

**AMENDED AND RESTATED BYLAWS  
OF  
MACE RIVER RANCH OWNERS ASSOCIATION, INC.**

**RECITALS**

The Bylaws of Mace River Ranch Owners Association, Inc., were previously approved and adopted effective December 16, 2013. The Bylaws are being amended and restated pursuant to Article VI below to cure certain inconsistencies with the Master Declaration of Covenants, Conditions, and Restrictions for Mace River Ranch Subdivision dated November 20, 2013 ("**Declaration**"), and recorded November 22, 2013 as Instrument No. 113127412 in the official records of Ada County, Idaho and to reflect subsequent amendments thereto.

**ARTICLE I  
PRINCIPAL OFFICE**

The principal office and place of business of Mace River Ranch Owners Association, Inc. ("**Association**") in the State of Idaho is and shall be located at 101 S. Capitol Boulevard, Suite 1700, Boise, Idaho 83702.

**ARTICLE II  
DIRECTORS**

1. BOARD OF DIRECTORS

The affairs of the Association shall be governed by a Board of Directors which shall be comprised of not less than three (3) nor more than five (5) directors.

2. POWERS AND DUTIES

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things except those which by law or by the Declaration (hereinafter defined) or by these Bylaws or by the Articles (hereinafter defined) may not be delegated to the Board of Directors by the members. Such powers and duties of the Board of Directors shall include, but shall not be limited to the following:

(a) Operation, care, maintenance and management of common areas, common easements, and other common elements and areas of the Association and/or common to all Lots within Mace River Ranch Subdivision ("**Subdivision**"), and employment and dismissal of the personnel necessary therefor.

(b) Determination of expenses required for the affairs of the Association.

(c) Levy and collection of assessments from the members, subject to the limitations and provisions set forth in the Declaration.

(d) Adoption and amendment of the Association Rules as the Association deems reasonable.

(e) Opening of a bank account on behalf of the Association and designation of the signatory required therefor.

(f) Purchasing and maintaining insurance for the Association, as the Association deems appropriate.

(g) Exercising all of the powers and privileges necessary or appropriate to perform all duties of the Association as set forth in the Declaration.

### 3. MANAGING AGENT AND MANAGER

The Board of Directors may employ for the Association a managing body at a level of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the manager all necessary powers.

### 4. ELECTION AND TERM OF OFFICE

The number of directors may be changed by amendment of these Bylaws. At each annual meeting the members shall elect the directors for a term of one (1) year. The directors shall hold office until their respective successors shall have been elected by the members. Cumulative voting for directors shall not be allowed and no member shall have the right to cumulate its votes.

### 5. REMOVAL OF DIRECTORS

At any special meeting of the members called for such purpose, any one (1) or more of the directors may be removed with or without cause by a majority vote of the members of each class. Upon removal of a director, the successor may then and there or thereafter be elected to fill the vacancy thus created. Any director, after his or her removal has been proposed by the members, shall be given an opportunity to be heard at the meeting.

## 6. VACANCIES

Vacancies on the Board of Directors caused by any reason other than the removal of a director thereof by a vote of the members shall be filled by a vote of the majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of such vacancy, even though the directors present at such meeting shall constitute less than a quorum, and each person so elected shall be a director for the remainder of the term unless removed or until a successor shall be elected at the next annual meeting of the Board of Directors.

## 7. REGULAR MEETINGS

The regular meeting of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director by personal service or by first class mail no fewer than ten (10) days nor more than thirty (30) days before the day named for such meeting.'

## 8. SPECIAL MEETINGS.

Special meetings of the Board of Directors may be called by the president on no fewer than ten (10) days nor more than thirty (30) days notice to each director, given personally or by first class mail, which notice shall state the time and place and purpose of the meeting. The special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of at least two (2) directors.

## 9. WAIVER OF NOTICE.

Any director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him or her of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

## 10. QUORUM OF BOARD OF DIRECTORS.

At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a

quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

11. COMPENSATION.

No compensation shall be paid to the directors except as may be established by the members of the Association.

12. ACTION OF DIRECTORS WITHOUT A MEETING.

Any action required to be taken or any other action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the directors entitled to vote in respect to the subject matter thereof.

**ARTICLE III**  
**MEMBERSHIP**

1. CLASS A MEMBERSHIP.

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

2. CLASS B MEMBERSHIP.

Class B Member(s) shall be the Declarant and any successor(s) in title to any Lot(s) to whom Declarant has assigned in a recorded instrument all of its rights as Declarant hereunder, and shall be entitled to ten (10) votes for each Lot owned. The Owner of any Lot or any number of Lots shall not be a Class B Member absent such written assignment. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs first: (i) upon the Change of Control Date as defined in Section 20.7, terminating and converting all of the Class B membership to Class A membership; or (ii) January 1, 2025.

3. ANNUAL MEETINGS.

The annual meetings of members shall be held no later than March 31<sup>st</sup> of each year, within Ada County, Idaho, or at such other reasonable place or time as may be designated by notice of the Board of Directors. At such meetings the

Board of Directors shall be elected by a majority vote of the members of each class in accordance with the requirements of the Articles and these Bylaws. The members may transact such other business at such meetings as may properly come before them.

4. PLACE OF MEETINGS.

The meeting of the members shall be held at the principal office of the Association in Boise, Idaho, or at such other suitable place convenient to the members as may be designated by the Board of Directors.

5. SPECIAL MEETINGS.

A special meeting of the members may be called at any reasonable time and place by notice of the Board or by the members having twenty percent (20%) of the total votes and delivered to all other members not less than fifteen (15) days prior to the date fixed for said meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at the special meeting except as stated in the notice.

6. NOTICE OF MEETINGS.

It shall be the duty of the secretary to mail (or, in the case of a special meeting called by notice from the members having twenty percent (20%) of the total votes, it shall be the duty of those members to mail), by first class mail, (i) a notice of each annual meeting of the members no fewer than ten (10) days nor more than thirty (30) days before to such meeting, and (ii) a notice of each special meeting of members not less than fifteen (15) days prior to the date fixed for said meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member of record, at the address as such member shall have designated by notice in writing to the secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service and notice.

7. ADJOURNMENT OF MEETINGS.

If any meeting of the members cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was scheduled.

## 8. ORDER OF BUSINESS.

The order of business at all meetings of the Association shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Report of officers;
- (e) Report of Board of Directors;
- (f) Report of committees;
- (g) Election of inspectors of election (when so required);
- (h) Unfinished business;
- (i) New business.

## 9. VOTING

The member or members, or some person designated by such member or members to act as proxy on his, her or their behalf and who need not be a member, shall be entitled to cast votes at all meetings of members. Designation of such proxy shall be made in writing to the secretary, and shall be revocable at any time by written notice to the secretary by the member or members so designated. For designation of a proxy to be able to cast votes at a meeting of members, designation of such proxy must be received by the secretary at least twenty-four (24) hours before a meeting. A fiduciary shall be the voting member with respect to any Lot owned in a fiduciary capacity. A member may assign his or her right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Lot owned by such member, for the term of the lease, mortgage, deed of trust or contract.

## 10. QUORUM.

Except as otherwise provided in these Bylaws, the presence at any meeting, in person or by proxy, of the members entitled to vote at least a majority of the total votes shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the members present may adjourn the meeting.

11. MAJORITY VOTE.

The vote of fifty-one percent (51%) of the members at a meeting at which a quorum shall be present shall be considered a majority vote and shall be binding upon all members for all purposes except wherein the Declaration, or these Bylaws, a higher percentage vote is required.

12. ACTION OF MEMBERS WITHOUT A MEETING.

Any action required to be taken or any other action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a least eighty percent (80%) of the members entitled to vote with respect to the subject matter thereof.

13. NUMBER OF MEMBERS AND VOTES.

The total number of members and their respective votes will vary from time to time as property is annexed into the Subdivision as permitted by the Declaration and as Lots are sold, causing a reallocation of membership between Classes.

**ARTICLE IV**  
**OFFICERS**

1. DESIGNATION.

The principal officers of the Association shall be the president, vice president, secretary and treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. All officers shall be members of the Board of Directors. Any two (2) offices may be held by the same person, except the offices of president and secretary.

2. ELECTION OF OFFICERS.

The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors. The organizational meeting of a new Board of Directors shall be the first meeting of the Board held after the annual meeting of the members.

3. REMOVAL OR RESIGNATION OF OFFICERS.

Upon the affirmative vote of a majority of the directors, any officer may be removed, either with or without cause. Upon the removal or resignation of any officer, a successor may be elected at any regular meeting of the Board of

Directors, or at any special meeting of the Board of Directors called for such purpose.

4. PRESIDENT.

The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Board of Directors and all meetings of members. The president shall have all of the general powers and duties which are incident to the office of president of a corporation organized under the Idaho Nonprofit Corporation Act, including, but not limited to, the power to appoint committees, except for the Architectural Control Committee which shall be nominated by the president but have the appointments of the individual Architectural Control Committee members confirmed by the Board of Directors, among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct and affairs of the Association.

5. VICE PRESIDENT.

The vice president shall take the place of the president and perform his or her duties whenever the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Board of Directors shall appoint some other director to act in the place of the president on an interim basis. The vice president shall also perform such other duties as from time to time may be imposed upon him or her by the Board of Directors or by the president.

6. SECRETARY.

The secretary shall (i) keep the minutes of all meetings of the members and of the Board of Directors; (ii) have charge of such books and papers as the Board of Directors may direct; (iii) authenticate records of the Association; and (iv) in general, perform all the duties incident to the office of secretary of a corporation organized under the Idaho Nonprofit Corporation Act.

7. TREASURER.

The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The treasurer shall be responsible for the deposit of all money and other valuable effects in the name of the Board of Directors, or the managing agent, in such deposit as may from time to time be designated by the Board of Directors, and he or she shall, in general, perform all the duties incident to the office of the treasurer of a corporation organized under the Idaho Nonprofit Corporation Act.



8. AGREEMENTS, CONTRACTS, DEEDS, CHECKS, ETC.

All agreements, contracts, deeds, checks and other instruments of the Association shall be executed by the president and either the vice president, secretary or treasurer.

9. COMPENSATION OF OFFICERS.

No officer shall receive any compensation from the Association for acting as such, except as may be established by the Board of Directors.

**ARTICLE V**  
**OPERATION OF THE PROPERTIES**

1. PAYMENT OF ASSESSMENTS.

All members shall be obligated to pay the assessments levied by the Board of Directors as more fully detailed in the Declaration; and the Board of Directors is hereby empowered to take all of the steps and exercise all of the powers provided by the Declaration regarding assessments.

2. INSURANCE

The Board of Directors shall obtain and maintain unless otherwise determined by the Board of Directors, fire and comprehensive public liability insurance upon the Association Easements, and in addition the Board of Directors shall be required to obtain and maintain full coverage directors and officers liability insurance and such other insurance, including Workers' Compensation insurance to the extent necessary as fully set forth in the Declaration.

3. ABATEMENT AND ENJOINMENT OF VIOLATIONS OF MEMBERS.

The violation of any rule or regulation adopted by the Board of Directors, or the breach of any bylaw contained herein, or the breach of any of the rules, regulations and restrictions enacted in connection herewith or hereby ratified shall give the Board of Directors the right in addition to any other rights set forth in the Declaration or these Bylaws:

(a) To enter on the Lots in which, or as to which such violation to breach exists and to summarily abate and remove, at the expense of the defaulting member any structure, thing or condition that may exist herein contrary to the intent and meaning of the provisions hereby, the Board of Directors shall not thereby be deemed guilty in any manner or trespass or,

(b) To enjoin, abate or remedy by appropriate legal proceedings, the continuance of any such breach.

4. RIGHT TO ACCESS.

Each and every member shall have a right of access to the Association Easements owned by the Association. This right to access shall include the rights of ingress and egress to the Association Easements; provided, however, that said right to access and ingress and egress shall not be exercised to the detriment of any other member or to the Association.

**ARTICLE VI**  
**AMENDMENT TO BYLAWS**

The Bylaws, and every part hereof, may from time to time and at any time be amended, altered, repealed, and new or additional Bylaws may be adopted by a majority vote of the Board; or by two-thirds (2/3) of the votes cast by the class or a majority of the voting power of the class, whichever is less; provided, however, that the Board of Directors may not adopt a Bylaw or amendment hereto changing the authorized number of directors.

**ARTICLE VII**  
**DECLARATION AND ARTICLES**

When used herein, the term “**Declaration**” means and refers to the Master Declaration of Covenants, Conditions, Restrictions and Easements for Mace River Ranch Subdivision, recorded in the Official Records of Ada County, Idaho, and any supplemental rules, guidelines and/or declaration applicable to Mace River Ranch Subdivision (as defined in the Declaration) and recorded or to be recorded in the Office of the Ada County Recorder, as the same may be amended from time to time. When used herein, the term “**Articles**” means the Articles of Incorporation of Mace River Ranch Owners Association, Inc., filed of record with the office of the Secretary of State of the State of Idaho. Any capitalized terms herein shall have the same meaning and definition as set forth in the Declaration, unless specifically indicated to the contrary herein. In the event of a conflict between the Bylaws and the Articles, the Articles shall control. In the event of a conflict between the Declaration and either the Bylaws or the Articles, the Declaration shall control.

**ARTICLE VIII**  
**SUPPLEMENTAL PROVISIONS**

1. PRIVATE STREETS.

(a) Private Streets and Gates. Declarant hereby elects to provide access to the Lots within Phase 4 of the Subdivision by a system or systems of private streets and control gates ("**Private Streets**") to be constructed by Declarant and owned and operated by the Phase 4 Sub-Association. The Private Streets are designated on the Plat for Phase 4, and shall hereafter be dedicated and restricted to the perpetual and indefeasible right of ingress and egress over and across the same for the exclusive use and benefit of the Owners and occupants of Phase 4, their guests, and their invitees. The Private Streets shall be owned, maintained, and controlled by the Sub-Association for the benefit of each Lot and Owner, and to provide access to public streets.

(b) Easement for Private Streets. 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 Occupant, and for the use and benefit of the Phase 4 Sub-Association, as created hereafter, and their successors and assigns, for the purposes incident to such use, development and maintenance of the Subdivision, the following permanent, perpetual, non-exclusive easement, for common ingress and egress over and across the private street serving the Subdivision located entirely on the Common Lot, Lot 10 of the Subdivision providing common access within the Subdivision to the public streets, as depicted on the Plat for ingress and egress to the all of the Lots benefited thereby.

(c) Maintenance of Private Streets. In addition to the powers delegated to it by the Articles, Bylaws and this Declaration, without limiting the generality thereof, the Sub-Association created hereafter or its authorized agents, if any, shall have the obligation to conduct all business affairs of common interest to all Owners in Phase 4 and to maintain, repair and clean the Private Streets. Such maintenance obligation shall include snow removal, resealing and patching as and when necessary, replacing and repaving when necessary to the same standard as adjacent public streets, and replacement of all gates. Only the Owners in Phase 4 shall be assessed for the costs of maintaining the Private Streets.

2. CREATION OF PHASE 4 SUB-ASSOCIATION TO MAINTAIN PRIVATE STREETS.

(a) Purpose of Phase 4 Sub-Association. In recognition of the need to maintain the Private Streets described herein, the Declarant does hereby create and organize the Phase 4 Sub-Association, Inc., for the purposes of more accurately and effectively allocating responsibility for private streets to the

Owners of the Lots within Phase 4. The Association shall retain control and ownership over all Common Areas other than the Private Streets. The Phase 4 Sub-Association shall have as its Members, the Owners of all Lots within Phase 4. Each Owner that is a Member of the Phase 4 Sub-Association shall be entitled to one (1) vote per Lot such Owner owns. The Owners of Lots within Phase 4 shall be members of both the Association and the Phase 4 Sub-Association.

(b) Membership. Every Owner, including Declarant, of a Lot which is subject to assessment shall be a "Member" of the Phase 4 Sub-Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the payment of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Any attempt to make a prohibited transfer of a membership shall be void and shall not be reflected on the books of the Phase 4 Sub-Association. Such ownership shall be the sole qualification for membership and shall automatically commence upon a person becoming such Owner and shall automatically terminate and lapse when such ownership in said Lot shall terminate or be transferred.

(c) Voting Rights. The Phase 4 Sub-Association shall have two (2) classes of voting membership:

(ii) Class A: Class A Members of the Phase 4 Sub-Association shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned within Phase 4. When more than one person holds an interest in any Lot, all such persons shall be the Member entitled to exercise the rights. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot, and fractional voting shall not be allowed. The vote of a Member whose Lot is being sold under contract of purchase shall be exercised by the contract buyer, unless the contract expressly provides otherwise.

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

(d) Governance of Sub-Association. All other provisions of the Master Phase 4 Declaration providing for the governance and administration of the Association shall be applicable to the Phase 4 Sub-Association.

(e) Powers. The Phase 4 Sub-Association shall have all of the duties, rights and powers of the Association, as set forth in the Master Declaration, in managing the interests of its Members for the Private Streets within the Phase 4 Sub-Association. The Phase 4 Sub-Association shall, however, be at all times subordinate to the Association. In managing and operating the Phase 4 Sub-Association, all provisions related to the governance of the Association shall be applicable to the Phase 4 Sub-Association, and the Phase 4 Sub-Association shall perform its duties as if it were the Association. The Phase 4 Sub-Association shall have all powers of a nonprofit corporation organized under the laws of the State of Idaho subject only to such limitations as are expressly set forth in the Articles, the Bylaws or this Declaration. The Phase 4 Sub-Association shall have the following powers and other responsibilities set forth in this Declaration, including, but not limited to, the following:

(i) Assessments. The power to determine the amount of and to levy Special Assessments on the Owners and/or Lots of Phase 4 and to enforce payment thereof in accordance with the provisions of this Declaration.

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

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

(iv) Liability of Board Members and Officers. Neither any member of the Board nor any officers of the Phase 4 Sub-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 Phase 4 Sub-Association, the Board, its officers, or a manager or any other representative or employee of the Phase 4 Sub-Association, 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.

(v) Association Rules. The Phase 4 Sub-Association has the power to adopt, amend, and repeal such rules and regulations, as the Association deems necessary related to the Private Streets. Such rules shall govern the use by Owners, their tenants, guests, and any other person of Private Streets and other property owned or controlled by the Phase 4 Sub-Association; provided, however, Phase 4 Sub-Association rules shall not discriminate among Owners and shall not be inconsistent with the Articles, Bylaws or this Declaration. A copy of Phase 4 Sub-Association rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each

Owner. Upon such mailings said Phase 4 Sub-Association rules shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of any conflict between a Phase 4 Sub-Association rule and any provision of the Articles, Bylaws or this Master Declaration, the conflicting provisions of the Phase 4 Sub-Association rules shall be deemed superseded to the extent of any such inconsistency.

(f) Duties of Phase 4 Sub-Association. In addition to the powers delegated to it by the Articles, Bylaws and this Declaration, without limiting the generality thereof, the Phase 4 Sub-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:

(i) Operation and Maintenance of Private Streets. Perform, or provide for the performance of, the operation, maintenance and management of the Private Streets and landscape easement areas, if any, owned or controlled by the Phase 4 Sub-Association, including the repair and replacement of property or Improvements thereon damaged or destroyed by casualty loss, and the maintenance, management, repair or replacement all other property owned or controlled by the Association.

(ii) Taxes and Assessments. Pay all real and personal property taxes and assessments levied against the Private Streets owned or controlled by the Phase 4 Sub-Association or against the Phase 4 Sub-Association and/or any property owned by the Phase 4 Sub-Association. Such taxes and assessments may be contested or compromised by the Phase 4 Sub-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 Phase 4 Sub-Association shall pay all other taxes, federal, state or local, including income or corporate taxes, levied against the Phase 4 Sub-Association in the event that the Association is denied the status of a tax exempt corporation.

(iii) Utilities. Acquire, provide and/or pay for water, sewer, refuse collection, electrical, telephone, gas and other necessary services for the Private Streets owned or controlled by the Phase 4 Sub-Association.

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

(A) Comprehensive public liability insurance insuring the Phase 4 Sub-Association, the Board, the officers, the Declarant and the individual Owners and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the Private Streets owned by the Phase 4 Sub-Association or easement areas under the control of the Phase 4 Sub-Association. The limits of liability of such coverage shall be as determined by the Board.

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

(C) Such other insurance, including Workers' 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 Phase 4 Sub-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 Phase 4 Sub-Association funds or other property.

(D) The Phase 4 Sub-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.

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

(g) Covenant to Pay Assessments. Each Owner hereby, and by acceptance of a deed to a Lot, covenants and agrees to pay when due all Assessments or charges made by the Phase 4 Sub-Association of which the Owner is a Member. 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 such Assessment becomes due and payable. The personal obligation for delinquent Assessments shall not pass to an Owner's successors in title unless it is expressly assumed. No Owner may waive or otherwise avoid liability for any Assessment by non-use of the Private Streets or by abandonment of his Lot.

(h) Assessments. The Board of the Phase 4 Sub-Association may levy at any time an Assessment for the maintenance and operation of the Private Streets payable over such period as the Board may deem appropriate.

(i) To defray, in whole or in part, the cost of any construction or reconstruction of the Private Streets, unexpected repair or replacement of the Private Streets or any facility located thereon, or for any other expenses incurred or to be incurred as provided in this Declaration regarding the Private Streets.

(ii) To cure a deficit in the common and ordinary expenses of the Phase 4 Sub-Association for which Assessments for a given calendar or fiscal year are or will be inadequate to pay, as determined by the Board.

### 3. PIPELINE RIGHT-OF-WAY AND EASEMENT.

Lots 43, 54, 55, 56, 57 and 58, Block 1, have a 16.5 foot wide right-of-way and easement owned by the Tesoro Logistics Northwest Pipeline, LLC (TLNP)

which has one high pressure pipeline containing petroleum products. TLNP's right-of-way and easement were created pursuant to certain instruments recorded in the official records of Ada County, Idaho as recorded on October 17, 1949 as Instrument No. 292503 and recorded on April 27, 1951 as Instrument Number 317700, The specific location of the pipeline right-of-way is shown on the recorded plat of the Subdivision. In order to ensure the safety of residents of the subdivision, the continued safe and uninterrupted operation of the pipeline, and allow TLNP the rights under the right-of-way with minimum interference or problems, owners of lots that are adjacent to or crossed by the outer boundary of the pipeline right-of-way shall comply with the following requirements:

(a) No building, building overhang, foundation, or other structure or physical improvement of any type which unreasonably impedes or hampers TLNP's access to the pipeline may be located or constructed at any time within the pipeline right-of-way.

(b) The construction of any structure or improvement on any lot or Common Element burdened by a right-of-way shall be diligently undertaken by the Owner with due care and in accordance with sound design, engineering and construction practices, and in a manner which will not unreasonably interfere with TLNP's rights in the right-of-way.

(c) Except for those existing utility easements depicted on the plat, no buried utility lines shall be installed within the pipeline right-of-way and except for the existing Eagle Sewer District easement and facilities and the existing Hart Davis Canal access easement, no asphalt, concrete or other hard surface, driveway, or road, or any other major modification of the surface of the pipeline right-of-way shall be constructed without prior notice and consultation with TLNP. All buried utility lines shall be installed adjacent to and outside of the pipeline right-of-way.

(d) Landscaping on the pipeline right-of-way shall be limited to grass, sod, and shrubbery having root lengths extending less than twelve (12) inches beneath the surface at all times. Pursuant to the terms of the right-of-way and easement owned by TLNP landscaping that encroaches upon same is subject to pruning or removal by TLNP.

(e) TLNP shall have the right to mark the location of its pipelines at any time for any reason with markers presently or routinely used by TLNP in residential area.

(f) No excavation, digging, grading, or use of heavy machinery may take place on TLNP's right-of-way without adequate prior notice to TLNP, and at a minimum without prior notice in accordance with provisions of state or local underground utility damage prevention laws. A TLNP representative must be on site during any excavation within the pipeline right-of-way.



(g) Although TLNP has indicated that it will attempt to notify owners prior to its entry upon the right-of-way and easement for its authorized purposes hereunder, notwithstanding prior notice, TLNP shall have the right reasonably to access its right-of-way across Lots subject to the right-of-way, and Owners shall not restrict TLNP access to the pipeline right-of-way. Fence posts shall be constructed outside of the pipeline right-of-way. If fencing is installed across the pipeline right-of-way, it shall include an access gate that spans the width of the pipeline right-of-way with its posts located outside of the pipeline right-of way. Owners shall take proper care when digging post holes near the pipelines by hand excavating within the easement boundaries. Posts and post holes which are placed in violation of this clause may be subject to removal and relocation at the owner's expense. TLNP shall not be responsible for damage to posts related to the TLNP cathodic protection system.

(h) Owners shall not remove or disturb signs or markers installed by TLNP to mark the location of the pipeline right-of-way without the express written consent of TLNP.

(i) The Owner will at all times give due regard to the need for the continued safe and uninterrupted operation of TLNP's pipelines thereon, and will indemnify and hold TLNP harmless from all loss, cost, and expense, including attorney fees arising from the failure by Owner to abide by the terms of this covenant and restriction.

(j) To the extent that the right-of-way and easement are adjacent to or within property owned by the Association or the Declarant, the Association, the Declarant, and their successors and assigns shall maintain and operate same in compliance with all of the provisions set forth herein, as the Association maintains any paths or landscaping located therein.

(k) As an additional precaution to the foregoing and in furtherance of ensuring the safety of the residents of the Project and the continued safe and uninterrupted operation of the pipeline system, Owners of any Lot within ten (10) feet of the outer boundary of the existing pipeline right-of-way, are recommended to contact TLNP and request comments and suggestions prior to the construction or erection of any building, foundation, structure, physical improvement or landscaping, within ten (10) feet of the boundary of the pipeline right-of-way, and to submit plans and specifications showing the property structure or improvement in advance for comments by TLNP. Owners may contact TLNP at (800) 725-1514. The number for Dig Line is (800) 342-1585.


#### 4. POND LOTS.

The pond constructed on Lots 59, 60, and 61, Block 1, is not Waterways and are not Common Areas as described in the Master Declaration. The pond is a private facilities that are owned, operated and maintained by the owners of said lots.

DATED this 14 day of October, 2015.

  
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Weston Arnell, Director

  
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Holt Haga, Director

  
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Matt Pettersen, Director