevant by the Board in its sole discretion. Any request submitted to the Board pursuant to this Section shall be a written request setting forth the names and ages of all proposed residents and occupants of the Residence and such other information as the Board reasonably may require.

(ii) A person under nineteen (19) years of age may reside in a Residence as a guest of the occupants of the Residence for a period of not more than ninety (90) days in any calendar year. Any such person shall be deemed to reside in a Residence on any day that person remains overnight or sleeps at the Residence. By way of example, rather than limitation, a ten (10) year old individual may temporarily reside in a Residence for forty-five (45) days, and then the same or a different individual under the age of nineteen (19) may temporarily reside in the same Residence for a subsequent forty five (45) day period. As such, the total number of days during any calendar year that any one (1) or more individuals under nineteen (19) years of age may reside in a Residence pursuant to this Section 5.02(a)(ii) shall not exceed ninety (90) days.

(iii) Nothing in this Section 5.02(a) is intended to restrict the ownership of or transfer of title to any Unit, provided, no Owner under the age of fifty-five (55) may occupy a Residence unless the requirements of this Section 5.02(a) are met nor shall any Owner permit occupancy of a Residence in violation of this Section 5.02(a). Owners shall be responsible for including a statement that the Units within the Property are intended for the housing of persons fifty-five (55) years of age or older, as set forth in Section 5.02(a), in conspicuous type in any lease or other occupancy agreement or contract of sale relating to such Owner's Unit, which agreements or contracts shall be in writing and signed by the tenant or purchaser, and for clearly disclosing such intent to any prospective tenant, purchaser, or other potential occupant of the Unit. Every lease of a Unit shall provide that failure to comply with the requirements and restrictions of this Section 5.02(a) shall constitute a default under the lease.

(iv) The inability of an Owner to occupy a Residence shall not relieve such Owner of assessment obligations under this Master Declaration.

(v) In the event of any change in occupancy of any Residence, as a result of a transfer of title, a lease or sublease, a birth or death, change in marital status, vacancy, change in location of permanent residence, or otherwise, the Owner of the Residence shall immediately notify the Board in writing and provide to the Board the names and ages of all current occupants of the Residence and such other information as the Board may reasonably require to verify the age of each occupant. In the event that an Owner fails to notify the Board and provide all required information within ten (10) days after a change in occupancy occurs, the Association may levy monetary fines against the Owner and the Unit for each day after the change in occupancy occurs until the Association receives the required notice and information, regardless of whether the occupants continue to meet the requirements of this Section 5.02(a), in addition to all other remedies available to the Association under this Master Declaration and Idaho law.

(iv) The Association shall be responsible for maintaining age records on all occupants of the Residences. The Board shall adopt policies, procedures, and rules to monitor and maintain compliance with this Section 5.02(a) and the Act, including policies regarding visitors, updating age records, the granting of exemptions to compliance and enforcement. The Association shall periodically distribute such policies, procedures, and rules to the Owners and make copies available to Owners, their tenants and Mortgagees upon reasonable request. Each Owner and Resident, as and when requested to do so by the Board, shall furnish the Board with the names and ages of all occupants of the Residences and such affidavits or other documents as the Board may request to verify the age of occupants.

The Association may enforce Section 2.1(a) in any legal or equitable manner available, as the Board deems appropriate, including, without limitation, conducting a census of the occupants of the Residences, requiring that copies of birth certificates or other proof of age for each occupant be provided to the Board on a periodic basis. Each Owner shall fully and truthfully respond to any Association request for such information regarding the occupancy of the Residence on his or her



Unit which, in the Board's judgment, is reasonably necessary to monitor compliance with this Section. Each Owner hereby appoints the Association as its attorney-in-fact for the purpose of taking legal or equitable action to dispossess, evict or otherwise remove the occupants of any Residence on his or her Unit as necessary to enforce compliance with this Section 5.02(a).

Each Owner shall be responsible for ensuring compliance of its Residence with the requirements and restrictions of this Section 5.02(a) and the Association rules adopted hereunder, by itself and by its tenants and other occupants of its Residence. Each Owner, by acceptance of title to a Unit agrees to indemnify, defend, and hold Declarant, its Affiliates, and the Association harmless from any and all claims, losses, damages, and causes of action which may arise from failure of such Owner's Unit and Residence to so comply.

Anything herein contained to the contrary notwithstanding, Declarant, so long as the Declarant or any Affiliate of Declarant owns any portion of the Property, or as may be annexed into the Property, and thereafter, the Board may amend the provisions of this Section 5.02(a) to the extent that it deems it necessary or appropriate, without the approval of the Owners, in order to comply with the exemption requirements under the Act or any regulations now or hereafter issued therefore, as they may be amended from time to time with respect to "housing for older persons." Except as otherwise specifically provided, the restrictions set forth in this Section 5.02(a) may be amended only in accordance with Section 12.

(b) **Residential and Related Uses.** Units shall be used primarily for Single Family Residential Uses, and related purposes.

(c) **Leasing.** For purposes of this Master Declaration, "leasing" is the regular, exclusive occupancy of a Residence by any Person other than the Owner, for which the Owner receives any consideration or benefit, including a fee. Owner agrees that when leasing a Residence, they must use a local property management company designated by Declarant, the Board or their assigns, so that all leasing is managed by one property management company. The following specific limitations shall apply to all leases or tenancies of a Residence:

(i) No Residence may be leased for a term of less than six (6) months, (ii) the lease must be to a single family, (iii) the lease or rental must be for the entire Residence (e.g., separate rooms within the same dwelling may not be separately leased), (iv) all leases shall be in writing and must require that tenants and all occupants of the leased Residence are bound by and obligated to comply with the Governing Documents including, but not limited to the requirements of Section 5.02(a) above, and that any failure of a tenant to comply with the terms of any Governing Document, residential leases, property use restrictions and the use and enjoyment of any portion of the Common Areas and Common Facilities shall constitute a default under the lease or rental agreement, and shall entitle the Owner to terminate the tenancy upon thirty (30) days' written notice. The Owner-lessor's right to terminate a lease on account of the tenant's violation of the Governing Documents shall in no way restrict the right of the Association, the Declarant or any Owner to enforce the Governing Documents in accordance with this Article 5 when the Owner's tenant is violating the Governing Documents. Within ten (10) days of a lease being signed, an Owner shall notify the Board or the Association of the lease and provide any additional information the Board may reasonably require, including documentation to verify the age of each occupant. The Owner must give the tenant copies of the Governing Documents. In addition to this subsection (c), the Association may adopt Use Restrictions, and the Board may adopt reasonable Board Rules and Regulations, governing leasing and subleasing, including limiting the number of Residences that may be leased within the Property.

(d) **Occupants Bound.** Every Owner shall cause anyone occupying or visiting his or her Residence to comply with the Governing Documents and shall be responsible for all violations and losses

they cause to the Common Areas and Common Facilities, notwithstanding the fact that such Persons also are responsible for complying and may be sanctioned for any violations.

**SECTION 5.03 Buildings.** Except as (i) otherwise designated on the Master Plan for the Property, (ii) otherwise specified for a particular Lot, tract or parcel in a Supplemental Declaration, or (iii) allowed by the zoning ordinance applicable to the Lot, no Lot shall be improved except with one (1) Residence. Each Residence shall have an attached fully enclosed garage adequate for a minimum of one (1) standard size car for a one (1) bedroom Residence and two (2) standard size cars for each Residence with two (2) or more bedrooms, with a maximum number as determined by the ACC from time to time. The minimum square footage of living area within a Residence located on a Lot shall as provided in the ACC Rules/ACC Standards. The square footage of living area shall be based on the finished interior living space at or above the grade of the Lot, exclusive of porches, patios and garage.

**SECTION 5.04 Approval of Use and Plans.** No Improvements shall be built, constructed, erected, placed or materially altered within the Property unless and until the plans, specifications and site plan for the Improvements have been reviewed in advance and approved by the ACC in accordance with the provisions of 5.20, below. Once an Owner commences Initial Construction on a Lot, an Owner shall have one hundred eighty (180) days from commencement of construction to complete or remove any Improvements which are not completed within such period, with all costs and expenses incurred to do so at such Owner's cost and expense, and subject to a Limited Assessment for payment therefor.

**SECTION 5.05 Prohibited Buildings/Uses.** No trailer or other vehicle, tent, shack or garage shall be used as a temporary or permanent residence within the Property. Buildings and Lots, if occupied, must be Owner occupied or, if leased, leased in accordance with Section 5.02(c) above. No noxious or offensive nuisance shall be conducted on any Lot which may be or become an unreasonable annoyance or nuisance to the Residents of the Lots within the Property (as determined by applicable law and/or the Board in its discretion) by reason of: (i) activities by any person; (ii) by reason of unsightliness; and/or (iii) the excessive emission of fumes, odors, glare, vibration, gases, radiation, dust, liquid waste, smoke or noise. No fire pits or outdoor chimneys are allowed on any Lot.

**SECTION 5.06 Set-Backs.** No building or other structure (exclusive of fences and similar structures approved by the ACC) shall be located on a Lot nearer to a Lot line than the distance permitted by (i) the ordinances of the City of Meridian, Idaho, applicable to the Property except as may be modified by a Conditional Use Permit issued by the City of Meridian, Idaho, or (ii) the ACC Rules/ACC Standards, whichever requires the greater distance. The ACC shall have the right to stagger the front setbacks of the Lots in order to create a more pleasing appearance and to minimize the negative visual appearance of a uniform building line.

**SECTION 5.07 Antennae.** No exterior radio antennae, television antennae or other antennae shall be erected or maintained on a Lot without the prior approval in writing by the ACC. No satellite dish shall be erected on a Lot without the prior written approval of the ACC as to the placement and location of the satellite equipment.

**SECTION 5.08 Easements.** There is hereby reserved for the use and benefit of the Declarant and granted for the use and benefit of each Lot, and for the use and benefit of each Owner and Resident, and/or for the use and benefit of the Association, and their successors and assigns, as specifically provided for herein, unless otherwise specified herein, the following easements, under, over, on, through and across the applicable areas of the Property:

(a) **Public Utilities.** To benefit all of the above, for the purpose of installation and maintenance of public utility facilities of all kinds, including radio and television and transmission cables, the easements so designated on the recorded Plat(s) for any portion of the Property;

(b) **Water Drainage.** To benefit the Declarant and Association, for the purpose of water drainage, including "established" drainage described in Section 5.14, retention, recreation or amenity purposes; and to benefit each Owner, not to exceed one foot (1') as between each Lot;

(c) **Lot Maintenance.** To benefit the Association, including its contractors and agents, a non-exclusive easement across such Owner's Lot for the purpose of performing maintenance, repair and replacement of the landscaping elements within each Lot within the Property as described in Section 5.15, below.

(d) **Access to Common Areas.** To benefit the Declarant and the Association, for the purpose of access through those portions of Lots contiguous to any Common Area to maintain, repair, replace and restore landscaping and any other Improvements within the Common Area, including, but not limited to, a sprinkler system which may be installed to irrigate any landscaping located on a Common Area as shown on the recorded Plat for the Property;

(e) **Encroachment.** To benefit the Declarant, Association and each Owner, for the purpose of encroachment, reciprocal appurtenant easements of encroachment, not to exceed one foot (1'), as between each Lot and such portion(s) of the Common Area adjacent thereto, or between adjacent Lots, due to the unintentional placement or settling or shifting of the Improvements constructed thereon, which easements of encroachment shall be valid so long as they exist and the rights and obligations of Owners shall not be altered in any way by said encroachments, settling or shifting; provided, however, that in no event shall a valid easement for encroachment occur due to the willful act or acts of an Owner;

(f) **Plat.** To benefit all of the above, for the purposes for which they are designated, any additional easements, if any, as shown and designated on the recorded Plat for the Property; and

Unless otherwise specified herein or in another recorded document, the easement areas (excluding any equipment or appurtenances owned by the Declarant, the Association or a utility company located thereon) herein reserved shall be maintained by the Owner of the Lot upon which they are situated.

No Improvements shall be placed or permitted to remain on such easement areas located within any Lot which shall interfere with the intended use or purpose of such easement(s), and no other activity shall be undertaken on any Lot which may interfere with the use and access intended to be provided by such easement or the installation or maintenance of the utilities or other facilities, if any, located thereon or therein.

**SECTION 5.09 Side Yard Easements.** The Declarant shall have the right at any time prior to the conveyance of fee title to a Lot to an Owner to declare and create an easement, not to exceed ten feet (10') in width (hereafter "Side Yard Easement") on, over, along and across any Lot (hereafter "Servient Lot") within the Property, which Side Yard Easement shall be adjacent to and along the whole of the side yard lot line that abuts an adjacent Lot (hereafter "Dominant Lot"), which Side Yard Easement shall, if so declared and created by the Declarant, except as expressly provided to the contrary hereafter, be for the sole and exclusive use of the Dominant Lot, provided that there shall be only one (1) such Side Yard Easement on each Servient Lot. The location of the Side Yard Easement on each Servient Lot, if not shown on the recorded subdivision Plat, if declared and created by the Declarant, shall be determined by the location of the Building on the Servient Lot and shall be located along the side lot line which is nearest to the Building constructed by an Owner on such Owner's Lot and shall terminate at the structure of the residential dwelling located on the Servient Lot. If the Declarant declares and creates a Side Yard Easement on a Lot in accordance with this Section, the Declarant shall execute, acknowledge and record in the official records of Ada County, Idaho, a Master Declaration of Side Yard easement, which shall

evidence the declaration and creation by the Declarant of the Side Yard Easement and shall describe the location thereof upon the Servient Lot.

(a) **Purpose of Side Yard Easements.** The purpose of the Side Yard Easement, if declared and created by the Declarant pursuant to this Section, shall be to allow the Owner of the Dominant Lot the right to perpetually use and maintain, on an exclusive basis (except as expressly provided to the contrary hereafter), the area within the Side Yard Easement for any use or purpose for which the Dominant Lot may be used, subject to applicable setbacks as provided in the Master Declaration or required by the applicable ordinances of the City of Meridian, Idaho, as modified by any special or conditional use permit granted by the City of Meridian, Idaho, and relating to the Property.

(b) **Easements Appurtenant.** If the Declarant declares and creates a Side Yard Easement on a Lot, such Side Yard Easement shall be an easement appurtenant to the Dominant Lot and cannot be separated from the Dominant Lot or transferred or assigned by the owner of the Dominant Lot separate from the conveyance of the fee title to the Dominant Lot. A conveyance of fee title to the Dominant Lot shall constitute a conveyance, transfer and assignment of all right, title and interest in and to the Side Yard Easement to the recipient of fee title to the Dominant Lot notwithstanding the provision in the document(s) of conveyance to the contrary or if such document(s) of conveyance is silent with respect to such Side Yard Easement.

(c) **Covenants Running with Land - No Termination.** Each Side Yard Easement declared and created by the Declarant hereunder shall be a perpetual easement running with the land and shall inure to the benefit of and be binding upon the Owner of the Servient Lot and the Dominant Lot and their respective successor and assigns including, without limitation, all subsequent owners of either the Servient Lot and the Dominant Lot and all persons claiming under or through them. Each Side Yard Easement declared and created by the Declarant shall not terminate by lapse of time, non-use or the lack of maintenance.

(d) **Right of Access by Servient Lot.** Notwithstanding the exclusive nature of the Side Yard Easement as may be declared and created by the Declarant hereunder, the Owner, Occupant or Resident of the Servient Lot, and their employees, agents and contractors, shall have the right to enter upon the Side Yard Easement located on the Servient Lot, if such entry is necessary for the maintenance, repair or restoration of improvements located on the Servient Lot. Any such entry by the Owner, Occupant or Resident of the Servient Lot, or their employees, agents or contractors, shall be at such time(s) and intervals as shall minimize the inconvenience of the Owner, Occupant or Resident of the Dominant Lot, and, when possible, shall be made after notice, written or oral, given to the Owner, Occupant or Resident of the Dominant Lot. The Owner, Occupant or Resident of the Servient Lot shall be responsible for the repair of any damage to any property, including landscaping, located in the Side Yard Easement resulting from such entry, which repair shall be made promptly after such entry, but in no event more than ten (10) days thereafter.

(e) **Right to Mortgage.** The Owner of the Dominant Lot shall have the right to mortgage such Owner's rights with respect to a Side Yard Easement which is appurtenant to such Owner's Lot, if required by the mortgagee, and, in such event, the mortgagee of an Owner's interest in the Side Yard Easement shall have no obligation hereunder unless and until the mortgagee acquires the fee title to the mortgaged property.

The mortgage by the Owner of a Servient Lot shall be subordinate to and junior to the right of the Owner of the Dominant Lot in and to a Side Yard Easement, if any, located on a Servient Lot.

(f) **Acceptance and Succession.** If a Side Yard Easement is declared and created by Declarant, each Owner of the Servient Lot, and each successor Owner of the Servient Lot, by the

acceptance of a deed to the Servient Lot, shall be deemed to agree to, and to be bound by, the terms, conditions and covenants of this Section. The rights and obligations contained in this Section shall bind each Owner of a Lot within the Property, and such Owner's Occupants, heirs, personal representatives, successors and assigns.

(g) **Indemnification.** From and after the date that the Declarant declares and creates a Side Yard Easement on a Lot, the Owner of each Dominant Lot shall indemnify, save and hold harmless the Owner of the Servient Lot, and such Owner's heirs, personal representatives, successors and assigns, from and against any claim, liability, damage, judgment, cost or expense, of whatever kind or nature, including attorneys' fees, arising from or relating to the use by the Owner of the Dominant Lot of the Side Yard Easement located on the Servient Lot.

(h) **Settlement of Disputes Concerning Side Yard Easements.** In the event of any dispute arising between the Owner of a Dominant Lot and the Owner of a Servient Lot concerning a Side Yard Easement located on the Servient Lot, or a dispute between said Owners involving the interpretation of this Article, the matter shall be submitted to the Board, which shall act as a board of arbitration and shall proceed in accordance with the rules and procedures of the American Arbitration Association then in effect, and the decision of the majority of the members of the Board shall be binding on the respective Owners of the Servient Lot and the Dominant Lot.

(i) **Grant and Declaration of Phase II Side Yard Easements.** Declarant grants, declares and creates Side Yard Easements on, over, along and across certain Lots within Phase II as further described on Exhibit B, attached hereto and made a part hereof by this reference.

**SECTION 5.10 Lighting.** If required by the ACC, each Owner shall install, and maintain in an operative condition such exterior lighting as shall be provided in the ACC Rules/ACC Standards.

**SECTION 5.11 Roofs.** The type, pitch and roof covering material(s) which shall be required on Buildings within the Property shall be as set forth in the ACC Rules/ACC Standards.

**SECTION 5.12 Animals.** No animals, livestock, birds, insects or poultry of any kind, except Assistance Animals (as defined below) shall be raised, bred, or kept on any Lot, except that Household Pets (as defined below) may be kept for an Owner, Occupant or Resident's personal use provided that (a) such Household Pets are not bred or maintained for any commercial purpose; (b) no more than two (2) domesticated dogs and/or cats, or other small household pets may be kept on a Lot; and (c) any such Household pet shall be properly restrained, be on a leash when not confined to an Owner, Occupant or Resident's Lot, and be controlled at any time they are within the Property so they do not unreasonably bother or constitute a nuisance to others.

"Household Pets" as permitted hereby shall mean generally recognized household pets, such as, but not limited to domesticated dogs, domesticated cats, fish, rodents and non-poisonous reptiles. Household Pets shall not include livestock, poultry, other birds or waterfowl not housed within the Dwelling, swine or other animals. Notwithstanding the foregoing, Household Pets shall not be kept which unreasonably bother or constitute a nuisance to other Owners, Occupants or Residents. "Nuisance" shall mean any noisy animal (as defined below), any vicious animal, any non-domestic household pet, or any animal which damages or destroys property. Excess, continued or untimely barking, molesting passerby, chasing vehicles, pursuing or attacking other animals, including wildlife and trespassing upon private property in such a manner as to damage property shall also be deemed a Nuisance. "Noisy Animal" means any animal which habitually, constantly or frequently disturbs the sleep, peace or quiet of any other Owner, Occupant or Resident. Owners shall contact the local animal control agency regarding Noisy Animals prior to submitting a complaint to the Association about such animals. Any costs associated with responding to complaints of a Noisy Animal or Nuisance pet may be levied against an Owner, Occupant or Resident as a Special

**Assessment.** The Owner of a Lot where a Household Pet is kept, as well as the legal owner of the pet (if not such Owner, Occupant or Resident) shall be jointly and severally liable for any and all damage and destruction caused by the Household Pet and for any clean-up of any Common Area, road or other property necessitated by such Household Pet. Assistance Animals are welcome in the Property in conformity with the Fair Housing Act, in accordance with the following:

(a) Under the Fair Housing Act, a disability is defined as a physical or mental impairment which significantly limits a person's major life activities. An "Assistance Animal" is any animal that works, assists and/or performs tasks and services for the benefit of a person with a disability or provide emotional support that improves the symptoms of a disability. Examples of Assistance Animals are guide animals, animals that alert people who are deaf, animals that pull a wheelchair, animals that alert and protect a person who is having a seizure, animals that remind an individual with mental illness to take prescribed medications, animals that calm an individual with Post Traumatic Stress Disorder during an anxiety attack and an animal that alleviates a person's depression or anxiety. Assistance Animals in training are to be treated as Assistance Animals, even if the handler is not disabled.

(b) The Association shall have the right, to the extent permitted under the Fair Housing Act, to prohibit or restrict any Assistance Animal that (1) is out of control and the handler does not take effective action to control it; or (2) the animal's behavior poses a threat to the health or safety of others. Any individual who brings an Assistance Animal in the Property is financially and legally responsible for any injury or damage caused by such Assistance Animal, and for any clean-up of any Common Area, road or other property necessitated by such Assistance Animal.

**SECTION 5.13 Septic Tanks/Cesspools.** No septic tanks and/or cesspools shall be allowed within the Property.

**SECTION 5.14 Grading and Drainage.** A site plan indicating the proposed grading and drainage of a Lot must be approved by the ACC before Initial Construction. Lot grading shall be kept to a minimum and Buildings are to be located for preservation of the existing grade(s) and any grade(s), berms or swales should be an integral part of the grading design. Water may drain or flow into the drainage swales, if any, located on each Lot or within the public rights-of-way within the Property but otherwise shall be contained on-site on such Lot (meaning it shall not be allowed to drain or flow upon, across or under adjoining Lots), unless an express written easement for such purpose exists. There shall be no interference with the established drainage pattern over any portion of the Property, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the ACC. For the purposes hereof, "established" drainage is defined as the system of drainage, whether natural or otherwise, which exists at the time the overall grading of any portion of the Property is completed by the Declarant, or that drainage which is shown on any plans approved by the ACC, which may include drainage from a Common Area Lot over any Lot within the Property. The Owner of any Lot within the Property, in which grading or other work has been performed pursuant to a grading plan approved by ACC, shall maintain and repair all graded surfaces, drainage structures, means or devices within the Lot which are not the responsibility of the Association or any governmental entity.

After the Initial Construction on a Lot, an Owner shall not change or alter any grading on a Lot or construct or alter any berms or swales on a Lot, including the drainage swales, if any, located in the public right-of-way adjacent to such Lot, which will affect or change the drainage on a Lot or any other Lot within the Property, without the prior written approval of the ACC.

**SECTION 5.15 Maintenance.** The following provisions shall govern the maintenance of Lots and all Improvements thereon:

(a) **Landscape Maintenance by the Association.** The Association, through its contractors and agents, shall be responsible for performing the following maintenance, repair and replacement within each Lot within the Property, with such frequency as determined in the reasonable discretion of the Association:

1. Mowing, edging, trimming and fertilization of all lawns (front, back, side);
2. Prune shrubs;
3. Weed and apply pre-emergent to any planter beds;
4. Start up and close out of irrigation system;
5. Check and adjust sprinklers;
6. Apply billbug application, as needed;
7. Apply dormant oil treatment and deep root feed to trees, as needed;
8. Spring and fall clean up, including leaf mowing; and
9. Snow removal as needed when there is new snow of 2" or more on roads, driveways, alleys and sidewalks. De-icer will not be used on concrete surfaces.

Any Owner additions and/or modifications to landscaping, including but not limited to, the location and type of fencing, approved as part of the Owner's Initial Construction and landscape plans, must be approved by the Association in the time, place and manner required by the Association.

(b) **Landscape Maintenance by Owner.** Unless specifically identified above as an Association responsibility herein, the Owner shall be responsible for the maintenance of its Lot, including but not limited to:

1. The purchase or maintenance of any new landscaping, including annuals, perennials, flowers, pots, raised beds, gardens or other Owner-installed improvements.
2. Replacement of any dead landscaping, unless the maintenance company is at fault.
3. Any maintenance or repair that is caused through the willful or negligent act of an Owner, or such Owner's family, guests or invitees, and Owner shall be responsible for the payment of any additional costs for such maintenance or repair.

(c) **Paired Home Maintenance.** Some Lots within the Property will share common building elements with an adjacent Lot ("Paired Home") as follows: a dividing wall, exterior walls, roof and roof drainage system (collectively "Shared Elements"). Each Owner in a Paired Home shall maintain, repair and replace the Shared Elements to similar residential standards as the Property, and shall share equally in the costs of repair, replacement and maintenance of the Shared Elements. At a minimum, the Shared Elements of a Paired Home shall be repaired, replaced, and maintained by the Owners on the following schedule from the year of completion of the Paired Home's construction: (i) exterior painting and care of exterior surfaces every 8 years; and (ii) roof replacement every 20 years; provided that the Owners in a Paired Home may otherwise agree to a shorter or longer time period so long as the Shared Elements meet the maintenance, repair and replacement standards described in this Section.

(d) Each Owner of a Lot shall maintain all Improvements located thereon in good and sufficient repair and shall keep the Improvements thereon painted or stained, windows glazed, rubbish and debris removed, and otherwise maintain the same in a neat and aesthetically pleasing condition;

(e) All damage to any Improvements shall be repaired as promptly as is reasonably possible;

- (f) A Building which is vacant for any reason shall be kept locked and the windows glazed in order to prevent entrance by vandals. Vacant Buildings and unimproved Lots shall not be exempt from the provisions of this Master Declaration;
- (g) All structures, facilities, equipment, objects and conditions determined by the ACC, in its sole discretion, to be offensive, shall be enclosed within an approved structure or appropriately screened from public view. All trash, debris, garbage and refuse shall be kept at all times in a covered container and all such containers shall be kept on a Lot (i) within an enclosed structure or screened from public view; or (ii) placed on a concrete pad immediately adjacent to the Residence (not the driveway), which concrete pad cannot be placed closer to the street than the garage.
- (h) No articles, goods, machinery, materials or similar items shall be stored, kept or maintained on a Lot in the required set-back area along a public or private right-of-way or otherwise kept in the open or exposed to public view;
- (i) Any event or condition on a Lot or adjacent to a Lot if under the control of the Owner, which, in the sole discretion of the ACC, creates an unsightly or blighting influence, shall be corrected, removed or obstructed from public view, as the case may be, by the Owner of the Lot, notwithstanding the fact that such event or condition may not be specifically described and/or prohibited in this Master Declaration. If such event or condition is not promptly corrected by the Owner, the Association shall have the right to correct the same pursuant to subsection (i), below; and
- (j) In the event that any Owner shall permit any Improvement, including any Owner-installed landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition, the Board, upon fifteen (15) days prior written notice to the Owner of such Lot, shall have the right to correct such condition, and to enter upon said Lot and into any Building or structure thereon, if necessary, for the purpose of correcting or repairing the same, and such Owner shall promptly reimburse the Association for the cost thereof. The Owner of the offending Lot shall be personally liable, and such Owner's Lot may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective action, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefor, or the amounts may, at the option of the Board, be levied as a Limited Assessment against said Lot and shall be enforceable in the same manner as set forth in Article X of this Master Declaration.
- (k) Owner, Occupant or Resident shall immediately remove any pet waste occurring on the Lot, and prior to regularly scheduled lawn maintenance by the Association. Upon Owner, Occupant or Resident's continued failure to timely remove pet waste, the Association may hire a service to remove the pet waste and the cost of such service will be levied against an Owner, Occupant or Resident as a Limited Assessment.

**SECTION 5.16 Mining and Drilling.** No Lot shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, steam, oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth; provided that the Declarant or the Association may, by permit, grant, license or easement, allow the drilling for and the extraction of water for use on the Lot.



**SECTION 5.17 Automobiles, Vehicles and Equipment.** The use of Automobiles and Vehicles and Equipment shall be subject to ACC Rules/ACC Standards, which may prohibit or limit the use thereof within the Property, provide parking regulations and other rules regulating the same.

(a) The primary purpose of the garage required on each Lot is for the parking and storage of Automobiles. No other use of a garage which prohibits or limits the use of a garage for the parking or storage of the number of Automobiles for which it is designed shall be permitted.

(b) Vehicles and Equipment shall be kept at all times in an enclosed structure, and at no time shall any such Vehicles or Equipment be parked or stored on a Lot in public view or on a public or private right-of-way within the Property except: (i) when in actual use; and/or (ii) for a temporary period of no more than twenty-four (24) consecutive hours in connection with actual use.

(c) All non-garage parking within the Property shall be only in an Owner, Occupant or Resident's driveway or Designated Parking Space.

(d) No Automobile or Vehicle and Equipment shall be parked in a manner that interferes with any other Owner, Occupant or Resident's right of ingress and egress to his or her Residence.

(e) The Board may require removal of any inoperative Automobile or Vehicle and Equipment, or any unsightly vehicle as determined by the Board in its discretion, and any other Vehicle and Equipment, or item improperly parked or stored. If the same is not removed after two (2) days' written notice, the Board may cause removal at the risk and expense of the Lot Owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

**SECTION 5.18 Driveways.** If a Driveway location is indicated on a Lot in a Plat, such Lot's Driveway shall be constructed in the indicated location.

**SECTION 5.19 Garage Doors.** Garage doors shall be closed except when open for a temporary purpose.

**SECTION 5.20 Exterior Materials and Colors.** All exterior materials and colors shall be selected and used which are approved by the ACC. All exterior finishes and/or colors shall be approved by the ACC and shall be in accordance with the ACC Rules/ACC Standards.

**SECTION 5.21 Exterior Energy Devices.** No energy production device including, but not limited to, generators of any kind and solar energy devices, shall be constructed or maintained on any Lot without the prior written approval of the ACC, except for heat pumps or similar appliances shown on the plans approved by the ACC.

**SECTION 5.22 Mailboxes.** The US Postmaster and the ACC shall have the right to approve mailbox locations and design.

**SECTION 5.23 Signs.** No commercial billboard or advertising shall be displayed to the public view on or from any Lot. Owners may advertise a Residence and Lot for sale by displaying a single, neat, reasonably sized vacancy sign or "For Sale" sign thereon. Signs advertising the name of the builder may be displayed on a Lot during construction of the Improvements. Lighted, moving or flashing signs for any purposes are prohibited. Directional signs may be used to give directions to traffic or pedestrians or give special instructions. Any directional or identification sign within the Property shall be permitted, provided the same is approved by the ACC prior to installation. Notwithstanding the foregoing, the ACC shall have the right to adopt ACC Rules/ACC Standards with respect to signs allowed within the Property, which ACC Rules/ACC Standards, if adopted, shall regulate signs within the Property and shall control over the specific provisions

of this Section. The restrictions set forth in this Section 5.23 do not apply to signage owned or controlled by the Association.

**SECTION 5.24 Subdividing.** No Lot may be further subdivided, nor may any easement or other interest therein less than the whole be conveyed by the Owner thereof without the prior written consent of the ACC; provided, however, that nothing herein shall be deemed to prevent an Owner from transferring or selling 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, or require the approval of the ACC therefor. In addition, the conveyance of an insignificant portion(s) of a Lot to the Owner of the Lot which abuts said conveyed portion for the purpose of correcting a common boundary or other similar purpose shall not be deemed to be a subdividing of a Lot within the prohibition contained herein.

**SECTION 5.25 Fences.** No fence or wall of any kind shall be constructed on a Lot unless the plans and specifications therefor, including the location, design, material and color thereof, have been approved in writing by the ACC prior to the construction or installation. The type, design, material and finish of all privacy fences shall be as specified in the ACC Rules/ACC Standards, it being the intent of the Declarant that all such privacy fencing shall present, to the extent reasonably practicable, a uniform appearance throughout the Property. All fences and/or walls constructed on a Lot shall be in compliance with the ordinances of the City of Meridian, Idaho, applicable to the Property.

In addition to the requirements of the ACC Rules/ACC Standards applicable to fences, fencing, all fences and walls shall be subject to the following restrictions:

(a) No fence or wall shall be permitted to be constructed or installed on the Common Area or any portion of a berm constructed by the Declarant within the Property; provided, that if the Declarant constructs or installs a fence in a Common Area or on a berm, the ACC may allow fences on the adjacent Lot(s) to be attached thereto so long as such attachment does not (i) impede the maintenance, repair or replacement of the Common Area or berm, (ii) alter the visual theme established by the fence constructed or installed by the Declarant, and (iii) does not Project above the top of the fence constructed or installed by the Declarant;

(b) Fences and walls shall not extend closer to any street than twenty feet (20') nor Property beyond the setback of the principal Building on the Lot, except for corner Lots, which may be less, and except as otherwise approved by the ACC. The ACC may approve a maximum height of up to six feet (6') for fences, depending on the materials and location proposed by the Owner for such fence;

(c) All fences and walls shall be constructed and installed and maintained in good appearance and condition at the expense of the Owner of the Lot on which they are located and all damaged fencing and walls shall be repaired or replaced to original design, materials and color within a reasonable time after said damage occurs;

(d) No fence shall be constructed on the interior lot line within a Side Yard Easement (as defined herein); and

(e) No fence, wall, hedge, high planting, obstruction or barrier shall be allowed if, because of the design, material, color, nature, qualities or characteristics thereof, the same would have a noxious or nuisance effect upon neighboring Lots as determined by the ACC. It is not the intent of this subsection (e) to create a view easement on or across any Lot ("Affected Lot") in favor of any Lot which is adjacent to or in the vicinity of the Affected Lot.

**SECTION 5.26 Adoption of ACC Rules/ACC Standards.** The Declarant, in its sole discretion, shall make all determinations on the ACC Rules/ACC Standards for the Initial Construction on any Lot. The

Declarant has adopted the ACC Rules/ACC Standards on Exhibit A attached hereto, for all requests following Initial Construction. Declarant, or the Association through the ACC following Class B Termination Date, shall have the power to create or modify ACC Rules/ACC Standards relating to the planning, construction, alteration, modification, removal or destruction of Improvements within the Property deemed necessary or desirable by the Declarant, or the ACC, as the case may be, to carry out the purposes of this Master Declaration. All ACC Rules/ACC Standards shall be consistent with the provisions of this Master Declaration.

**SECTION 5.27 Exemption of Declarant.** Nothing herein contained shall limit the right of the Declarant to subdivide or re-subdivide any Lot or portion of the Property, and/or effectuate lot line adjustments and/or surveys, or to grant licenses, reservations, rights-of-way or easements with respect to the Common Area to utility companies, public agencies or others; or to complete excavation, grading and development to or on any Lot or other portion of the Property owned or controlled by the Declarant, or to alter the foregoing and its Development plans and designs, or construct additional Improvements as the Declarant deems advisable in the course of Development of the Property. This Master Declaration shall not limit the right of the Declarant at any time prior to acquisition of title to a Lot by an Owner to establish on that Lot, additional licenses, restrictions, reservations, rights-of-way and easements to itself, to utility companies and to others, as may from time to time be reasonably necessary. The Declarant need not seek or obtain ACC approval of any Improvements constructed or placed within the Property by the Declarant in connection with the Development of the Property. The Declarant shall be entitled to the non-exclusive use, without charge, of any Common Area within the Property in connection with the marketing of the Lots therein. In addition, the Declarant shall have the right, in connection with the marketing of the Lots, to install, place, display and exhibit such signs, banners and other similar items on the Common Areas on and the Lot(s) owned by the Declarant for such a period of time as is reasonably deemed by the Declarant to be necessary.

#### **ARTICLE VI PRIVATE ROADS**

There is hereby reserved for the use and benefit of Declarant and granted for the use and benefit of each Lot, and for the use and benefit of each Owner, and their respective successors and assigns, for the purposes incidental to the use and enjoyment of the Lots, a perpetual easement to enter on, over, across and through any Lot designated as an alley, common drive or private road on a recorded subdivision plat for the Property (collectively herein "Private Roads"), which Private Roads are to be used for ingress to and egress from each Lot. In addition and pursuant to any recorded Plat of the Property, the Master Declaration contains a perpetual public utility, drainage and irrigation easement. It is expressly understood and agreed that the easements herein created shall be absolute and non-exclusive and that in all respects the Private Roads shall be used, and available for use, by all such Persons, their guests, invitees and licensees in the same manner as if the Private Roads were a public road, subject to the Restrictions contained in this Master Declaration and the right of the Board to impose such rules, regulations and restrictions, as may be necessary, required or convenient to assure the privacy, safety, security and well-being of each such Lot and the Owners residing within the Property, provided, however, that such shall not deprive or unreasonably restrict any of such Owner's right to have access to and from such Lot.

Nothing herein contained shall prohibit or limit the right of Declarant to extend the easement rights herein granted over, along and across the Private Roads within the Property to provide ingress and egress, utilities, drainage, and irrigation to property adjacent to the Property, but not initially included with in the Property as described in this Master Declaration. Such right of use of the easements herein created may be extended by Declarant to such additional property by either the annexation of such additional property under this Master Declaration or the recording of easement(s) by Declarant in the official records of Ada County, Idaho, setting forth such right of use and extension of the easements, which recorded document

shall specifically describe the additional property to be benefitted thereby. In the event of the extension of the easement rights to such additional property, Declarant shall make provision for the right of the Board to collect from the Owners of said additional property a reasonable sum as a contribution for the maintenance, repair and replacement of the Private Roads and security facilities, if any, within the Property, which contribution shall be reasonably related to use, should the Board not have the right, under the terms of this Supplement, to levy and collect any assessment against such additional property. In addition, Declarant shall have the right to grant any easement on, over, across and through the Private Roads to any governmental or quasi-governmental agency or utility company for access to any facilities owned, controlled or used by such grantee.

**ARTICLE VII**  
**PARAMOUNT DIRECTORS OWNERS ASSOCIATION INC.**

**SECTION 7.01 Organization of Association.** Declarant incorporated the Association as an Idaho non-profit corporation. The Association shall be charged with the duties and vested with the powers prescribed by law and set forth in its Articles of Incorporation, its Bylaws and this Master Declaration. Neither said Articles nor said Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Master Declaration.

**SECTION 7.02 Members.** Declarant and each Owner of a Lot by virtue of being such an Owner and for so long as such ownership is maintained shall be a Member of the Association, unless otherwise provided by law. No Owner shall have more than one membership in the Association, but shall have such voting rights as hereafter set forth. A membership in the Association shall not be assignable, except to the successor-in-interest of the Owner and a membership in the Association shall be appurtenant to and inseparable from the Lot owned by such Owner. A membership in the Association shall not be transferred, pledged or alienated in any way except upon the transfer of title to said Lot and then only to the transferee of title to said Lot. Any attempt to make a prohibited transfer of a membership shall be void and shall not be reflected on the books of the Association.

**SECTION 7.03 Classes of Membership.** The Association shall have two (2) classes of membership:

**CLASS A.** "Class A Members" shall be the Members of the Association which are all Owners of Lots within the Property, with the exception of the Declarant. The Class A Members shall be non-voting Members of the Association until the Class B Termination Date (as defined below). Upon the Class A Members becoming entitled to voting rights, each Class A Member shall be entitled to one (1) vote for each Lot owned, so long as such Lot has one or more Qualifying Resident. When more than one (1) person holds an interest in a Lot, all such persons shall be Class A Members, but in no event shall more than one (1) vote be cast with respect to any Lot owned by a Class A Member(s).

**CLASS B.** The "Class B Member" shall be the Declarant or the assignee of Declarant's rights and obligations as the Class B Member in accordance with the following paragraph. The Class B Member shall be the sole voting member of the Association entitled to vote the collective voting power of the Association until the Class B Termination Date. The Class B membership and the Class B Member voting rights shall cease to exist upon the earlier to occur of the following: (i) the Class B Member has completed all Improvements and no longer owns any Lots within the Property; or (ii) the Class B Member informs the Board, in writing, that the Class B Member no longer wishes to exercise its rights as the Class B Member (as applicable, the "Class B Termination Date").

Declarant may assign all of its rights and obligations as the Class B Member to an individual or entity in a written instrument that contains the assignee's acceptance of such assignment

and agreement to assume all of Declarant's obligations pertaining to the rights assigned, which acceptance and assumption will be effective upon the recordation of such written instrument recorded in the real property records of Ada County, Idaho. In such event, Declarant will promptly provide a copy of the recorded instrument to the Association and, thereupon, be released from Declarant's obligations pertaining to the rights assigned. For the avoidance of doubt, if Declarant conveys a Lot to an Owner and Declarant has not assigned its Class B voting rights to such Owner in accordance with this paragraph, then such Lot Owner shall be a Class A Member.

**SECTION 7.04 Board of Directors and Officers.** The affairs of the Association shall be conducted by a Board of Directors and such officers as the Board may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended from time to time. For the avoidance of doubt, the Class B Member, as the sole voting Member of the Association, shall have the exclusive right to appoint, remove, and replace members of the Board at all times prior to the Class B Termination Date.

(a) **Declarant Appointed Director.** Throughout the Term of the Trademark License Agreement (described in Section 14.16 below), Declarant shall appoint one (1) permanent Director to the Board. As provided in Section 3.01(a) of the Bylaws, such Director's term shall be from the Class B Termination Date through the date of termination of the Trademark License Agreement, if any. Neither this Section 7.04(a) of the Master Declaration nor Section 3.01(a) may be amended in any way regarding the Declarant appointed Director without written approval of such Director. Declarant or Declarant's designee may resign as a Director of the Board at its sole discretion; such resignation will not affect the validity or efficacy of the Trademark License Agreement.

**SECTION 7.05 Powers of Association.** The Association shall have all powers of a non-profit corporation organized under the laws of the State of Idaho subject only to such limitations as are expressly set forth in the Articles, the Bylaws or this Master Declaration. The President of the Association shall be appointed by the Declarant, in its sole discretion, until such time as the Class B Termination Date as described above. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done under the Articles, Bylaws or this Master Declaration, and to do and perform any and all acts which may be necessary or proper for, or incident to, the proper management and operation of the Common Area and the performance of the duties of the Association and other responsibilities set forth in this Master Declaration, including, but not limited to, the following:

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

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

(c) **Creation of Committees and Sub-Associations, and Delegation of Powers.** The authority to create, and delegate its power and duties to, committees and/or sub-associations it creates, officers, employees, or to any person, firm or corporation to act as manager, and to pay to such manager such compensation as shall be reasonable;

(d) **Liability of Board Members and Officers.** Neither any member of the Board nor any officers of the Association shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Board, its officer, a manager or any other representative or employee of the Association, or the ACC, provided that

said Board Member, officer, manager or other person has, upon the basis of such information as was available, acted in good faith without willful or intentional misconduct;

(e) **Association Rules.** The powers to adopt, amend, and repeal such rules and regulations, including those adopted by the Board pursuant to Section 5.02, as the Association deems reasonable. Such rules shall govern the use by Owners and Residents or any other person of Common Area and other property owned or controlled by the Association; provided, however, Association rules shall not discriminate among Owners and shall not be inconsistent with the Articles, Bylaws or this Master Declaration. A copy of Association rules as they may from time to time be adopted, amended or repealed shall be mailed or otherwise delivered to each Owner and Resident. Upon such mailings said Association rules shall have the same force and effect as if they were set forth in and were part of this Master Declaration. In the event of any conflict between an Association rule or any provision of the Articles, Bylaws or this Master Declaration, the conflicting provisions of the Association rules shall be deemed superseded to the extent of any such inconsistency;

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

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

- (i) Underground lines, cables, wires, conduits and other devices for the transmission of any utility or other service;
- (ii) Public sewers, storm drains, water drains and pipes, water systems, sprinkling systems, Irrigation System, water, heating and gas lines or pipes; and
- (iii) Any similar public or quasi-public improvements or facilities.

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

**SECTION 7.06 Duties of Association.** In addition to the powers delegated to it by the Articles, Bylaws and this Master Declaration, without limiting the generality thereof, the Association or its authorized agents, if any, shall have the obligation to conduct all business affairs of common interest to all Owners and to perform each of the following duties:

(a) **Operation and Maintenance of Common Area and Maintenance Areas.** Perform, or provide for the performance of, the operation, maintenance and management of the Common Area and Maintenance Areas owned or controlled by the Association, or the Association is under obligation to pay and/or manage, including the repair and replacement of property or Improvements thereon damaged or destroyed by casualty loss, the maintenance, repair and replacement of any facilities, if any, installed by the Declarant, and the maintenance, management, repair or replacement all other property owned or

controlled by the Association, all in compliance with all laws, plans, regulations, statutes and ordinances and agreements affecting the Property, whether recorded or unrecorded.

(b) **Taxes and Assessments.** Pay all real and personal property taxes and assessments levied against the Common Area owned or controlled by the Association or against the Association and/or any property owned by the Association, and/or benefitting the Improvements and/or Property, including but not limited to, irrigation assessments. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring payment is posted prior to the sale or the disposition of any property to satisfy the payment of such taxes. In addition, the Association shall pay all other taxes, federal, state or local, including income or corporate taxes, levied against the Association in the event that the Association is denied the status of a tax exempt corporation;

(c) **Utilities.** Acquire, provide and/or pay for water, sewer, refuse collection, electrical, telephone, gas, irrigation and other necessary services for the Improvements and Common Area owned or controlled by the Association and/or which may benefit the Property.

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

- (i) Fire insurance, including those risks embraced by coverage of the type now known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreement amount basis for the full insurable replacement value of all Improvements, equipment, fixtures and other property located within the Common Area owned or controlled by the Association, including such equipment, fixtures and other property not located in the Common Area, if the same are used or necessary for the use of the Common Area or easement areas under the control of the Association;
- (ii) Comprehensive public liability insurance insuring the Association, the Board, officers, the Declarant and the individual Owners and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the Common Area owned by the Association or easement areas under the control of the Association. The limits of liability of such coverage shall be as determined by the Board of Directors;
- (iii) If elected by the Board, full coverage directors and officer's liability insurance in an amount determined by the Board;
- (iv) Such other insurance, including workmen's compensation insurance to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association's functions or to insure the Association against any loss from malfeasance or dishonesty of any person charged with the management or possession of any Association funds or other property;
- (v) The Association shall be deemed a trustee of the interests of all Owners in any insurance proceeds paid to it under such policies, and shall have full power to receive their interests in such proceeds and to deal therewith; and
- (vi) Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

(e) **Administration Fees - Costs.** Pay to the Declarant, so long as the Declarant manages the Association, all actual out-of-pocket costs paid or incurred by the Declarant in the management and administration of the affairs of the Association plus an administrative fee equal to current market fees as are typically charged for such management and administration for similar properties in Meridian, Idaho, and which administrative fee shall be compensation to the Declarant for the services provided to the Association;

(f) **Identification Signs.** Maintain, repair and replace all permanent entry and special identification signs for the Property, whether the same is located within or without the boundaries of the Property;

(g) **Rule Making.** Make, establish, create, amend and repeal Association rules;

(h) **Architectural Control Committee.** Appoint and remove members of the ACC, all subject to the provisions of this Master Declaration;

(i) **Enforcement of Restrictions and Rules.** Perform such other reasonable acts, whether or not expressly authorized by this Master Declaration, to enforce any of the provisions of this Master Declaration and the Association rules for which enforcement is desirable as determined by the Association; and

(j) **Annual Meeting.** Hold an annual meeting for the Members.

**SECTION 7.07 Cost of Maintenance, Repairs and Replacement.** The cost of the maintenance, repairs and replacements of the Improvements located on a Common Area or Maintenance Area, the drainage swales, if any, located thereon within the public right(s)-of-way within the Property, or any other improvement, property or facility required by this Master Declaration to be maintained, repaired or replaced by the Association and the continuing operational expenses in connection therewith, including taxes, shall be paid by the Association from the funds of the Association obtained by Regular or Special Assessments against the Lots within the Property which are served thereby. Such costs and expenses (hereafter "cost and expenses") shall be apportioned among the Lots within the Property served thereby on an equal basis. The Association shall have the right to establish a reserve account to implement the purposes of this Master Declaration, and the Board shall have the right to assess each Lot an amount to be included in a Regular or Special Assessment. The amount of said Regular or Special Assessment shall be determined by the Board. The Board shall have the right to place all funds collected in an interest-bearing account in an appropriate financial institution. In the event the Association does not have adequate funds to pay the cost and expenses deemed by the Association to be required, the deficiency shall be assessed to each Lot, on an equal basis, as a Special Assessment.

**SECTION 7.08 Budgets and Financial Statements.** Financial statements for the Association shall be regularly prepared and copies distributed to each Member as follows:

(a) A pro forma operating statement (budget) for each fiscal year shall be distributed at the Association's annual meeting; and

(b) The Association, or its agent, shall cause to be prepared and delivered at the Association's annual meeting, 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 that fiscal year.

**SECTION 7.09 Effective Date.** The provisions of this Article VI shall become operative upon the creation by the Declarant of the Association and the conveyance to said Association of fee simple title to the



Common Area within the Property. Until the creation and organization of the Association, the Declarant shall have the right to exercise all of the powers of the Association set forth in this Master Declaration.

## **ARTICLE VIII ASSOCIATION PROPERTY**

**SECTION 8.01 Use.** Each Owner of a Lot, his family, licensees, invitees, lessees and contract purchasers who reside on the Lot, shall be entitled to use the Common Area, subject to the following:

(a) **Articles, Etc.** The provisions of the Articles and Bylaws of the Association applicable to the Lot, this Master Declaration and applicable Supplemental Declaration and the rules, regulations and standards promulgated thereunder. Each Owner, in using the Association properties, shall comply with the same;

(b) **Suspension of Rights.** The right of the Association to suspend the rights to use properties owned by it (except roads and other means of access by an Owner) for any period during which any Assessment against that Owner's Lot remains unpaid; and for any infraction or published rules and regulations of the Association;

(c) **Dedications.** The right of the Association to dedicate or transfer all or any part of properties owned by it to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed by the Board, so long as said transfer does not diminish the security of the Mortgagees on any Lot or Common Area in the Property;

(d) **Conveyance of Common Area.** Except as provided in subsection (c), above, no portion of the Common Area shall be conveyed by the Association unless the Board of Directors of the Association determines that such conveyance is in the best interests of the Property, which determination shall be made following a regular or special meeting of the Members of the Association at which meeting the proposed conveyance is presented by the Board of Directors and the Members have the opportunity to present testimony in support of or against such proposed conveyance; and

(e) **Mortgage of Common Area.** After the Class A Members become entitled to voting rights, no portion of the Common Area shall be mortgaged by the Association without the prior approval of at least two-thirds (2/3rds) of the Class A Members, which approval may be obtained in writing or by a vote of the Class A Members at a meeting called for such purpose and, with respect to such meeting, the provisions concerning notice and quorum in Section 10.10, below, shall apply.

**SECTION 8.02 Liability for Damage.** In the event that any maintenance, repair or replacement of all or any portion of the any Improvements located on a Common Area, and the Property, and/or located thereon within the public right(s)-of-way within the Property, or any other Improvement, property or facility required by this Master Declaration to be maintained, repaired or replaced by the Association, is performed by the Association as a result of the willful or negligent act or omission of an Owner or Resident, or a family member, guest or invitee of an Owner or Resident, the cost of such maintenance, repair or replacement shall be reimbursed by said Owner to the Association and/or the Association may assess the cost of the same against said Owner and the Owner's Lot as a Limited Assessment, as provided in this Master Declaration and may be collected as provided in Article X, herein.

**SECTION 8.03 Damage and Destruction.** In the case of damage by fire or other casualty to property owned by the Association, insurance proceeds to compensate for damage and destruction shall be paid to the Association, as the case may be, and the recipient thereof shall thereafter determine what repair or reconstruction shall be undertaken.

**SECTION 8.04 Condemnation.** If at any time any part of the Common Area or other property owned by the Association can be taken or condemned by any public entity or sold or otherwise disposed of in lieu thereof, all compensation, damages or other proceeds shall be paid to the Association whichever entity owns said property. The recipient of said payment shall then use all or a portion of the funds to pay obligations secured by any lien on the property taken and thereafter may determine to use the funds to (i) improve other properties of the Association; (ii) acquire and/or improve additional properties for the Association; or (iii) use such proceeds to reduce future assessments.

## **ARTICLE IX WATER AND IRRIGATION SYSTEM**

**SECTION 9.01 Water.** Declarant hereby reserves unto itself, and owns and controls, any and all Water Rights appurtenant to and/or related to the Property. Accordingly, an Owner of a Lot shall have no right, title or interest in any Water Rights for the Property and/or its Lot unless and until Declarant conveys such Water Rights to the Association and/or Owners as determined in its sole discretion.

**SECTION 9.02 Irrigation System.** Paramount Owners Association Inc. ("POA"), owns all equipment and facilities which comprise the Irrigation System. The Association has or will enter into an agreement with POA to connect to the Irrigation System and provide stubs for irrigation to all Lots within the Property. Each Owner shall pay for irrigation water and maintenance, repair and replacement of the Irrigation System as part of its Regular, Limited and/or Special Assessments. The Association shall have the obligation to maintain, repair or replace the portions of the Irrigation System which constitute the "main" distribution lines to and including the connection/shut-off valve located on each Lot within the Property, except for as provided in Section 9.04 below.

**SECTION 9.03 Water Not Guaranteed; Rules and Regulations.** The Property is located in a semi-arid area. Irrigation water is not always reliable and such water is not unlimited. Irrigation water may not be available due to, without limitation, drought, harsh weather conditions, government actions, system breakdowns, transmission failures, overuse by Owners or others, or any other causes. No Lot in this Property shall have any right to, or assurance of, a continuous or unlimited supply of irrigation water from the Irrigation System. Nor is any Lot guaranteed enough water from the Irrigation System to irrigate all of the landscaping on the Lot. Each Owner assumes the risk of any water shortage, and in the event that there is a water shortage, each Owner must be prepared to use an alternate water supply, if any. Each Lot shall be subject to, and each Owner, by accepting a deed to a Lot, agrees to be bound by and comply with, any rules or regulations which may be established for the use and rotation of irrigation water between the Lots by the Association. The Association shall have the power to promulgate rules and regulations regarding the use and operation of the Irrigation System, including, but not limited to, the days and times of delivery or use of water to each Lot or the temporary interruption or rationing of irrigation water to be delivered to the Lots, which rules and regulations shall be binding upon each Owner. Each Owner, by the acceptance of a deed to a Lot within the Property, acknowledges that neither the Declarant nor the Association shall be responsible for any interruption or rationing of the delivery of irrigation water to such Owner's Lot if such interruption or rationing results from a cause or condition outside the control of the Declarant and/or the Association, including, but not limited to, an insufficient amount of irrigation water being delivered to the Property or the temporary failure of the equipment or facilities of the Irrigation System. All Owners and occupants shall follow said water rotation schedules and any rules promulgated relative to the use of irrigation water. Failure to adhere to the rotation schedule or rules may result in suspension of the right to use irrigation water.

**SECTION 9.04 Liability for Damage.** In the event that any maintenance, repair or replacement of all or any portion of the Irrigation System is performed by the Association as a result of the negligent or willful act of an Owner or Resident, or an Owner's or Resident's family, guests or invitees, the cost of such maintenance, repair or replacement shall be reimbursed by the Owner or the Resident to the

Association and/or the Association may assess the cost of the same, together with interest, related expenses, including attorney fees, shall be billed to the Owner of the Lot and, if not paid in full within ten (10) days, shall be assessed as a Limited Assessment and collected as set forth herein.

**SECTION 9.05 Cost of Maintenance, Repairs, Replacement and Insurance.** The cost of the maintenance, repairs, replacement and insurance of the Irrigation System and the continuing operational expenses, if any, including assessments and taxes (hereafter "Irrigation System Expenses"), shall be paid by the Association from the funds of the Association obtained by Regular or Special Assessments against the Lots within the Property. Such Irrigation System Expenses shall be apportioned among the Lots within the Property on an equitable basis. In the event the Association does not have adequate funds to pay the Irrigation System Expenses deemed by the Association to be required, the deficiency shall be assessed to each Lot on an equal basis, as a Special Assessment. The decision as to what costs and expenses are to be included in the Irrigation System Expenses and the timing of the payment thereof shall rest solely with the Board.

**SECTION 9.06 Easement for Maintenance.** There is hereby reserved to the Association, its contractors and agents, an easement to enter upon the Lots within the Property for the purpose of accomplishing all maintenance, repair and replacement rights and duties with respect to the Irrigation System as set forth in this Article.

**SECTION 9.07 Reserves.** The Association shall have the right to establish a reserve account for the payment of the Irrigation System Expenses and, for the purpose of funding the same, the Board shall have the right to assess each Lot an amount to be included in a Regular or Special Assessment. The amount of said Regular or Special Assessment so determined for the purpose of funding the Irrigation System Expenses and a reserve account relating thereto shall be determined by the Board. The Board shall have the right to place all funds collected for the Irrigation System Expenses in an interest-bearing account in an appropriate financial institution.

**SECTION 9.08 Irrigation Agreements.** It is understood that the Declarant or the Association shall have the right to enter into a contract with the owner(s) of real property adjacent to or in the vicinity of the Property (hereafter "Adjacent Property") for the use of the Irrigation System to provide or receive irrigation water to/from such Adjacent Property, such contract to be upon terms and conditions as shall be approved by the Association and, so long as the Declarant owns a Lot within the Property, the Declarant.

## **ARTICLE X ASSESSMENTS**

**SECTION 10.01 Covenant to Pay Assessments.** Each Owner hereby, and by acceptance of a deed to a Lot, covenants and agrees to pay when due all Regular, Special and Limited Assessments or charges made by the Association.

All such Assessments, together with interest, costs and reasonable attorneys' fees which may be incurred in collecting the same, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made, and shall be also the personal obligation of the Owner of such Lot at the time when the Assessment become due and payable. The personal obligation for delinquent Assessments shall not pass to an Owner's successors in title unless expressly assumed by them. No Owner may waive or otherwise avoid liability for any Assessment by non-use of the Common Area or by abandonment of his or her Lot.

**SECTION 10.02 Regular Assessments.** Regular Assessments shall be made by the Association in such amounts and at times and intervals deemed appropriate by the Board. The Regular Assessments

shall be based upon advance estimates of cash requirements as determined by the Board for the maintenance and operation of the Common Area, Maintenance Areas and all easement areas, if any, owned or controlled by the Association and for the performance by the Association of its other duties and responsibilities, including, but not limited to, compliance with any irrigation agreements. Such estimates may include, but shall not be limited to, expenses of management, taxes and special assessments of local governmental units, premiums for all insurance which the Association is required or permitted to maintain hereunder, landscaping and care of grounds, lighting, water charges, trash collection, sewerage charges, repair and maintenance, legal and accounting fees, and any deficit remaining from previous periods and the creation of a reserve, surplus and/or sinking fund(s).

The monthly Regular Assessment shall be set by the Board from time to time.

**SECTION 10.03 Special Assessments.** In addition to Regular Assessments, the Association may levy at any time a Special Assessment payable over such period as the Board may deem appropriate for the following purposes:

(a) To defray, in whole or in part, the cost of any construction or reconstruction of Improvements on a Common Area, unexpected repair or replacement of a Common Area or any facility located thereon or an easement area controlled by the Association, the furnishing of a special service or services (other than those appropriate for a Limited Assessment), or for any other expenses incurred or to be incurred as provided in this Master Declaration; and/or

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

At the closing of the sale of each Lot by the Declarant, a special assessment in an amount determined by the Board from time to time shall be collected from the purchaser of the Lot as payment to the Association for the set-up costs. Upon the transfer of ownership of a Lot by an Owner to a third party, a transfer fee in an amount determined by the Board from time to time shall be payable by the Owner to the Association, provided, that no transfer fee shall be payable if the Lot was purchased by a builder from the Declarant and within one (1) year thereafter sold and transferred to a third Party.

**SECTION 10.04 Limited Assessments.** In addition to Regular and Special Assessments, Owners shall pay Limited Assessments as follows:

(a) **Correction of Violations.** In addition to maintenance and repair, the Board, upon certification from the ACC of the failure or refusal of an Owner to correct a violation of this Master Declaration or the ACC Rules/ACC Standards, shall have the power to correct any such violation on a Lot or any Improvement on a Lot, and incur costs necessary in connection therewith. The cost of such corrective action, together with interest, related expenses and attorneys' fees shall be assessed and collected as set forth in this Article X and Article XI of this Master Declaration; and

(b) **Limited Purpose.** The Association shall have the power to levy a Limited Assessment against Owners and Lots for any limited special purpose which the Board believes necessary with respect to certain Lots but not an appropriate expense for payment by the Association. Such Limited Assessment shall not be made until the Owners of said Lots subject thereto have been given an opportunity, after notice, to participate in a hearing with respect to said Limited Assessment.

**SECTION 10.05 Commencement of Regular Assessments.** Regular Assessments of the Association against each Lot shall commence the date of the closing of the first sale of a Lot to an Owner. Provided, however, that any Lot owned by the Declarant shall be assessed a Regular Assessment not exceeding ten

percent (10%) of the amount assessed against Lots owned by other Owners. If the Declarant pays all or any portion of the expenses of the Association in excess of the amount assessed to Lots owned by the Declarant, such excess amounts so paid shall constitute either (i) a prepayment of Assessments (Regular and Special) to become due and payable on the Lots owned by the Declarant within the Property, or (ii) a loan by the Declarant to the Association, which loan, without interest, shall be repaid by the Association to the Declarant from the funds of the Association which are available to make such repayment. Nothing herein contained shall obligate the Declarant to pay any Assessment with respect to a Lot within a separately platted phase or subdivision within the Property in which the Declarant owns all of the Lots.

**SECTION 10.06 Uniform Rate of Assessment.** Except as expressly provided to the contrary in this Master Declaration, Regular and Special Assessments of the Association shall be fixed at a uniform rate for all Lots.

**SECTION 10.07 Assessment Due Date.** The due dates for Regular, Special and Limited Assessments shall be the first day of the first month of each calendar quarter, unless some other due date is established by the Board. Each installment of an Assessment shall be delinquent if not paid within fifteen (15) days after the due date thereof. Nothing herein contained shall prohibit the Board from requiring that Special or Limited Assessments be paid in a lump sum instead of installments.

**SECTION 10.08 Interest and Penalties.** Any Regular, Special or Limited Assessment levied by the Association on Lots, and not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. Additionally, a late fee of \$25.00 shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. The right of the Board to charge interest or impose additional fines or charges shall be in addition to, and not in lieu of, any other right of enforcement or sanction available to the Board in the event of non-payment of an Assessment.

**SECTION 10.09 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 Master Declaration and further stating the dates to which Assessments have been paid by said Owner, it being intended that any such certificate delivered pursuant to this Section may be relied upon by any prospective purchaser or Mortgagee of said Lot, but reliance on such certificate may not extend to any default as to which the signer shall have had no actual knowledge. The Association shall have the right to charge a reasonable fee for the certification herein provided.

**SECTION 10.10 Notice and Quorum Requirements.** Notwithstanding anything to the contrary contained in either the Articles or the Bylaws of the Association, but subject to the rights of the Class B Member, written notice of any meeting called for the purpose of levying a Special Assessment described in Section 10.03, above, or a Limited Assessment described in Section 10.04, above, shall be sent to each Owner whose Lot is subject to the levy of such Special or Limited Assessment not less than ten (10) nor more than fifty (50) days in advance of the meeting. The presence of sixty five percent (65%) of the Owners, who have voting rights in the Association, either in person or by proxy, shall constitute a quorum. If the required quorum is not present, the meeting may be rescheduled by the Board for (i) the same date; or (ii) a date not later than sixty (60) days after the date of initial meeting. At the rescheduled meeting the presence of twenty percent (20%) of the Owners who have voting rights in the Association, either in person or by proxy, shall constitute a quorum. No written notice of the rescheduled meeting shall be required. Notwithstanding the foregoing, in a case involving the levying of a Limited Assessment on a Lot, as provided in Section 10.04, above, there shall be no requirement of a quorum at a meeting rescheduled because of

a lack of the required quorum at the initial meeting, and the Board may approve and levy such Limited Assessment even though the Owner of the Lot subject thereto is not present in person or by proxy.

## **ARTICLE XI ENFORCEMENT OF ASSESSMENTS**

**SECTION 11.01 Right to Enforce.** The right to collect and enforce payment of the Assessments made by the Association is vested in the Association. Each Owner of a Lot hereby agrees to the enforcement of the payment of all Assessments in the manner herein provided. In the event an attorney is employed for the collection of an Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of any of the terms and conditions of this Master Declaration, the Owner against whom such enforcement is sought shall pay reasonable attorneys' fees in connection therewith.

**SECTION 11.02 Creation of Assessment Liens.** There is hereby created a continuing claim of lien with power of sale on each and every Lot to secure payment of any and all Assessments levied against any and all Lots within the Property pursuant to this Master Declaration, together with interest thereon and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. Said lien shall be prior and superior to all other liens (including Mortgages and/or Deeds of Trust) or claims created subsequent to the recordation of this Master Declaration except only for: (i) valid tax and special assessment liens on Lots in favor of any governmental unit assessing authority; (ii) a lien for all sums unpaid and secured by a first Mortgage or first Deed of Trust, duly recorded in Ada County, Idaho, including all unpaid obligatory advances to be made pursuant thereto, in which the first Mortgagee has been given and made in good faith and for value, which first Mortgage or first Deed of Trust is of record as an encumbrance against such Lot prior to the recordation of an Assessment claim of lien; and (iii) labor or materialmen's liens, if the same are prior and superior by reason of applicable law. Except as expressly provided in this Section 11.02, 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 before, 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 as provided for in this Master Declaration.

All other lien holders acquiring liens on any Lot after recordation of this Master Declaration shall be deemed to consent that such liens shall be inferior liens to the lien for Assessments levied by the Association, whether or not such consent is specifically set forth in the instruments creating such other liens.

**SECTION 11.03 Notice of Assessment.** If an Owner fails to pay an Assessment within thirty (30) days of its due date, the Association shall prepare a written Notice of Assessment setting forth the type of Assessment, the amount of the Assessment, the due date thereof, including the amount and due date of installments (if the same are permitted), the amount remaining unpaid at the time of filing, the name of the record Owner of the Lot and a legal description of the Lot. Such Notice shall be signed by the President and Secretary of the Association, acknowledged by a Notary Public and recorded in the office of the Ada County Recorder. At such time as a delinquent Assessment which is described in the Notice is paid, the Association shall prepare and record a Notice of Satisfaction with respect thereto.

**SECTION 11.04 Enforcement.** Upon the failure of an Owner to pay an Assessment in accordance with its terms, the lien for Assessment herein created may be enforced by sale by the Association, such sale to be conducted in the manner provided by law in Idaho for the exercise of the power of sale in Deeds of Trust or in any other manner permitted by law elected by the Board. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any Assessments against the Lot which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal

sale and to acquire and thereafter hold, convey, lease, rent, encumber, use and otherwise deal with and in said Lot as the Owner thereof.

**SECTION 11.05 Notice Required.** Notwithstanding anything to the contrary contained in this Master Declaration, no action may be brought to foreclose the lien for any Assessment, whether by power of sale or otherwise, until the expiration of thirty (30) days after written Notice of Default has been deposited in the United States mail, certified or registered mail, postage prepaid, return receipt requested, addressed to the Owner of the Lot described in such Notice at the last known address of the Owner as shown on the books and records of the Association. Said Notice shall specify the amount and due date of the unpaid Assessment(s) and the legal description of the Lot.

**SECTION 11.06 Reporting.** The Association shall provide a Mortgagee with a copy of a Notice of Default served on an Owner under Section 11.05, above. The duty to give such Notice shall arise only after said Mortgagee furnishes to the Association written notice of a Mortgage (or Deed of Trust) which shall contain the following:

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

In the event the Association shall be required to notify a Mortgagee as herein provided, the Association shall assess the Owner who is delinquent an amount for such notification and such charge shall be a cost of collection secured by the Assessment lien described in Section 11.02, above, as such amount is determined by the Board from time to time.

**SECTION 11.07 Non-Exclusive Remedy.** The remedies set forth in this Article or elsewhere in this Master Declaration shall not be deemed to be an exclusive remedy and the Association may pursue all other remedies available at law or in equity.

## ARTICLE XII ARCHITECTURAL CONTROL COMMITTEE

**SECTION 12.01 Members of the Committee.** The ACC shall be comprised of a minimum of two (2) persons, all of whom shall be appointed as herein provided. A member of the ACC shall hold office until he has resigned or has been removed, but in any event, until said member's successor has been appointed. Members of the ACC may be removed at any time, with or without cause.

**SECTION 12.02 Appointment.** All members of the ACC shall be appointed or removed by the Board. The ACC shall have the right by a resolution in writing unanimously adopted, to designate one (1) of its

members to take any action or perform any duties for and on behalf of the ACC. In the absence of such designation, the vote of any two (2) members of the ACC shall constitute an act of the ACC.

**SECTION 12.03 Compensation.** The members of the ACC shall not receive any compensation for services rendered, but shall be reimbursed for actual expenses incurred by them in the performance of their duties hereunder. Nothing herein shall prohibit or restrict the ACC from contracting with a member of the ACC who is professionally qualified as an architect, engineer or designer for the review of the plans and specifications described in Section 12.07, below.

**SECTION 12.04 Non-Liability.** Neither the Board, ACC, Declarant (and in the case of an Owner, the Association), or any member, partner, officer, employee, agent, successor or assign thereof, shall be liable to the Association, any Owner or any other person, for any claim, cost, loss, damage or injury arising out of or connected with the performance of the powers, duties and/or responsibilities in the Property Documents, by reason of a mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve an application, and/or determinations related to violations and enforcement of this Master Declaration and/or ACC Rules/ACC Standards. Every person who submits an application to the ACC for approval of plans and specifications agrees, by submission of such an application, and every Owner or Resident of any Lot agrees, by acquiring title thereto or an interest therein, not to bring any action or suit against the Association, the ACC, or any member thereof, or the Declarant or any officer, partner, employee, agent, successor or assign regarding the above.

**SECTION 12.05 Approval Required.** No construction, alteration, modification, removal or destruction of any Improvements of any nature whatsoever, whether real or personal in nature, shall be initiated or be permitted to continue or exist within the Property without the prior express written approval of the ACC.

**SECTION 12.06 Variances.** The ACC may authorize variances from compliance with the requirements of any conditions and restrictions contained in this Master Declaration, the ACC Rules/ACC Standards, or any prior approval when, in the sole discretion of the ACC, circumstances such as topography, natural obstructions, aesthetics or environmental considerations or hardship may so require. Such variances must be evidenced in a writing signed by at least two (2) members of the ACC.

If a variance is granted as provided herein, no violation of this Master Declaration, ACC Rules/ACC Standards or prior approval shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Master Declaration or the ACC Rules/ACC Standards for any purpose except as to the particular subject matter of the variance thereof and the specific Lot covered thereby.

The ACC shall have the right to consider and grant a variance as herein provided either with or without notice to other Owners or a hearing of Owners thereon.

The granting of a variance by the ACC pursuant to this Section shall not relieve the Owner from the obligation to fully comply with the ordinances of the City of Meridian, Idaho, applicable to the Property.

**SECTION 12.07 Application.** To request ACC approval for the construction, alteration, modification, removal or demolition of any Improvements within the Property, the Owner shall submit a written application in a form required by the ACC which must be signed by the Owner and contain all information requested and be accompanied by all other material to be submitted as hereafter provided.

All applications must contain, or have submitted therewith, the following material (collectively called "plans and specifications") prepared in accordance with acceptable architectural standards and submitted with the application form, if any, approved by the ACC:



(a) **Site Plan.** A site plan showing the location of the Building(s) and all other structures and Improvements including fences and walls on the Lot, Lot drainage and all setbacks, curb cuts, driveways, parking areas and other pertinent information relating to the Improvements;

(b) **Building Plan.** A building plan which shall consist of preliminary or final blueprints, elevation drawings of the north, south, east and west sides, and detailed exterior specifications which shall indicate, by sample if required by the ACC, all exterior colors, materials and finishes, including roof, to be used;

(c) **Landscape Plan.** A landscape plan for portions of the Lot to be landscaped, which shall show the location, type and size of trees, plants, ground cover, shrubs, berming and mounding, grading, drainage, sprinkler system, fences, freestanding exterior lights, driveways, parking areas and walkways, and which will promote water efficient landscape practices in compliance with applicable ACC Rules/ACC Standards; and

(d) **Evidence of Cost.** Such evidence of the cost of the Improvements as shall be satisfactory to the ACC to assure compliance with the requirements, if any, of the ACC Design Standards.

The ACC may, in its discretion, require the Owner to furnish additional specifications, drawings, material samples or such other information as the ACC, in its sole discretion reasonably exercised, shall deem necessary or convenient for the purpose of assisting the ACC in reviewing and processing the application.

**SECTION 12.08 Completion Security Deposit.** At the time of the submission of the application under Section 12.07, above, the Owner shall deposit with the ACC, as a completion security deposit (hereafter "Completion Deposit"), as such amount is determined by the ACC from time to time. The Completion Deposit shall be held by the ACC as security for the completion by the Owner of the Improvements on the Lot as approved by the ACC, as required by for the completion of Improvements described in Section 5.03 and landscaping as provided in Section 5.15. If an Owner meets the completion deadlines and requests return of the Completion Deposit in writing within sixty (60) days after such deadlines have passed, the Completion Deposit shall be returned to the Owner without interest. If the Owner fails to complete such Improvements, and/or fails to request return of such Completion Deposits within such designated periods stated above, the ACC shall have the right to: (a) deduct from such Completion Deposit the amount of any penalties, off-sets and costs as set forth in this Master Declaration or the ACC Rules/ACC Standards, including any costs which may be paid or incurred by the Association or a third party to complete or remove such Improvements, as the case may be; and (b) deduct the Inspection Fee(s) payable by an Owner to the ACC under Section 12.17, from the Completion Deposit. Any remaining Completion Deposit shall be forfeited by Owner, and shall be retained for the Association's and/or the ACC's use for any purpose, free and clear of any interest of the Owner.

**SECTION 12.09 Decision.** In reviewing the application and the materials submitted therewith and in reaching a decision thereon, the ACC shall use its best efforts and judgment to assure that all Improvements shall produce and contribute to an orderly and aesthetically complementary design and appearance and be of the quality required to maintain the Property as a quality residential development.

Unless extended by mutual consent of the Owner and the ACC, the ACC shall render its decision with respect to an application within forty-five (45) days after the receipt of a properly submitted application. The decision of the ACC can be in the form of an approval, a conditional approval or denial. The decision of the ACC shall be in writing, signed by a member of the ACC, dated, and a copy thereof mailed to the Owner at the address shown on the application.

A conditional approval shall set forth with particularity the conditions upon which the application is approved and the Owner shall be required to affix a copy of said conditions to the working drawings or blueprints which are to be kept on the job site during the entire course of the work to which said plans relate.

A denial of an application shall state with particularity the reasons for such denial.

**SECTION 12.10 Inspection and Complaints.** The ACC is empowered to inspect all work in progress on any Lot at any time. Such inspection shall be for the purpose of determining whether the Owner is proceeding in accordance with the approved application or is deviating therefrom or is violating this Master Declaration or the ACC Rules/ACC Standards or the approved plans and specifications.

The ACC is empowered to receive from other Owners ("Complainant") complaints in writing involving deviations from approved applications or violations of this Master Declaration or any applicable ACC Rules/ACC Standards. In the event the ACC receives such a complaint from a Complainant, it shall first determine the validity of such complaint by inspection or otherwise.

Should the ACC determine that there has been a deviation or a violation, it shall promptly issue a notice in writing thereof to the Owner and to the Complainant, which notice shall specify the particulars of the deviation or violation and shall demand that the Owner conform to either or both of the following directives:

- (a) The Owner shall immediately cease the activity which constitutes a deviation or violation; and
- (b) The Owner shall adhere to the corrective measures set forth in the written notice.

Should the ACC determine there has been no deviation or violation, it shall promptly issue a notice of such determination to the Owner and the Complainant.

**SECTION 12.11 Hearing.** An Owner submitting an application under Section 12.07, above, or served with a written notice of deviation or violation, or a Complainant shall have the right to request and be heard at a hearing held by the ACC for the purpose of presenting facts and information to the ACC. Such hearing must be requested by such party within ten (10) days from the date the written notice of the decision of the ACC is mailed to the Owner (and Complainant) as evidenced by the records of the ACC. The hearing shall be held within ten (10) days following receipt by the ACC of the request for a hearing, unless the ACC shall extend said period of time because of the unavailability of ACC members. A hearing may be continued by the ACC for the purpose of further investigation or to receive additional evidence. Upon completion of the hearing, the ACC shall issue a written opinion to the involved parties within ten (10) business days thereafter which opinion shall set forth the findings of the ACC with respect to the matters at issue and shall affirm, modify or rescind its previous decision as contained in the original written notice. If the ACC incurs any costs or expenses in connection with the investigation, processing or hearing on a matter involving a deviation or violation, including the costs of retaining a consultant(s) to advise the ACC and legal fees, such costs shall be paid by the Complainant unless an Owner is found to be in violation, in which event such Owner shall pay all such costs. The payment of such costs shall be enforceable as provided in Section 12.13, below.

**SECTION 12.12 Appeal.** Either an Owner or a Complainant shall have the right to appeal to the Board a decision of the ACC on an application with respect to the conditions imposed thereon or a denial thereof, or a decision of the ACC adverse to the Owner or the Complainant reached following a hearing held pursuant to Section 12.11, above, provided, however, that neither an Owner nor a Complainant shall be

entitled to such an appeal with respect to deviations or violations unless said Owner or Complainant has participated in the ACC hearing.

A notice of appeal shall be in writing and shall be delivered by mail to the Secretary of the Board within ten (10) days from the date of the decision by the ACC. Said notice of appeal shall be dated and shall contain the name of the Owner and the Complainant, if any, and a copy of the written decision or determination of the ACC. The failure of an Owner or Complainant to appeal a decision of the ACC in the manner and within the time herein provided shall terminate all rights of said Owner or Complainant to appeal said decision and it shall be binding and enforceable.

The Board shall fix a date for the hearing of such an appeal which date shall be no later than ten (10) days from the date of receipt of a notice of appeal unless extended by the Board because of the unavailability of Board members. The Owner and Complainant, if any, shall be advised of the time and place of the hearing by a mailed written notice. Written notice of time and place for hearing shall also be served by mail upon each member of the ACC.

The Board may require the Owner or Complainant to provide additional information to facilitate the Board's decision and the failure of such party to comply promptly with such a request shall entitle the Board to deny the appeal, in which event the decision by the ACC shall be considered final and not subject to further appeal.

At the hearing the Owner, Complainant, if any, and the ACC, together with their representatives and other witnesses, shall present their position to the Board. The order of presentation and the evidence to be admitted shall be solely within the discretion of the Board provided, however, that the Owner, the Complainant, if any, and the ACC shall have the opportunity to question and cross-examine witnesses presented by the other. The Owner, the Complainant, if any, and the ACC will have the opportunity to present final argument consistent with rules adopted by the Board for such hearing process. Any party may be represented by an attorney at any hearing by the ACC or the Board.

Upon receiving all of the evidence, oral and documentary, and following the conclusion of the hearing, the Board shall retire to deliberate and shall reconvene at a time and place determined by the Board, at which time the Board shall cast its official ballot and the decision shall be duly recorded in the minutes of the meeting. The Owner, the Complainant, if any, and the ACC members shall be given written notice of the decision which shall be deemed given when deposited in the United States mail, postage prepaid and properly addressed.

If the Board incurs any costs or expenses in connection with the investigation, processing or hearing on an appeal, including the costs of retaining a consultant(s) to advise the Board and legal fees, such costs shall be paid by the party(s) filing the appeal unless the decision by the Board constitutes a substantial reversal of the decision of the ACC, in which event such costs shall be paid by the Association. If the party filing the appeal is obligated to pay such costs, payment of the same shall be enforceable as provided in Section 12.13, below.

A decision of the Board of an appeal shall be final and shall not be subject to reconsideration or further appeal.

**SECTION 12.13 Enforcement.** The ACC, upon approval by the Board, shall be authorized on behalf and in the name of the Association to commence such legal or equitable proceedings as are determined by it to be necessary or proper to correct or enjoin any activity or condition existing within the Property, the continuation of which violates the provisions of this Master Declaration, the ACC Rules/ACC Standards or the approved plans and specifications.

The ACC shall not commence such legal or equitable proceedings until a written notice of the deviation or violation has been appropriately prepared and given to the Owner but thereafter the ACC shall have the sole discretion to commence such proceedings.

The authority of the ACC as herein provided shall include the power to retain legal counsel and expert witnesses, pay filing fees, deposition costs, witness fees and all other ordinary and necessary expenses incurred in commencing and carrying out said legal or equitable proceedings, all of which costs shall be paid by the Association.

In the event the ACC and/or Association shall prevail in any such legal or equitable proceedings, all costs and expenses incurred in connection therewith including, but not limited to, attorneys' fees shall be reimbursed to the Association by the Owner against whom said proceedings are filed and upon the failure of said Owner to reimburse the Association within five (5) days after written demand therefor is mailed to the Owner, the Association shall have the right to levy a Limited Assessment against the Owner and the Lot owned by the Owner which Assessment shall be equal to said costs and expenses incurred plus any additional costs and expenses incurred in levying the Assessment. Said Limited Assessment shall be due and payable at such time or in such installments as may be determined by the Board, in its sole discretion. The failure of the Owner to pay said assessments, or any installment thereof when due, shall be enforceable in the manner provided in Article X, above.

**SECTION 12.14 Additional Damages.** In addition to the costs and expenses to be reimbursed by the Owner or the Complainant, all other costs, expenses and damages determined by the Board to be proximately caused by the deviation or violation or the costs and expenses incurred by the Association to correct the same shall be assessed as a Limited Assessment against the Owner and the Lot owned by said Owner, or the Complainant and the Lot owned by the Complainant, as the case may be, which Limited Assessment shall be due and payable at such time or in such installments as determined by the Board, in its sole discretion. The right of the Board to enforce said Limited Assessment shall be the same as provided in Article X, above.

**SECTION 12.15 Non-Exclusive Remedy.** The right of the Association to levy a Limited Assessment as described in Section 10.04, above, shall not be deemed to be an exclusive remedy of the Association and it may, in its sole discretion, without waiver of any other legal or equitable remedy, pursue enforcement of the lien of said Limited Assessment(s), proceed to collect any amount due directly from the Owner and/or pursue any other remedies available at law or in equity.

**SECTION 12.16 Private Rights.** The Association shall not mediate or litigate a "private dispute" between Owners. As used herein, a "private dispute" shall mean a dispute to which either of the following apply: (i) the Association has determined that there is no violation of this Master Declaration or the ACC Rules/ACC Standards, or other Property Documents; and/or (ii) in the sole discretion of the Board, the Board determines that the neither the interests of the Association or a substantial number of the Owners would be benefitted by the Board and/or the Association's mediation and/or litigation of such dispute.

**SECTION 12.17 Inspection Fee(s).** The ACC shall have the right to charge an Owner an inspection fee (hereafter "Inspection Fee") as determined by the ACC from time to time for each inspection of the Improvements constructed on a Lot if the initial inspection, which shall be performed by the ACC without cost to the Owner, reveals that the Improvements do not comply with the approved application or is deviating therefrom or is violating this Master Declaration or the ACC Rules/ACC Standards or the approved plans and specifications, and an additional inspection(s) is required to assure such compliance. Any collection of Inspection Fee(s) so charged by the ACC to an Owner shall be enforceable as provided in Section 12.13, above.

**ARTICLE XIII**  
**ANNEXATION**

**SECTION 13.01 Annexation.** Additional property may be annexed to the Property and brought within the provisions of this Master Declaration by the Declarant, at any time, without the approval of any Owner or the Association. To annex additional property to the Property, the Declarant shall record a Supplemental Declaration to this Master Declaration which shall specify the annexation of the additional property to the Property and which may supplement this Master Declaration with additional, amended or different covenants and restrictions applicable to the annexed property, as the Declarant may deem appropriate, and may delete or modify as to such annexed property such covenants as are contained herein which the Declarant deems not appropriate for the annexed property, so long as the additional, different, deleted or modified covenants or restrictions. Upon such annexation, the Owners of the Lots within the annexed property shall become members of the Association with all rights, privileges and obligations as all other members as provided in this Master Declaration. The amendment of this Master Declaration as authorized by this Section, to annex additional property to the Property, shall be controlled by the provisions of this Section and shall be expressly excluded from the requirements of Section 14.02 of this Master Declaration.

**SECTION 13.02 De-Annexation.** The Declarant shall have the right to delete all or a portion of the Property from the coverage of this Master Declaration and the jurisdiction of the Association, so long as the Declarant is the Owner of all of the property to be de-annexed and, provided further, that an appropriate amendment to this Master Declaration is recorded in the office of the Ada County Recorder.

**ARTICLE XIV**  
**MISCELLANEOUS**

**SECTION 14.01 Term.** This Master Declaration and all covenants, conditions, restrictions and easements contained herein shall run until December 31, 2044, unless amended or terminated as in accordance with Section 14.02. After December 31, 2044, said covenants, conditions, restrictions and easements shall be automatically extended for successive period of ten (10) years each, unless amended or terminated as in accordance with Section 14.02.

**SECTION 14.02 Amendment.** From and after the Effective Date until the Class B Termination Date, the Class B Member shall have the exclusive right to amend or terminate this Declaration by executing a written instrument setting forth such amendment or termination, and the same shall be effective upon the recordation thereof with the Ada County Recorder's Office. From and after the Class B Termination Date, any amendment to this Declaration or termination hereof shall be by a written instrument setting forth such amendment or termination, signed and acknowledged by the president and secretary of the Association, certifying and attesting that such amendment or termination has been approved by the vote or written consent of Members representing a majority of the total voting power in the Association, and the same shall be effective upon the recordation thereof with the Ada County Recorder's Office.

**SECTION 14.03 Books and Records.** All accounting books and records, and meeting minutes of the Board and Association, and any other records determined by the Board in its sole discretion, shall be made available for inspection and copying by any Owner or by his duly authorized representative, at any reasonable time and for a purpose reasonably related to his interest as a member in the Association, or at such other place and time as the Board shall prescribe.

**SECTION 14.04 Non-Waiver.** The failure of the Declarant, the Board or any Owner in any one or more instances to insist upon the strict performance of any of the covenants, conditions, restrictions, easements or other provisions of this Master Declaration or to exercise any right or option contained herein, or to serve any notice or to institute any action, shall not be construed as a waiver or relinquishment for the future of

such covenant, condition, restriction, easement or other provision, but the same shall remain in full force and effect.

**SECTION 14.05 Acceptance.** Each Owner of a Lot, each purchaser of a Lot under a contract or agreement of sale and each holder of an option to purchase a Lot, by accepting a deed, contract of sale or agreement or option, accepts the same subject to all of the covenants, conditions, restrictions, easements and other provisions set forth in this Master Declaration and agrees to be bound by the same.

**SECTION 14.06 Indemnification of Board Members.** Each member of the Board and each member of the ACC shall be indemnified by the Owners against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which said member may be a party or in which said member may become involved, by reason of being or having been a member of the Board or the ACC, or any settlement thereof, whether or not said person is a member of the Board or ACC at the time such expenses or liabilities are incurred, except in such cases wherein said person is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that in the event of a settlement, the indemnification shall apply only when the Board or the ACC approves such settlement and reimbursement as being in the best interest of the Association or Owners. This Section shall extend to and apply also for the indemnification of the Declarant during the initial period of operation of the Association or prior thereto during the period the Declarant is exercising the powers of the Association.

**SECTION 14.07 Notices.** Any notice permitted or required to be delivered as provided in this Master Declaration shall be in writing and shall 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 the same has been deposited in the United States mail, postage prepaid, properly addressed.

**SECTION 14.08 Interpretation.** The provisions of this Master Declaration and any Supplemental Declaration shall be liberally construed to effectuate the Property Objectives set forth in Article IV, above, and shall be construed and governed by the laws of the State of Idaho. 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 include the masculine, feminine or neuter. All captions and titles used in this Master Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

**SECTION 14.09 Severability.** Notwithstanding the provisions of the preceding Section, each of the provisions hereof shall be deemed independent and severable and the invalidity or unenforceability of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

**SECTION 14.10 Not a Partnership.** The provisions of this Master Declaration are not intended to create, nor shall they be in any way interpreted or construed to create a joint venture, partnership or any other similar relationship between the Owners, including the Declarant.

**SECTION 14.11 No Third Party Beneficiary Rights.** This Master Declaration is not intended to create, nor shall it be in any way interpreted or construed to create, any third party beneficiary rights in any person not an Owner or an occupant, unless otherwise expressly provided herein.

**SECTION 14.12 Injunctive Relief.** In the event of any violation or threatened violation by any person of any of the covenants, easements and restrictions contained in this Master Declaration, the Declarant, the Association, and/or any or all of the Owners shall have the right to enjoin such violation or threatened violation in a court of competent jurisdiction. The right of injunction shall be in addition to all other remedies set forth in this Master Declaration or provided by law.

**SECTION 14.13 Breach Shall Not Permit Termination.** It is expressly agreed that no breach of this Master Declaration shall entitle any Owner to terminate this Master Declaration, but such limitation shall not affect in any manner any other rights or remedies which such Owner may have hereunder by reason of any breach of this Master Declaration. Any breach of this Master Declaration shall not defeat or render invalid the lien or security of any lien holder made in good faith for value, but this Master Declaration shall be binding upon and be effective against any Owner whose title is acquired by foreclosure, trustee's sale or otherwise.

**SECTION 14.14 Attorney's Fees.** In the event any person initiates or defends any legal action or proceeding to interpret or enforce any of the terms of this Master Declaration, the prevailing party in any such action or proceeding shall be entitled to recover from the losing party in any such action or proceeding the prevailing party's reasonable costs and attorney's fees, including the same with respect to an appeal.

**SECTION 14.15 Force Majeure.** The period of time provided in this Master Declaration for the performance of any act shall be extended for a period or periods of time equal to any period or periods of delay caused by strikes, lockouts, fire or other casualty, the elements or acts of God, refusal or failure of governmental authorities to grant necessary permits and approvals for the act (the parties agreeing to use reasonable diligence to procure the same), or other causes, other than financial, beyond their reasonable control.

**SECTION 14.16 License of Cadence Trademark.**

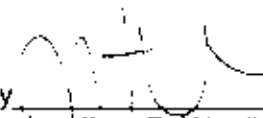
As of the Effective Date, the Property is marketed as a "Cadence" community. "Cadence" and its stylized logo are registered trademarks owned by Brighton Studio Inc., an affiliate of Declarant ("Licensor"). Each Owner by acceptance of a deed for such Owner's Lot shall be deemed to acknowledge that: (a) "Cadence" and its stylized logo are service marks and trademarks of Licensor or its licensees; (b) the Association's right to use "Cadence" and its stylized logo in connection with the Property is governed by that certain Trademark License Agreement between Licensor and the Association (the "Trademark License Agreement"); (c) the Association shall not have the right to use "Cadence" or its stylized logo in connection with the Property in the event the Trademark License Agreement is terminated in accordance with its terms; and (d) such Owner shall not use the term "Cadence" or its stylized logo without the prior written permission of Licensor.

[END OF TEXT; SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF the Declarant has executed this Master Declaration as of the Effective Date.

**DECLARANT:**


**BRIGHTON DEVELOPMENT INC.,** an Idaho corporation

By   
Jonathan D. Wardle, President

STATE OF IDAHO     }  
                                      } ss:  
County of Ada        }

On this 22nd day of September, 2020, before me, the undersigned, a Notary Public in and for said State, personally appeared **JONATHAN D. WARDLE**, known or identified to me to be the President of **BRIGHTON DEVELOPMENT INC.**, an Idaho corporation, the company that executed the foregoing instrument or the person who executed the foregoing instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

  
Notary Public for Idaho  
My Commission Expires: 4/15/2023





**EXHIBIT A**

ACC Rules / ACC Standards

(See Following Pages)

# **Paramount Director Subdivision**

## **Architectural Design Standards & Construction Guidelines**

**September 2020**

The Architectural Design Standards and Construction Guidelines, as contained herein, are to be used as guidelines for the owner and builder in preparing plans and specifications for any proposed construction or improvement in Paramount Director Subdivision and for maintaining an orderly construction environment. These guidelines are used by the Architectural Control Committee (ACC) in conjunction with the Master Declaration of Covenants, Conditions, Restrictions, and Easements (CC&R's). Paramount Director will be comprised of several individual areas or neighborhoods, each of which may have similar but varying requirements. The ACC reserves the right to grant variances or modify these standards as it deems appropriate.

#### **I. Submittals Required for Architectural Control Committee Approval:**

All submittals required for Architectural Control Committee review and approval shall be accompanied by the submittal form adopted by the ACC. The following items shall be submitted to the Architectural Control Committee for approval. All elevations must have the same scale. The ACC may request additional material to be submitted at its discretion:

- Site Plan showing the lot boundary and the proposed location of all improvements, including all structures, driveways, sidewalks, fences, outdoor lighting, etc. Show all easements and proposed setbacks. Indicate the proposed grading and drainage away from the proposed residence and adjacent lots.
- Elevations depicting front, rear and side elevations including proposed material finish descriptions.
- Specifications describing the materials and finishes proposed for exterior construction
- Landscape plan showing proposed landscape layout, including legend of plant types and sizes.
- Colors proposed for all exterior finishes, including paint colors, brick, stone, and stucco finishes.

#### **All submittals and inquiries will be made to:**

Paramount Director Architectural Control Committee  
c/o Brighton Corporation  
2929 W. Navigator Drive, Suite 400  
Meridian, ID 83642  
Telephone: 208-378-4000; Fax: 208-377-8962

Prior to the commencement of construction, the Owner or Builder shall obtain written approval of the proposed improvements from the Architectural Control Committee. Such approval may be conditioned upon submittal and approval of the landscape plan and the exterior colors. If construction is commenced prior to such conditional approval or landscaping is not completed in a timely manner as required by the CC&R's and the Architectural Design Standards and Construction Guidelines.

#### **II. Design Standard**

- A. Solar Panels:** Solar panels must be approved by ACC prior to installation. If approved, they shall be commercially manufactured and well maintained. Preferred installation of solar panels shall not be visible from the front elevation of the home. The color of solar panels shall be black to match the existing roof and shall be recess mounted (flush) with no visible piping.
- B. Exterior Paint Colors:** Exterior wall colors and trim colors are subject to prior written approval by ACC. Colors must be selected for their harmony with each other and the overall aesthetic goals of Paramount Director.
- C. Roof:** Roofs shall be 30-year or better architectural asphalt shingles. Color shall be Black. Other roofing materials or colors are subject to written ACC approval.

- D. Rain Gutters:** A complete rain gutters and downspout installation is required. All components shall match the color of the surface to which they are attached.
- E. Chimneys:** Chimneys may be restricted for size and location. All full height chimneys shall have an architectural metal chimney enhancer cap that fully encloses the chimney pipes and painted as approved by the ACC.
- F. Garages and Driveways** Garages must be oriented to reduce the visual impact of the garage doors on any street-facing facade. No more than two garage bays may face directly to the street. Side-entry garages are encouraged where ever possible for all lots in the community.

Interiors of garages shall be sheetrocked, taped, sanded or textured and painted. Interior wood trim around doors and windows shall be painted.

Driveways shall not extend more than two feet past the edge of the garage doors and shall be minimized at the sidewalk and curb where practical to provide additional space for landscaping.

- G. Detached Storage Sheds:** All vehicles, trailers, tools, and equipment shall be stored out of view in enclosed structures. A maximum of one (1) detached storage facility, such as storage shed, may be allowed and shall be of the same construction, finish, and color as proposed and approved for the house. Size and location may be restricted. Any such structure shall be placed on a concrete pad in a location approved by the ACC. Depending on location, additional landscaping may also be required. Metal storage sheds or other dissimilar structures are prohibited. The ACC encourages the storage of boats, RV's, camp trailers and other similar vehicles or trailers in offsite storage facilities.

The following requirements must also be considered and approved prior to constructing or placing a storage shed:

- A building permit is required if the structure is over 200 s.f. or attached to the primary residence.
- Structure cannot be over eight feet (8') in height to midpoint of roof (measured between the roof peak and eaves).
- Structure cannot be placed in the front yard or side yard due to setback requirements.
- Sometimes the structure can be placed in the rear yard setback but cannot encroach in the side yard setback. The side yard setback extends all the way to the rear of the property. Some rear setbacks also contain utility easements and therefore construction is prohibited.

The building envelope is the area within all of the property setbacks and easements. There is generally no restriction for construction within the building envelope.

- H. Fences:** Without proper design, construction, and maintenance standards, perimeter fencing can often present a hodgepodge look, which can rapidly deteriorate and degrade the character of the neighborhood.

Prior to the construction of any fence, plans shall be submitted to and approved in writing by the ACC. The submittal shall include a site plan showing the location of fencing proposed, including setback dimensions, and shall designate the type and height of fence proposed. Depending on location, ACC may require an on-site inspection prior to fence construction.

**Wood Fencing and Wrought Iron Fencing:** All fencing shall be constructed according to the approved fence specifications, and shall be maintained by the Owner in good repair.

**Perimeter Wood fencing** shall be completely stained with semi-solid pigmented wood finish:

**Brand:** Sherwin Williams  
**Color Code:** South Tahoe Brown (SW8609)

**Wrought iron fencing shall be black**, unless otherwise approved in writing by the ACC.

**Fencing Restrictions:**

**Height Restrictions:** Wood (privacy fencing) shall be 4 feet or 6 feet high, unless otherwise approved by the ACC. Wrought iron shall be 5 feet.

**Other Fencing Requirements:**

Wherever possible, adjoining lots shall use common corner posts.

Front fence setbacks shall be a minimum of 2 feet behind the principle setback of the house on each side of the lot

Transitions in fence height shall be accomplished by stepping, (not angling) the fence top.

Where a 4 foot fence abuts a park, pathway, or Common Area Landscaping, fences perpendicular to and tying in to the 4 foot high fence shall remain at 4 feet high for a minimum of 8 feet before stepping up to 6 feet high.

- I. Dog Runs:** Dog Runs must be approved by ACC prior to installation. Size and location may be restricted. If approved, they shall be commercially manufactured and well maintained.
- J. Landscaping:** For Landscape renovations a landscape plan shall be prepared and submitted to the Architectural Control Committee for approval. Although certain minimum standards for each lot type have been established, additional landscaping is encouraged and may be required by the ACC. The ACC will consider how the proposed landscaping blends with and promotes the overall aesthetics of the site in conjunction with structures. The use of berms and clustered planting groups such as garden beds with trees, shrubs and flowers will be encouraged.

Exterior mounted utility meters, heat pumps, air conditioners, and other such equipment shall be properly screened from view of the street and surrounding homes by landscaping or fencing.

Owners are responsible for the replacement of landscaping upon completion of construction.

- K. Exterior Lighting:** Each home shall provide front yard exterior lighting by one of the following methods:
  - a.** A front yard light on masonry monument with a 60 watt bulb shall be installed within 10 feet of the front property line. The light shall have a photosensitive switch that automatically activates the light in the evenings. The masonry monument pole will be consistent with the exterior material selection for the home.
  - b.** A minimum of two wall mounted lights with a 60 watt bulb or canned lighting shall be installed at the front of each home in a location that will provide light to the front yard and adjoining street. The lights shall have photosensitive switches that automatically activate the lights in the evenings.
  - c.** Other approved lighting includes normal entrance lights on porches, garages, and other entries to the home providing they do not exceed 100 watts each. High watt fixtures intended for lighting back yard play areas may be permitted with the approval of the ACC. Such fixtures must be mounted in an unobtrusive manner and shall not unduly illuminate

neighboring properties and shall not be operated at late hours that cause a nuisance to neighboring property owners.

**ii. Community Guidelines**

- L. Mailboxes:** Cluster Mailboxes will be provided by the developer. No exceptions or substitutions are permitted.
- M. Basketball Equipment:** Permanent or temporary basketball standards are not allowed.
- N. Antennae:** Exterior radio antennae, television antennae or other antennae, including satellite dishes, must be approved in writing by ACC prior to installation.
- O. Political Signs:** Owners may put one (1) standard sized yard sign not to exceed six square feet (6 sf) during an election campaign. Signs may not be placed 90 days prior to the election and must be removed 10 days following the election. Political banners and flags are prohibited as well as any signs containing vulgar wording or pictures. Signs must be placed in the front yard only and shall not cause any visual impediment or access to common areas.
- P. Flag Poles:** Owners are limited to the display of two (2) of the following types of flags:
  - a. The flag of the United States of America;
  - b. The flag of the State of Idaho;
  - c. The POW/MIA flag; or
  - d. An official or replica flag of any branch of the United States armed forces.

All flags shall be maintained in good condition and any deteriorated flag shall be repaired, replaced or removed.

- Q. Play Structures:** Outdoor play structures are not allowed.
- R. Trampolines:** Outdoor trampolines a not allowed.
- S. Side Yard Easements:** For those homesites with side yard easements, Dominant side homeowners are prohibited from installing permanent improvements within setbacks of Servient side's home.
- T. Holiday Decorations:** Holiday decorations may be installed 30 days prior to the holiday and must be removed within 30 days after the holiday.

END

## **EXHIBIT B**

### Side Yard Easements – Phase II

#### **DECLARATION OF SIDE-YARD EASEMENTS Paramount Director No. 2**

THIS DECLARATION OF SIDE-YARD EASEMENTS ("Declaration") made Declarant, shall be a perpetual easement running with the land and shall inure to the benefit of and be binding upon a Lot Owner and their respective assessors and assigns including, without limitation, all subsequent Lot Owners and all persons claiming under and through them

#### **RECITALS:**

- A. Declarant was the owner of certain real property that have been subdivided and platted into 122 buildable lots ("Lots") in Paramount Director Subdivision – Phase 2, according to the official plat thereof filed in Book 112 of Plats at Page 16463, records of Ada County, Idaho ("Paramount Director No. 2").
- B. Declarant developed the Lots within Paramount Director No. 2 with the intent that the Owners of such Lots shall have the beneficial use of adjacent side-yards between buildings as additional outdoor living space, with such benefits and burdens, terms and conditions, on all affected Lots, as further described herein.

#### **DECLARATION**

NOW, THEREFORE, the Declarant, hereby declares the following conditions, covenants, restrictions and easements with regard to the Subdivision:

1. **Grant of Side-Yard Easement.** The Declarant, hereby grants, declares and creates an easement, not to exceed ten feet (10') in width, (hereafter "Side-Yard Easement") on, over, along and across any Lot (hereafter "Servient Lot") within Paramount Director #2, which Side-Yard Easement shall be adjacent to and along the whole of the side yard lot line that abuts an adjacent Lot (hereafter "Dominant Lot"), which Side-Yard Easement shall be for the sole and exclusive use of the Dominant Lot, provided that there shall be only one (1) such Side-Yard Easement on each Servient Lot. The Servient Lot and Dominant Lot for Paramount Director #2 are identified on Exhibit A-1 and Exhibit A-2.

2. **Easement Area.** Each Side-Yard Easement shall be located in the area from the common property line shared between the Dominant Lot and the Servient Lot to (but not including) the building wall located on the Servient Lot, and the area between to (and including) the fence, as generally shown on Exhibit B, which depiction is for example purposes and the Side-Yard Easement for each such Dominant Lot and Servient Lot shall be the area described herein as actually constructed.

3. **Maintenance, Repairs and Further Improvements.** The Dominant Lot owner shall be responsible for the maintenance, repair and/or replacement of all improvements within the Side-Yard Easement, including the fence within the Side-Yard Easement, at such Owner's sole expense, unless such maintenance, repair or replacement is caused by the Servient Lot owner, in which event, such

maintenance, repair or replacement shall be the Servient Lot owner's sole expense. Except for the fence, no improvements may be affixed to the wall of the Servient Lot's building without such Servient Lot Owner's written consent. The wall of the Servient Lot's building is not included in the Side-Yard Easement and shall be maintained, repaired and replaced by the Owner of the Servient Lot at such Owner's sole expense; provided that such Owner shall have access to the wall for the same. The Servient Lot owner may not construct any improvements, landscaping or encroachments within the Side-Yard Easement.

4. Covenants Running with Land – No Termination. Each Side-Yard Easement herein shall be a perpetual easement running with the land and shall inure to the benefit of and be binding upon the owner of the Servient Lot and the Dominant Lot and their respective assessors and assigns including, without limitation, all subsequent owners of either the Servient Lot or the Dominant Lot and all persons claiming under and through them. Each Side-Yard Easement shall not terminate by lapse of time, non-use or lack of maintenance and cannot be separated from the Dominant Lot or transferred or assigned by the owner of the Dominant Lot separate from the conveyance of fee title to the Dominant Lot. A conveyance of fee title to the Dominant Lot shall constitute a conveyance, transfer, and assignment of all right, title and interest in and to the Side-Yard Easement to the recipient of fee title to the Dominant Lot notwithstanding any provision in the document(s) of conveyance to the contrary if such document(s) of conveyance is silent with respect to such Side-Yard Easement.

5. Right of Access by Servient Lot. Notwithstanding the exclusive nature of the Side-Yard Easements, the owner or occupant of the Servient Lot, and their employees, agents and contractors shall have the right to enter upon the Side-Yard Easement located on the Servient Lot, if such entry is necessary for the maintenance, repair or restoration of the improvements located on the Servient Lot. Any such entry by the owner or occupant of the Servient Lot, or their employees, agents or contractors, shall be at such time(s) and intervals as shall minimize the inconvenience of the owner or occupant of the Dominant Lot. The owner or occupant of the Servient Lot shall be responsible for the repair of any damage to any property, including landscaping, located on the Side-Yard Easement resulting from such entry, which repair shall be made promptly after entry, but in no event more than ten (10) days thereafter. The Servient Lot owner shall not construct any improvements, landscaping or encroach on the Side-Yard Easement.

6. Right to Mortgage. The owner of the Dominant Lot shall have the right to mortgage such owner's rights with respect to a Side-Yard Easement which is appurtenant to such owner's Lot, if required by the mortgagee and, in such event, the mortgagee of an owner's interest in the Side-Yard Easement shall have no obligation hereunder unless and until the mortgagee acquires the fee title to the mortgaged property. The mortgage by the owner of a Servient Lot shall be subordinate to and junior to the right of the owner of a Dominant Lot in and to a Side-Yard Easement, if any, located on the Servient Lot.

7. Disputes and Attorney's Fees. Any dispute arising between the owner of a Dominant Lot and the owner of a Servient Lot concerning a Side-Yard Easement shall be settled between themselves. If any party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Declaration, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees, including the same with respect to an appeal.

8. No Third Party Beneficiary Rights. This Declaration is not intended to create, nor shall it be in any way interpreted or construed to create, any third party beneficiary rights in any person who is not an owner, user or occupant of the Dominant Lot.

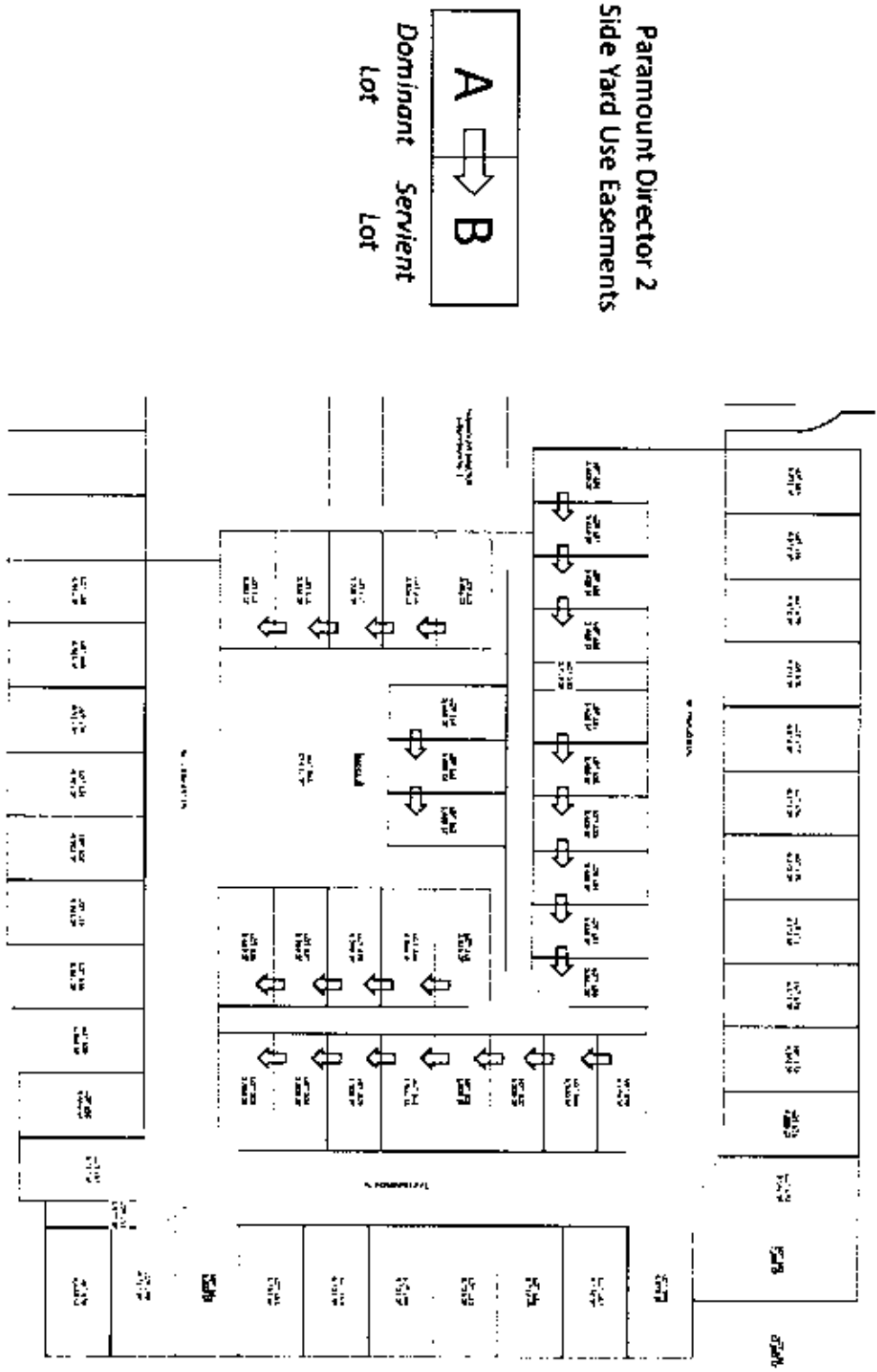


9. Severability. If any term or provision of this Declaration or the application of it to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Declaration or the application of such term or provision to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Declaration shall be valid and shall be enforced to the extent permitted by law.

10. Incorporation of Recitals/Definitions. The foregoing recitals are material provisions of this Declaration, not mere recitals. The recitals and exhibits are incorporated into the text of this Agreement and made a part hereof.

11. Amendments. Declarant may amend this Declaration from time to time with respect to any and all Servient Lots and Dominant Lots; provided that if an amendment materially affects a Servient and/or a Dominant Lot not owned by the Declarant, Declarant shall obtain written consent from the Owner(s) of such affected Servient and/or Dominant Lot for it to be effective with respect to such Lot. All amendments shall be recorded in the records of Ada County, Idaho.

**Exhibit A-1 to Exhibit B  
 Paramount Director No. 2: Dominant Lots & Servient Lots for Side-Yard Easements  
 Depiction**



**Exhibit A-2 to Exhibit B**  
**Paramount Director No. 2: Dominant Lots & Servient Lots for**  
**Side-Yard Easements**

<b>Block</b>	<b>Dominant Lot</b>	<b>Servient Lot</b>
1	186	187
1	187	188
1	188	189
1	191	192
1	192	193
1	193	194
1	194	195
1	195	196
1	198	199
1	199	200
1	200	201
1	201	202
1	202	203
1	203	204
1	204	205
1	205	206
1	210	209
1	209	208
1	208	207
1	207	206
1	214	213
1	213	212
1	215	216
1	216	217
1	217	218
1	218	219

Exhibit B to Exhibit B  
Example of Side-Yard Easement Area

