



**AMENDED DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS**

FOR

**RINGO RIDGE ESTATES SUBDIVISION
(AKA ARBOR RIDGE ESTATES SUBDIVISION)**

THIS AMENDED DECLARATION, made on the date hereinafter set forth by **P.O. VENTURES, INC.**, an Idaho corporation, hereinafter referred to as "Declarant".

WHEREAS, Declarant is the Owner of certain real Property in the County of Ada, State of Idaho, hereinafter referred to as "said Property", more particularly described as follows:

The Amended Plat of Ringo Ridge Estates Subdivision No. 1, recorded as Instrument No. 103023411, in Book 85 of Plats at pages 9591-9593, recorded January 23, 2003, records of Ada County, Idaho.

NOW, THEREFORE, Declarant hereby declares that all of the said Property is and shall be held and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said Property. Said easements, covenants, restrictions, conditions and reservations shall constitute covenants to run with the land and shall be binding upon all persons claiming under them and also that these conditions, covenants, restrictions, easements and reservations shall inure to the benefit of and be limitations upon all future owners of said Property, or any interest therein.

ARTICLE I

DEFINITIONS

Whenever used in this Declaration, the following terms shall have the following meanings:

1. "Association" shall mean Arbor Ridge Homeowners Association, a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.
2. "Said Property" or the "Project" shall mean and refer to that certain real Property hereinbefore described.

3. "Common Area" shall mean all real Property and appurtenances thereto, now or hereafter owned by the Association for the common use and enjoyment of the Members of the Association.

4. "Dwelling Unit" means that portion or any part of any structure intended to be occupied by one family as a dwelling unit, together with the vehicular parking garage next thereto, and all projectures therefrom.

5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.

6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

7. "Owner" shall mean and refer to the record Owner of a fee simple title to any such Lot, (including contract sellers), whether one or more persons or entities, excluding those having such interest merely as security for the performance of any obligation. Each Owner shall own the interest in the Common Area, have the voting rights and be obligated for that proportion of Common Expenses as set forth in Articles III, IV and V.

8. "Declarant" or "Developer" or "Grantor" shall mean and refer to the undersigned, its successors, heirs and assigns, if such successors, heirs or assigns should acquire more than one undeveloped Lot or building site from the Declarant for the purpose of development.

9. "Building Site" shall mean and refer to a Lot, or to any parcel of said Property under one ownership which consists of a portion of one of such Lots or contiguous portions of two or more contiguous Lots of a building is constructed thereon.

10. "Mortgage" shall mean and refer to any mortgage or deed of trust, and "Mortgagee" shall refer to the mortgagee or beneficiary under a deed of trust and "Mortgagor" shall refer to the mortgagor or grantor of a deed of trust.

ARTICLE II

ASSOCIATION AND MEMBERSHIP

1. The Arbor Ridge Estates Homeowners Association shall be organized by Declarant as an Idaho non-profit corporation and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws and this Declaration.

2. Every person or entity who is a record Owner (including contract sellers) of a fee or undivided fee interest in any such Lot shall, by virtue of such ownership, be a Member of the Association. When more than one person holds such interest in any such Lot, all such persons shall be Members. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be

appurtenant to and may not be separated from ownership of any such Lot subject to assessment by the 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 Property shall terminate or be transferred. The Association shall maintain a membership list and may require written proof of any Member's Lot ownership interest.

3. The financial reports, books and records of the Association may be examined, at reasonable times, by any Member or mortgagee.

4. Declarant may, at any time, or the Owners may, upon a majority vote, contract with or employ any private, public or quasi-public entity or person to manage the affairs or undertake certain tasks, responsibilities and duties of the Association and may pay a reasonable fee or charge therefor.

ARTICLE III

VOTING RIGHTS

The Association shall have two classes of voting membership:

1. Class A. Class A Members shall be all Owners, with the exception of the Declarant. When more than one person holds an interest in any Lot, all such persons shall be Members. 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.

2. Class B. The Class B Member(s) shall be the Declarant and shall be entitled to the number of votes shown in the table below (AC1). The Declarant has three (3) times the voting power than any other Owner for each Lot it owns. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(a) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or

(b) On January 1, 2007.

ARTICLE IV

PROPERTY RIGHTS

1. Common Property Ownership. Each Member shall own an undivided fractional interest in the Common Area equal to the number of votes for that Lot.

2. Members' Easements of Enjoyment to Common Area. Every Member of the Association shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

(a) The right of the Association to suspend any Member's voting rights and/or right to use any of the recreational facilities owned by the Association, for any period during which any assessment against said Member's Lot remains unpaid, and for a period not to exceed sixty (60) days for each infraction of its published rules and regulations;

(b) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such condition or transfer shall be effective unless an instrument signed by Members entitled to cast two-thirds of the majority of the votes of the membership has been recorded in the appropriate county deed records, agreeing to such dedication or transfer, and unless written notice of proposed actions are sent to every Member not less than thirty (30) days nor more than ninety (90) days prior to such dedication or transfer; and

(c) The right of the Directors of the Association to promulgate reasonable rules and regulations governing such rights of use, from time to time, in the interest of securing maximum safe usage of such Common Areas by the Members of the Association without unduly infringing upon the privacy or enjoyment of the Owner or occupant of any part of said Property, and reasonable regulations and restrictions regarding parking.

3. Delegation of Use. Any Member may delegate, in accordance with the Rules and Regulations or Bylaws adopted from time to time by the Directors, his right or enjoyment to the Common Areas and facilities to the Members of his family, his tenants, or contract purchasers, providing they reside on the Property.

4. Reciprocal Easement. Each and every Owner purchasing a Lot within the subdivision is purchasing it with the full understanding that each Lot is subject to certain reciprocal easements which are appurtenant thereto. Each Owner by purchase of a Lot within the subdivision agrees that they shall be subject to the following reciprocal easements:

(a) An easement for drainage is hereby declared to exist on each Lot for the benefit of the adjoining Lot(s); provided, that the Owner installing any drainage pipe, conduit, or other facility shall pay for any and all such improvements and cause the Property upon which the improvements are located to be restored to their original state at the sole cost of the Owner employing the use of this reciprocal easement.

(b) All Lots within the subject Property including, but not limited to the Lots in the Common Area, shall be subject to a general utility, irrigation, drainage and sanitary sewer easement, which shall include, but not be limited to, access for ingress and egress for

maintenance or repair by the utility provider, six feet off the rear and side property lines and 12 feet off the front property lines.

ARTICLE V

MAINTENANCE ASSESSMENT AND MORTGAGEE RIGHTS

1. Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants for all of said Property; and each Owner of any Lot by ratification of these Covenants or by acceptance of a deed or contract of purchase therefor, whether or not it shall be so expressed in any such deed or other conveyance or agreement for conveyance, is deemed to covenant and agree to pay to the Association:

- (a) Regular annual or other regular periodic assessments or charges, and
- (b) Special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided.

The regular and special assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Property against which such assessment is made. Each such assessment, together with such interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Property at the time such assessment was levied. The obligation shall remain a lien on the Property until paid or foreclosed, but shall not be a personal obligation of successors in title unless expressly assumed by them.

2. Purpose of Assessments. The assessments levied by the Association shall not be used for any purpose other than promoting the recreation, health, safety and welfare of the residents in said Property and in particular for the improvement and maintenance of said Property, any Common Area, all improvements constructed thereon, the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and including without being limited thereto, the payment of taxes and insurance on all or any part of said Property, including insurance on the Common Area. Subject to the above provision, the Association shall determine the use of assessment proceeds.

3. Basis and Maximum Annual Assessments. Upon the sale or resale of each lot, the Buyer shall pay an initial assessment of \$250.00. Until July 1 of the year immediately following the conveyance of the first dwelling unit or Lot to any Owner, the maximum regular assessment for such Lots shall be \$300.00 per year (paid quarterly), lawful money of the United States of America, for each Lot subject thereto, or such lesser sums as may be provided in the Bylaws:

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 10% by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(d) In addition to the regular assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided the assent of a two-thirds (2/3) majority of the complete votes represented by those Members who are voting in person or by proxy at the meeting duly called for this purpose is obtained.

4. Uniform Rate of Assessment. Both regular assessments and any special assessment must be fixed at a uniform rate for all Lots, and may be collected on an annual, quarterly, or monthly basis in the discretion of the Directors; except that assessments may be levied applicable to some Lots only, with prior consent by the Owners of such Lots, if such procedure is considered equitable in the discretion of the Board in order to construct facilities to be available to the Members desiring to pay for the cost thereof.

5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting unless waived in writing. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

6. Date of Commencement of Annual Assessments; Due Dates. Upon annexation as provided in Article VII, except as provided in paragraph 9 of this Article V, each Lot shall be subject to the annual monthly assessments, to be paid quarterly, provided for herein on the closing of each respective Lot to an owner other than the Developer. The initial assessment shall be prorated as of the closing date. The Board of Directors shall fix the amount of the regular assessment at least thirty (30) days in advance of each assessment period. Written notice of the assessment dates shall be established by the Board of Directors. The Association shall, upon demand at any reasonable time, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a particular Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. A properly

executed certificate of the Association as to the status of assessments is binding upon the Association as of the date of its issuance.

7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessments are not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property. The Secretary of the said Association shall file in the office of the County Recorder, Ada County, Idaho, a lien reflecting the amount of any such charges or assessments, together with interest, as aforesaid, which have become delinquent with respect to any Lot on said Property, and upon payment in full thereof, shall execute and file a proper release of the lien releasing the same. The aggregate amount of such assessments, together with interest, costs and expenses and a reasonable attorneys' fee for the filing and enforcement thereof, shall constitute a lien on the whole Lot (including any improvement located thereon), with respect to which it is fixed from the date the lien is filed in the office of said County Recorder for Ada County, Idaho, until the same has been paid or released as herein provided. Such lien may be enforced by said Association in the manner provided by law with respect to liens upon real property. The Owner of said Property at the time said assessment is levied shall be personally liable for the expenses, costs and disbursements, including attorneys' fees of the Declarant or of the Association, as the case may be, of processing and if necessary, enforcing such liens, all of which expenses, costs and disbursements and attorneys' fees shall be secured by said lien, including all aforementioned expenses, costs, disbursements and fees on appeal, and such Owner at the time such assessment is levied, shall also be liable for any deficiency remaining unpaid after any foreclosure sale. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his dwelling Unit, Lot or building site.

8. Subordination of the Lien and Mortgages. The lien of the assessments provided for herein shall be inferior, junior and subordinate to the lien of all first mortgages and trust deeds now or hereafter placed upon said Property or any part thereof. The sale or transfer of any Lot or any other part of said Property shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a judgment or decree of foreclosure thereof, shall extinguish the lien of such assessments as to amounts thereof which became due prior to such sale or transfer; and such lien shall attach to the net proceeds of sale, if any, remaining after such mortgages and other prior liens and charges have been satisfied. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

9. Exempt Property. The following Property subject to this Declaration shall be exempt from the assessments created herein:

- (a) All properties expressly dedicated to and accepted by a local public authority;
- (b) Any Common Areas;

(c) Property owned by the Declarant prior to the time a dwelling unit for Residential Lots and a commercial building or structure for Commercial Lots, is constructed thereon and occupied by a person or entity other than Declarant, but in all events such exemption shall expire on July 1, 2009 for Lots in the Property. However, no land or improvements occupied for dwelling use shall be exempt from said assessments.

10. Association Budget. The Association shall prepare an annual budget which shall indicate anticipated management, operating, maintenance, repair and other common expenses for the Association's next fiscal year and which shall be sufficient to pay all estimated expenses and outlays of the Association for the next calendar year growing out of or in connection with the maintenance and operation of the Common Area and improvements and may include, among other things, the cost of maintenance, management, taxes, assessments, irrigation assessments, special assessments, fire, casualty and public liability insurance, common lighting, irrigation, landscaping and care of grounds, repairs, renovations and paintings to Common Areas, snow removal, wages, water charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Association under or by reason of this Declaration, the payment of any deficit remaining from a previous period, and the creation of any reasonable contingency or other reserve or surplus fund, as well as all costs and expenses relating to the Common Area and improvements.

11. Repair, Etc. If any of the Property located in the Common Area, or improvements located in or outside of the Project and owned by the Association, is damaged or destroyed, the Members shall, at a special meeting called for that purpose, determine whether to rebuild, repair, restore or otherwise take action with regard to such damage or destruction. A quorum shall be necessary for any such decision, in accordance with the provisions of paragraphs 3 and 5 hereof and further, any such action shall be approved by the affirmative vote of not less than two-thirds (2/3) of the votes of Members who are voting in person or by proxy at such meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) nor more than fifty (50) days in advance of the meeting, unless waived in writing.

ARTICLE VI

ARCHITECTURAL CONTROL

1. Approval. No building, fence, wall, hedge, structure, addition, painting, improvement, obstruction, ornament, landscaping or planting shall be placed upon, added or permitted to remain upon any part of said Property unless a written request for approval thereof containing the plans and specifications therefore, including exterior color scheme, has been approved in writing by the Architectural Control Committee and must comply with Eagle City Code. Building plans shall consist of a minimum of a general site plan (showing compliance with setbacks, fencing and lot elevations), a detailed floor plan, a roof plan, elevation drawings of all faces, including architectural trim and detail. A landscaping plan shall include all items required under Article X, Section 15. Specifications shall be in sufficient detail to demonstrate

quality of construction and compliance with Article X. The Architectural Control Committee shall consist of Sharon Patterson, Stacia Patterson and Reid Olsen, or any substitute persons as selected and appointed by the Declarant, until January 1, 2006, and thereafter shall be comprised of three (3) or more representatives appointed by the Board of Directors of the Association. In the event said Board, or its designated Architectural Control Committee, fails to approve or disapprove such design or location within thirty (30) days after said plans and specifications have been submitted to it in writing, approval shall not be required and this Article will be deemed to have been fully complied with.

The Architectural Control Committee shall serve for the benefit of the Declarant until such time as plans for the construction of all Lots in this subdivision have been approved.

The Declarant shall have the sole right to remove members of the Architectural Control Committee and to appoint successors until the construction of improvements in the subdivision is completed and subject to the annexation of additional parcels as provided in Article VII. Upon the approval of plans for all Lots in the subdivision, the Architectural Control Committee shall cease to exist and function, provided, however, that the terminations of the Architectural Control Committee or its failure to perform shall not alter or diminish any other provision of these Restrictive Covenants. In the event the Architectural Control Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this section will be deemed to have been fully complied with.

As to all improvements, construction and alterations upon any building site, the Architectural Control Committee shall have the right to refuse improvements, construction or alterations, which, in its opinion, are not suitable or desirable for any reason, aesthetic or otherwise. In so passing upon such design, the Committee shall have the privilege in the exercise of its discretion to take into consideration the suitability of the proposed building or other structures, the materials of which it is to be built and the exterior color scheme in relation to the site upon which it is proposed to be erected. The Committee may also consider whether the proposed structure and design shall be in harmony with the surroundings, the effect of the building or other structure or alterations therein as planned when viewed from the adjacent or neighboring property effect or impairment that said structure will have on the view of surrounding building sites, and any and all other factors which, in the Committee's opinion, shall affect the desirability of such proposed structure, improvements or alterations. Actual construction shall comply substantially with the plans and specification as approved and must comply with Eagle City Code.

Owners specifically agree with Declarant that such Committee, its members and the Declarant shall incur no liability for any omission or act by any of said above-named parties under this Article VI of these restrictions. In the event of death or resignation of a member, the remaining two members shall have full authority to act and within a reasonable time after the occurrence of such vacancy, shall appoint a replacement.

Declarant reserves the right to construct residences and other improvements upon any residential lot building site in said subdivision and to offer said lots together with the completed residence and structures thereon for sale to individual owners.

2. Control During Construction. Authority of the Architectural Control Committee shall extend through the construction period until completion of all Lot improvements. The Owner shall incorporate a copy of these Covenants in his contract with the building contractor requiring him to conduct his operations in a workmanlike manner, assuring competent and safe construction conducted with due regard to adjacent lots, existing residents, use of public streets within the subdivision and will not constitute a nuisance in any regard. A representative of the Architectural Control Committee will be present during construction to assure compliance with the approved plans, specifications and this Article VI, Section 2 and his directions shall be followed. Specifically, but not limited to, the building contractor:

- (a) Shall not commence construction until all required approvals of the Architectural Control Committee have been secured;
- (b) Shall not dump excavated earth or residual material on adjacent Lots;
- (c) Shall not store construction material or equipment on adjacent Lots without the approval of Architectural Control Committee representatives;
- (d) Shall maintain safe temporary power;
- (e) Shall repair at his cost any damaged curb, gutter and sidewalk;
- (f) Shall not permit accumulation of surplus construction materials on and about the premises, but shall place such debris in an adequate container; and
- (g) Shall maintain receptacles for trash and police his site regularly.

3. Certification by Architectural Control Committee. The records of the Architectural Control Committee shall be conclusive evidence as to all matters shown by such records and the issuance of a certificate of completion and compliance by any member of the Architectural Control Committee showing that the plans and specifications for the improvement or other matters herein provided for have been approved and that said improvements have been made in accordance therewith, or a certificate as to any matters relating to and within the jurisdiction of the Architectural Control Committee by any members thereof, shall be conclusive evidence that shall fully justify and protect any title company certifying, guaranteeing or insuring title to said property, or any portion thereof or any lien thereon and/or any interest therein as to any matters referred to in said certificate, and shall fully protect any purchaser or encumbrancer from any action or suit under this Declaration. After the expiration of one (1) year following the issuance of a building permit therefor by municipal or other governmental authority, any structure, work, improvement or alteration shall, as to any purchaser or encumbrancer in good faith and for value and as to any title company which shall have insured the title thereof, be

deemed to be in compliance with all the provisions hereof unless a notice of noncompliance executed by the Association shall have appeared of record in the office of the county recorder of Ada County, State of Idaho, or unless legal proceedings shall have been instituted to enforce completion or compliance.

4. Construction and Sales Period Exception. During the course of construction of any permitted structures or improvements and during the initial sales period, the restrictions (including sign restrictions) contained in this Declaration or in any supplemental declaration shall be deemed waived, but only to the extent absolutely necessary to permit such construction and the sales of all dwelling units by Declarant; provided that, during the course of such construction and sales, nothing shall be done which will result in a violation of these restrictions upon completion of construction and sales. Further, Declarant shall have the right to any Lot owned by it as an office for sales and development purposes.

5. Prosecution of Construction Work. All construction shall be commenced within six (6) months following deeding of any lot to an owner other than Declarant. The construction of the dwelling house and structures shall be prosecuted diligently, continuously and without delays from time of commencement thereof until such dwelling house and structure are fully completed and painted. All structures shall be completed as to external appearance, including finished painting, within six (6) months from the date of commencement of construction unless prevented by causes beyond the control of the Owner and only for such time that such cause continues.

ARTICLE VII

ANNEXATION

1. Time for Annexation: Land Subject to Annexation. Declarant hereby reserves the right to annex into the Project any contiguous real property contiguous to or within 2,000 feet of the Project by recording a Notice of Annexation and Supplemental Declaration particularly describing the real property to be annexed and added to the project created by this Declaration, pursuant to the provisions of this Article VII. It is anticipated that there will be approximately 55 acres of Property located within and comprising part of the Project upon completion of annexation.

Upon the recording of a Notice of Annexation containing the provisions set forth in this Section (which notice may be contained within a supplemental declaration affecting such property), the covenants, conditions and restrictions contained in this Declaration shall apply to the added land in the same manner if it were originally covered by this Declaration and originally constituted a portion of the project; and thereafter, its rights, privileges, duties and liabilities of the Owners, lessees and occupants of Lots or Units within the added land shall be the same as in the case of the original land.

2. Procedure for Annexation. Any contiguous real property may be annexed into the project by the recordation of a notice of annexation executed by Declarant and containing the following information:

- (a) A reference to this Declaration, which reference shall state the date of recordation hereof and recorder's instrument number or the book and page of the official records of Ada County where this declaration is recorded;
- (b) An exact legal description of the added land;
- (c) A statement that the provisions of this Declaration shall apply to the added land, as set forth herein;
- (d) A statement of the use restrictions applicable to the annexed property, which restrictions may be the same or different from those set forth in this Declaration; and
- (e) The effective date of the annexation.

3. Membership, Voting Rights and Common Area Property Ownership in Annexed Lands. All owners of Lots in any annexed lands shall have the same membership privileges in the Association, voting rights in the Association and property rights in Common Area as the Owners of the original 22 Lots in this subdivision. The fractional interest of each Owner in this subdivision and in any annexed lands in respect to Common Area in this subdivision or in any annexed lands shall be that fraction having as its numerator one and having as its denominator the total number of Lots, exclusive of Common Area, in this subdivision and in any annexed lands.

ARTICLE VIII

EASEMENTS

1. General. All conveyances of land situated in the said Property, made by the Declarant, and by all persons claiming by, through or under the Declarant, shall be subject to the foregoing restrictions, conditions and covenants, whether or not the same be expressed in the instruments of conveyance, and each and every such instrument of conveyance shall likewise be deemed to grant and reserve, whether or not the same be declared therein, mutual and reciprocal easements over and across and under all Common Areas and easements over all Lots for maintenance and otherwise as authorized by this Declaration, and easements as otherwise shown on the plat for Arbor Ridge Estates Subdivision No. 1 and on plats for lands that may be annexed, and excepting any portion of said Property which may now or hereafter be occupied by a residence, the said Property shall not thereafter be subject to any easement not theretofore applied to use or provided for herein, for the purpose of building, constructing and maintaining thereon underground or concealed electric, power and telephone lines, gas, irrigation, water, sewer, storm drainage lines, radio or television cables and other services now or hereafter commonly supplied by public utilities or municipal corporations. All of said easements shall be

for the benefit of all present and future owners of Property subject to the jurisdiction of the Association by covenants and restrictions recorded and approved as hereinabove provided; said easements however shall not be unrestricted, but shall be subject to reasonable rules and regulations governing rights of use as adopted from time to time by the Directors of the Association in the interests of securing maximum safe usage of said Property without unduly infringing upon the rights or privacy of the Owner or occupant of any part of said Property. These easements provided for in this Article are in addition to those set forth in Article IV.

2. Special Easement for Signs. A temporary easement for the construction and maintenance of signs advertising the development and construction of the subdivision is reserved with the Declarant or its successors, agents and representatives and on any Common Area or any Lot during the construction or development of this subdivision or any annexed lands.

3. Common Areas. A further mutual, reciprocal and perpetual easement for sidewalk purposes is granted and reserved over and across the Common Areas in the said Property, for the purpose of constructing and maintaining and repairing sidewalks for the benefit of the residents of said Property and adjacent properties not subject to this Declaration, their tenants and guests, for ingress and egress, subject, however, to rules and regulations reasonably restricting the right to use thereof for the safety and welfare of the public as may be promulgated from time to time by the Association and/or public authority.

ARTICLE IX

MAINTENANCE AND INSURANCE

1. Maintenance of Common Areas, Etc. The Association shall perpetually maintain or provide for the maintenance of the Common Areas, including but not limited to, sanitary sewer & water lines, exclusive of sprinkler heads and lines serving only an individual Lot, and drainage facilities within the Common Areas, and in addition, the drainage facilities and lines upon Lots privately owned within the subdivision.

2. Maintenance of Common Area Improvements. The Association shall maintain in perpetuity any play equipment or other improvements that may be added to the Common Area from time to time. Such maintenance and operation shall include the obligation of the Association funding and maintaining a reserve fund, which fund shall be funded by dues assessed against the Association Members at a level that shall take into account the useful life of the components of the private streets. The creation and initial funding level of the reserve account shall be as approved by the City of Eagle.

3. Storm Drain Maintenance. A storm drain easement exists in Lots 1, Block 4, and Lot 1, Block 2 as shown on the Plat.

4. Lot Maintenance. Each Owner shall be fully responsible for maintaining and keeping in good order and repair the exterior and interior of his own entire Lot and Dwelling.

5. Special Maintenance Requirements for ACHD-Required Improvements. Owners of all Lots within the Project, including annexed Property, shall be obligated to maintain the facilities installed at ACHD's requirements. These facilities consist of easements for storm water drainage on Lot 1, Block 4 and Lot 1, Block 2. The Association shall be obligated to act on behalf of all Owners of Lots within the Subdivision do maintain these facilities, the cost of which shall be treated as a common expense and included within the common assessments. Maintenance and operation of the ACHD facilities shall be as ACHD reasonably determines and as set forth in the Maintenance and Operation Manual provided by the ACHD. The ACHD shall also have the right to inspect such facilities and upon the Association or the Lot Owners failure to perform the required maintenance, may perform that maintenance itself. Should the Association and Owners of Lots within the Subdivision fail to perform the necessary and required maintenance, resulting in the ACHD performing the required maintenance, the cost thereof shall be subject to assessments as a real property tax and assessment by the ACHD as a component of the real property taxes and assessments levied against all Lots within the Project.

6. Types of Insurance. The Association shall obtain and keep in full force and effect at all times, the following insurance coverage on the Common Area only, provided by companies duly authorized to do business in Idaho. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

(a) Casualty Insurance. Any improvement constructed on the Common Area may, at the discretion of Directors of the Association, be insured for the full replacement thereof in the event of damage or destruction, including fire and extended coverage, which policy or policies shall be purchased by the Association and show the Association, the Owners and mortgagees as named insureds as their interest may appear. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice. No individual Owner shall be excused from assessments attributable to such policy for any reason and the existence of such a blanket policy is declared to be in the mutual interests of all Owners and the Declarant, except upon the approval of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

(b) Public Liability and Property Damage Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Coverage shall include, without limitation, liability for the personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the Project.

(c) Workmen's Compensation and Employer's Liability Insurance. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar

insurance in respect to employees of the Association in the amounts and in the forms now or hereafter required by law for any employees of the Association.

(d) Fidelity Insurance. The Association shall purchase, if the Board of Directors deems reasonable and cost-justified, in such amounts and in such forms as it shall deem appropriate, coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery.

(e) Other. The Association may obtain insurance against such other risks, of a similar or dissimilar nature as it shall deem appropriate with respect to the Project, including any personal property of the Association located thereon.

(f) Form. Casualty insurance shall be carried in a form or forms naming the Association the insured. The Association shall furnish to each Owner and to Declarant a true copy of such policy. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Public liability and property damage insurance shall name the Association the insured, as trustee for the Owners, and shall protect each Owner against liability for acts of the Association, its agents and employees, in connection with the ownership, operation, maintenance or other use of the Project.

(g) Owner's Responsibility. All fire and casualty insurance coverage for full replacement of the Unit, and casualty and public liability insurance coverage within each individual Unit and for activities of the Owner, not acting by the Association, with respect to the Common Area, insurance coverage against loss from theft on all personal property and insurance coverage on items of personal property placed in the Unit by Owner, shall be the responsibility of the respective Owners.

(h) Insurance Proceeds. The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Article. The Association shall apportion the proceeds to the portions of the proceeds attributable to damage to the Common Area. To the extent that reconstruction is required herein, the proceeds shall be used for such purposes. To the extent that reconstruction is not required herein and there is a determination that the Project shall not be rebuilt, the proceeds shall be distributed to the Owners in an amount proportionate to their interest in the Project equivalent to the amount each Owner paid for a Lot and improvements

thereon. Each Owner and each mortgagee shall be bound by the apportionments of damage and of the insurance proceeds made by the Association pursuant hereto.

(i) Owner's Own Insurance. Each Owner may obtain insurance at his own expense providing coverage upon his Lot, his personal property, for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Article. All such insurance shall waive the insurance company's right to subrogation against the Association, the other Owners, and the servants, agents and guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver of rights of subrogation.

ARTICLE X

PROPERTY USE RESTRICTIONS

The following restrictions shall be applicable to the Project and shall be for the benefit of and a limitation upon all present and future Owners in the Project, or of any interest therein:

1. Affects Title. Title to each Lot is hereby made subject to the terms and conditions hereof, which bind the Declarant and all subsequent Owners, whether or not it be so expressed in the deed by which any Owner acquires his Lot.

2. Lot Use. No Residential Lot shall be used except for residential purposes. No Commercial Lot shall be used except for Commercial Purposes as approved in writing by the Architectural Control Committee. No building shall be erected, altered, placed or permitted to remain on any Lot such as are in conformity with the subdivision plat and these Covenants, Conditions and Restrictions.

3. Signs. Unless written approval is first obtained from the Architectural Control Committee, no sign of any kind shall be displayed to public view on any building or building site on said property except one professional sign of not more than five (5) square feet advertising the property for sale or rent, or sign used by the developer to advertise the property during the construction and sales period. If a property is sold or rented, any sign relating thereto shall be removed and only the Declarant or its agent may post a "Sold" sign for a reasonable period following a sale. All signs must also comply with Eagle City Code.

4. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said Property, except that a dog or cat or other household pets must be kept within a Dwelling Unit or within a fenced area and not visible from any street. Maximum number of allowable household pets is 4 (four), with a maximum of 3 of any one kind. Any animals outside a Dwelling Unit or fenced area must be on leashes, and the Owner or custodian of the animal shall be responsible for the immediate cleanup of the animal's droppings.

5. Garbage and Refuse Disposal. No part of said property shall be used or maintained as a dumping ground for rubbish, trash or other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container. Any incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Containers shall be kept out of view except on collection days.

6. Nuisance. No noxious or offensive or unsightly conditions shall be permitted upon any part of said property, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No exposed antennae of any kind shall be erected on the Property (including, but not limited to, television or radio antennae).

7. Storage of Vehicles and Equipment. Parking of boats, trailers, motorcycles, commercial trucks, truck campers, recreational vehicles, and like equipment, or junk cars or other unsightly vehicles, shall not be allowed on any Residential Lot (except in a completely enclosed garage) or on any public street within the Project, with the exception that such boats, recreational vehicles or like equipment may remain on a street for a maximum of 48 hours to allow for cleaning and loading. No vehicle may be parked on public streets within the Project for more than 48 hours.

8. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and line connecting them at points forty (40) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

9. Leasing Restrictions. Any lease (as defined below) between an Owner and his tenant shall provide that the terms of the lease shall be subject in all respects to the provisions contained in this Declaration, the Association's Articles of Incorporation and its bylaws, and that any failure by said tenant to comply with the terms of such documents shall be a default under such lease. For the purposes of this Declaration, a "Lease" shall mean any agreement for the leasing or rental of a Dwelling Unit (including a month-to-month rental agreement); and all such leases shall be in writing. Other than the foregoing, there is no restriction on the right of any Owner to lease his Dwelling Unit.

10. Garage; Conversion of Garage. No garage or portion of any garage may be converted to living area. Each dwelling shall have no less than two garage bays. Detached storage units or buildings shall not be permitted.

11. Driveways. Driveways shall be constructed of concrete, masonry pavers or such other hard surface material as may be approved the Architectural Control Committee. No

driveways shall be constructed of gravel, concrete blocks, or asphalt. Driveways shall be designed in a manner providing off-street parking for at least two (2) vehicles.

12. Pet Enclosures. All dog runs, pens, and other pet enclosures shall be immediately adjacent to the dwelling, and landscaped or otherwise screened or fenced so as to obscure them from view from neighboring lots or adjacent streets. All such pet enclosures shall receive approval by the Architectural Control Committee prior to construction.

13. Mailboxes. All mailboxes and mailbox stands shall conform precisely in a size and style to one that will be approved by the Architectural Control Committee, the specifications for which are available from said Committee.

14. No Trade or Business. No portion of any Residential Lot shall be used for the conduct of any trade or business or professional activity; no noxious or undesirable act or undesirable use of any portion of the real property shall be allowed. The Arbor Ridge Estates Homeowners Association shall have the unqualified right to determine whether any such act or activity is noxious or undesirable and such determination shall be binding upon all parties.

15. No Antennas. No television antennas, satellite dishes or radio aerials shall be installed on any Residential Lot or exterior of a residence, garage or other improvement, except for a satellite dish that is not visible from any public street.

16. No Hazardous Activities. No activity shall be conducted on or in any Residential Lot or in the Project which is or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon said property; no open fires shall be lighted or permitted on any property except in a self-contained barbeque unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace.

17. Lawns, Landscaping and Irrigation System Required. All front yards, rear yards and side yards shall be sodded, sprinkled, and landscaped prior to occupancy, unless weather prohibits such installation, but in all events, no later than three (3) months after occupancy. "Sprinkled" means a permanent, underground sprinkling system.

- a. Landscape Drawings. All Lots on which any improvements are constructed shall be landscaped in accordance with an approved landscape plan. Landscape plans shall be prepared by a landscape architect or professional landscaping company and shall include:
 - i. A planting plan at a scale of not less than 1" = 20' showing the arrangement of all trees, shrubs, groundcovers, and sodded lawn areas. A plant list or other indication of species, variety, size, quantity, spacing and location of all plant materials proposed for use on the project shall be included.
 - ii. An automated irrigation system shall be installed for all landscaped areas.

- iii. Landscape features such as decks, retaining walls, privacy screens, awnings, canopies, gazebos, benches, steps, etc., shall be clearly delineated on the plans in sufficient detail to adequately demonstrate their finished location and appearance.
 - iv. Landscaping lighting fixtures shall be clearly delineated on the plan indicating location, type of fixtures, height and material.
- b. Minimum Landscape Requirements. All Lots shall conform to the approved landscape plan and shall contain the minimum requirements per below:
- i. Front Yard Landscaping. The front yard of a Lot is defined as that area between the front property line and the plane of the surface of the residential building facing the front property line. The total front yard area is to be landscaped. Front yard landscaping shall, at minimum, include the following:
 - 1. At least 60% of the total front yard area must be planted in grass, and all grass that is planted must be turf-sodded. **Hydroseeding is not allowed.**
 - 2. Not less than two (2) trees at least two (2) inches in diameter (i.e. 2" caliper).
 - 3. Eight (8) five gallon shrubs and eight (8) one gallon shrubs shall be planted within the front yard.
 - ii. Side Yard Landscaping. The side yard shall be treated the same as the front yard and landscaped as follows. Side yard landscaping shall, at minimum, include the following:
 - 1. All grasses shall be turf-sodded. **Hydroseeding is not allowed.**
 - 2. Not less than one (1) tree at least two (2) inches in diameter (i.e. 2" caliper).
 - 3. Four (4) five gallon shrubs and four (4) one gallon shrubs.
 ** If the side yard does not abut a street or common area, the minimum requirement of trees shall be excluded; however, grass and shrub plantings must be completed within the allotted time.
 - iii. Rear Yards. The rear yard is defined as that portion of a Lot, which is between the back property line and the rear plane of the residential building. Landscaping on rear yards shall, at minimum, include the following:
 - 1. All grassed areas shall be turf-sodded. **Hydroseeding is not allowed.**
 - 2. Not less than one (1) tree at least two (2) inches in diameter (i.e. 2" caliper).
 - 3. Four (4) five gallon shrubs and four (4) one gallon shrubs.
 - iv. All landscaping shall, at all times, be irrigated and maintained as necessary to keep it in excellent condition and appearance.
 - v. When submitting a landscape plan, the application form provided by the Architectural Control Committee must be included.

18. Roofs.

- a. Materials. All roofs on Residential Lots shall be black, 30-year (minimum) architectural composite. Any other roof style is to be approved by the Architectural Control Committee. Exterior roof construction of tarpaper, cedar shake, metal or gravel is prohibited.
- b. Shape. The following roof types are not permitted: Mansard, zero-roof overhangs, domed, flat (no less than 6:12 pitch), and A-frame unless otherwise approved by the Architectural Control Committee.
- c. Overhangs. Roof overhangs generally protect walls and wall openings from the elements, and contribute to a building's character and longevity. Roofs with overhangs of less than 12" are not permitted.
- d. Flashing. All roof flashing, vents, gutters and downspouts must be of a color, or treated with a color, harmonious with the roof and upper wall surfacing. Bright materials must be treated to reduce glare.

19. Fencing.

(a) Perimeter Fencing. A six foot high vertical vinyl-clad fence shall be installed along the north boundary of Arbor Ridge Estates Subdivision No. 1 from the northwest corner to the west boundary of the Echohawk Subdivision and the northerly most 400 feet of the west boundary of said Subdivision, running from a point near the north of the intersection of Sadie Drive right-of-way and the westerly boundary of said Subdivision (allowing for any sidewalks and sight distance setbacks requirements) along said westerly boundary to the terminus of said westerly boundary. Along all other perimeter boundaries of the Subdivision, only a black wrought iron fence, or a fence designed at the Declarant's direction as the Association may determine, provided that the perimeter fence along such southerly and easterly boundaries shall be entirely of the same type and kind of construction so as to present a uniform and aesthetically pleasing appearance. Nothing herein shall imply an obligation of the Declarant to construct or pay for the cost of such perimeter fencing. The Association may elect to utilize Association funds to construct all or any portion of the perimeter fence and regardless of the source of the funds for the construction of such perimeter fence, the maintenance and repair of the perimeter fence shall be a common expense of the Association.

(b) Interior Fences.

(i) Where residential Lot lines abut other residential Lot lines, the owners of said Lots may construct a fence (privacy fence), not to exceed six (6) feet in height, of natural cedar or redwood material only, and must have a natural

stain applied as part of the installation process (See Exhibit "A" – Fencing Spec: "Privacy Fence"). No fence shall be permitted to extend along any side Lot line past the front plane of the primary residence on the Lot. Barbed wire and chain link fence is prohibited. All fencing shall also comply with Eagle City Code.

(ii) Where any Lot line abuts a Common Area, separating that Lot from a street or road, the Lot Owner shall be required, without exception, to construct a wrought iron fence five (5) feet in height. (See Exhibit "A" – "Common Area Fence").

(iii) Where Lot lines abut Common Area, except as described in paragraph (ii) above, the Lot owner shall be entitled, but not required, to construct a wrought iron fence, 5' in height as described in Exhibit "A".

(iv) Notwithstanding the foregoing, where any Privacy Fence intersects with a Common Area Fence, it shall, from a point twenty (20) feet from the point of intersection, taper down in height, and transit to a Common Area Fence as described in Exhibit "A".

20. Siding. All siding on residences and garages shall be stucco, brick or cottage lap and all houses sided with cottage lap shall have either stucco or brick accent in an amount and location as the Architectural Control Committee shall direct. Logs or log siding is prohibited.

21. Building Heights. All dwellings on Residential Lots shall be two stories in height or less, and shall also comply with Eagle City Code.

22. Minimum Size and Fair Market Value Standards. Every single-family dwelling unit shall have no less than 1,800 square feet of living space, exclusive of garages. No dwelling unit shall be constructed having a fair market value, inclusive of the value of the Residential Lot, less than three times the most recent Lot purchase price for the subject Lot. The foregoing are minimum sizes and values only and the Architectural Control Committee reserves the right to increase minimum dwelling unit sizes and increase the minimum fair market values if, in the Architectural Control Committee's sole discretion, it determines that same is necessary to protect and preserve property values of adjoining Lots and Lots throughout the Project, as well as to preserve harmonious design, layout, height, size and bulk of dwelling units in the Project.

23. Unightly Articles. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage and trash shall be kept at all times in such containers and in areas approved by the Architectural Control Committee. No clothing or fabrics shall be hung, dried or aired in such a way as to be visible to other property, and no equipment, containers, lumber, grass, shrub or tree clippings, plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any property except within an enclosed structure or as appropriately screened from view.

24. No Temporary Structures. No house trailer, mobile home, tent (other than for short term individual use), shack or other temporary building, improvement or structure shall be placed upon any portion of the Property, except temporarily as may be required by construction activity undertaken on the Property or unless such temporary structure is necessary for a commercial purpose and is approved by the Architectural Control Committee.

25. 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 portion of the Property without the written approval of the Architectural Control Committee, except for heat pumps shown in the plans approved by the Architectural Control Committee. This paragraph shall not apply to passive solar energy systems incorporated into the approved design of a residential building.

ARTICLE XI

GENERAL PROVISIONS

1. Enforcement. The Association, or any Owner, or the Mortgagee of any recorded mortgage upon any part of said Property, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Owner to enforce any covenant or restriction hereby contained shall in no event be deemed a waiver of the right to do so thereafter. In the event suit is brought to enforce the covenants contained herein the prevailing party shall be entitled to recover a reasonable attorney fee in addition to allowable costs. Declarant, or the Association, shall also be entitled to recover attorneys fees of \$250.00 for the costs of preparing and filing any lien or notice of default for the payment of any Association dues.

2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

3. Term of Restrictions and Amendment. These restrictions shall run with the land described herein, and shall be binding upon the parties hereto and all successors in title or interest to said real Property or any part thereof, until January 1, 2025, at which time said restrictions shall be automatically extended for successive periods of ten (10) years unless the Owner or Owners of the legal title to no less than two-thirds of the platted Lots, by an instrument or instruments in writing, duly signed and acknowledged by them, shall then terminate or amend said restrictions. Such termination or amendment shall become effective upon the filing of such instrument or instruments for records in the office of the Recorder of Ada County, Idaho. Such instrument or instruments shall contain proper references by volume and page numbers to the records of the plats and record of this deed in which these Restrictive Covenants are set forth, and all amendments thereof.

4. No Right of Reversion. Nothing herein contained in this Declaration, or in any form of deed which may be used by Declarant, or its successors and assigns, in selling said Property, or any part thereof, shall be deemed to vest or reserve in Declarant or the Association any right of reversion or re-entry for breach or violation of any one or more of the provisions hereof.
5. Benefit of Provisions - Waiver. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by Declarant, the Association and the Owner or Owners of any portion of said Property, and their heirs and assigns, and each of their legal representatives, and failure by Declaration or by the Association or by any of the Property Owners or their legal representatives, heirs, successors or assigns, to enforce any of such conditions, restrictions or charges herein contained shall in no event be deemed a waiver of the right to do so.
6. Assignment by Declarant. Any or all rights, powers and reservations of Declaration herein contained may be assigned to the Association or to any other corporation or association which is now organized or which may hereafter be organized and which will assume the duties of the Declarant hereunder pertaining to the particular rights, powers and reservations assigned; and upon any such corporation or association evidencing its intent in writing to accept such assignment and assume such duties it shall, to the extent of such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. All rights of Declarant hereunder reserved or created shall be held and exercised by the Declarant alone, so long as it owns any interest in any portion of said Property.
7. Amendment Conflict. Notwithstanding anything contained in the foregoing Declaration or in the Articles of Incorporation or Bylaws for Arbor Ridge Homeowners Association, any amendment of the Articles of Incorporation or any mortgage or conveyance of the Common Area shall require the approval of at least two-thirds (2/3) of the Lot Owners. In the event of any conflict between this Declaration and the Bylaws or Articles of Incorporation, this Declaration shall control.
8. Covenants Run with the Land. The covenants, promises and obligations set forth in this Declaration shall run with the land and be binding upon and inure to the benefit of the respective successors and assigns of all of the Lot Owners and the Association.
9. No Dissolution Without City Approval. The Association shall not be dissolved, and the requirement of a reserve account for the maintenance of private streets and common areas as set forth in Article VII shall not be eliminated or amended except upon the prior written consent of the City of Eagle.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 7th day of March, 2005.

P.O. VENTURES, INC. an
Idaho Corporation

By [Signature]
Stacia Patterson
Its Secretary

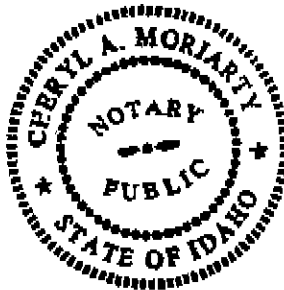
STATE OF IDAHO)

ss.

County of Ada)

On this 7th day of March, 2005, before me, the undersigned, a notary public in and for said state, personally appeared Stacia Patterson, known or identified to me to be the Secretary of P.O. VENTURES, INC., an Idaho corporation, whose name is subscribed to the above and foregoing instrument and acknowledged to me that he executed the same on behalf of said corporation and acknowledged that said corporation executed the same.

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



[Signature]
Notary Public for Idaho
Residing at: Star, Idaho
My Commission Expires: 10/02/2006