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TRANSACTION

**MASTER DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GOLDCREEK SUBDIVISION**

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GOLDCREEK SUBDIVISION (this "Declaration") is made effective as of the _____ day of _____, 2002, by Goldcreek Developers, LLC, an Idaho limited liability company ("Grantor" and "Class B Member"), James L. Jewett ("Jewett") and W. Brent Nyborg ("Nyborg").

ARTICLE I: RECITALS

1.1 Property Covered. The property subject to this Declaration is located in the County of Ada, State of Idaho, and is more particularly described in Exhibits A and B, attached hereto and made a part hereof (the "Property"). Grantor intends to develop the Property in two stages. Phase I is described on Exhibit A, and Phase II is described on Exhibit B. Each development stage shall constitute a Phase, as defined herein. Jewett and Nyborg are each owners of a portion of the Property.

1.2 Purpose of Declaration. Goldcreek Subdivision is a residential development, which Grantor currently intends to develop in accordance with existing development approvals obtained from the City of Kuna and documented in the City of Kuna files, or any other development plan(s) for which Grantor may from time to time obtain approval. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions, plans and equitable servitudes (collectively, the "Restrictions") that will apply to the entire development and use of all portions of the Property. The Restrictions are designed to preserve the Property's value, desirability and attractiveness, and to guarantee adequate maintenance of the Common Areas, and the Improvements located thereon.

ARTICLE II: DECLARATION

Grantor hereby declares that the Property, and each lot, parcel or portion thereof, is and/or shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following terms, covenants, conditions, easements and restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness of the Property. The terms, covenants, conditions, easements and restrictions set forth herein: shall run with the land constituting the Property, and with each estate therein, and shall be binding upon all persons having or acquiring any right, title or interest in the Property or any lot, parcel or portion thereof; shall inure to the benefit of every lot, parcel or portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon Grantor, Grantor's successors in interest and each grantee or Owner and such grantee's or Owner's respective successors in interest, and may be enforced by Grantor, by any Owner or such Owner's successors in interest, or by the Association.

Notwithstanding the foregoing, no provision of this Declaration shall be construed as to prevent or limit Grantor's right to complete development of the Property and to construct improvements thereon, nor Grantor's right to maintain model homes, construction, sales or leasing offices or similar facilities on any portion of the Property, including the Common Areas or any public right-of-way, nor Grantor's right to post signs incidental to construction, sales or leasing.

ARTICLE III: DEFINITIONS

3.1 "Articles" shall mean the Articles of Incorporation of the Association or other organizational or charter documents of the Association.

3.2 "Assessments" shall mean those payments required of Owners and Association Members.

3.3 "Association" shall mean Goldcreek Subdivision Homeowners' Association, Inc., a non-profit corporation organized or to be organized under the laws of the State of Idaho, its successors and assigns.

3.4 "Board" shall mean the Board of Directors or other governing board or individual, if applicable, of the Association.

3.5 "Building Lot" shall mean one or more lots as specified or shown on any Plat upon which Improvements may be constructed.

3.5.1 "Class 1" shall mean those Building Lots that are designated as Class 1 lots under the Declaration, as it may be amended from time to time.

3.5.2 "Class 2" shall mean those Building Lots that are designated as Class 2 lots under the Declaration, as it may be amended from time to time.

3.5.3 Lot 1, Block 4 and Lot 3, Block 1 are Class 2 lots with existing uses that may continue until these lots are transferred to new owners. Any construction (not including routine maintenance) on these lots shall be in full compliance with this Declaration.

3.6 "Bylaws" shall mean the Bylaws of the Association.

3.7 "Common Areas" shall mean that portion of Lot 7, Block 2 of Goldcreek Subdivision, and Lot 15, Block 3, and Lots 27, 28, 38 and 43, Block 5 of Goldcreek Subdivision No. 2, as designated on the final plat for each phase of Goldcreek Subdivision, which Common Areas shall include, without limitation, storm water drainage facilities.

3.8 "Declaration" shall mean this Declaration as it may be amended from time to time.

3.9 "Goldcreek Subdivision" shall mean the Property.

3.10 "Grantor" shall mean Goldcreek Developers, LLC, an Idaho limited liability company, successor in interest to The Westpark Company, Inc., an Idaho corporation, and any successor in interest, or any person or entity to whom the rights under this Declaration are expressly transferred by Goldcreek Developers, LLC.

3.11 "Improvement" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Property, including but not limited to buildings, fences, streets, drives, driveways, sidewalks, curbs, landscaping, signs, lights, street lights, mail boxes, electrical lines, pipes, pumps, ditches, ponds, and fixtures of any kind whatsoever.

3.12 "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Building Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration, including interest thereon as provided in this Declaration.

3.13 "Member" shall mean each person or entity holding a membership in the Association.

3.14 "Owner" shall mean the person or other legal entity, including Grantor, holding fee simple interest of record to a Building Lot which is a part of the Property, and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation.

3.15 "Person" shall mean any individual, partnership, corporation or other legal entity.

3.16 "Phase" shall mean a defined portion of the Property within which the contemplated development involves a common use or compatible uses, and which may have been designated as a Phase by recorded Supplemental Declaration.

3.17 "Plat" shall mean any subdivision plat covering any portion of the Property as recorded at the office of the County Recorder, Ada County, Idaho, as the same may be amended by duly recorded amendments thereof.

3.18 "Property" shall mean those portions of the Property described herein including each lot, parcel and portion thereof and interest therein, including all water rights associated with or appurtenant to such property.

3.19 "Regular Assessment" shall mean the portion of the cost of maintaining, improving, repairing, managing and operating the Common Areas and all Improvements located thereon, and the other costs of the Association which is to be levied against the Property of and paid by each Owner to the Association, pursuant to the terms hereof or the terms of this Declaration.

3.20 "Special Assessment" shall mean the portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments which are authorized and to be paid by each Owner to Association, pursuant to the provisions of this Declaration.

3.21 "Supplemental Declaration" shall mean any supplemental declaration including additional covenants, conditions and restrictions that might be adopted with respect to any portion of the Property.

ARTICLE IV: GENERAL AND SPECIFIC RESTRICTIONS

4.1 Structures - Generally. All structures are to be designed, constructed and used in such a manner as to promote compatibility between the types of use contemplated by this Declaration.

4.1.1 Use, Size and Height of Dwelling Structure. All Building Lots identified on the Plat to be used for single-family residential purposes (including townhomes as and where indicated on the Plat) shall be improved with a single-family dwelling unit or structure of frame, stone or brick construction. No single-family structure located on a Class 1 Building Lot shall have a floor area of less than one thousand one hundred (1,100) square feet, exclusive of garages, patios, breezeways, storage rooms, porches, and similar structures. No single-family structure on a Class 2 Building Lot shall have a floor area of less than one thousand three hundred (1,300) square feet, exclusive of garages, patios, breezeways, storage rooms, porches, and similar structures. No structure having more than two (2) stories shall be allowed on any lot without prior written approval from the Architectural Committee, as provided for more fully in Article VI below. Lot 1, Block 4 may be subdivided into not more than four (4) Class 2 lots.

4.1.2 Accessory Structures. Detached structures shall be allowed if in conformity with the provisions of this Declaration, and as approved by the Architectural Committee, as provided more fully in Article VI below. There shall be no metal storage

nor wood storage attachments to any dwelling unit except as approved by the Architectural Committee. Garages, storage sheds attached to the residential structure, patio covers, and guest homes, shall be constructed of, and roofed with, the same materials, and with similar colors and design, as the residential structure on the applicable Building Lot. Each dwelling unit shall have an attached or detached garage to house a minimum of two (2) standard-sized cars.

4.1.3 Exterior of Dwelling Structure. No change shall be made in the color of paint, stain, or other exterior finish to a dwelling unit or structure without prior written approval by the Architectural Committee. No fence shall be allowed except as approved by the Architectural Committee. The visual harmony and aesthetic appeal of the structures on the Building Lots being of mutual concern to all Owners and having a direct bearing on the value of Building Lots and Improvements thereon, the Architectural Committee shall have the right to control the texture, design and color scheme of the outside walls, fences, roofs and patio roofs of all structures erected upon Building Lots, and to require landscaping. Brick or stucco accents are encouraged on the front elevation and porches of homes on Class 1 lots and required on Class 2 lots. No gravel roofs are permitted. Roofs shall be a minimum of 5 in 12 pitch with asphalt shingles with specific colors of "Pabco Weathered Wood" or equivalent and/or other materials as approved in writing by the Architectural Committee.

4.1.4 Location on Building Lot. Unless otherwise specifically approved in writing by the Architectural Committee, all structures (exclusive of fences and similar structures) shall be placed within the building setbacks for each Building Lot. All utility facilities and/or systems used in connection with a Building Lot shall be placed underground. Each Owner shall place fencing (as approved by the Architectural Committee) subject to the following restrictions:

4.1.4.1 Fence and walls shall not extend closer to any street than twenty feet (20') nor project beyond the setback of the principal building on the Building Lot. On corner lots with two street frontages, the side yard fence may extend to within 10 feet of the property line, if allowed by the City of Kuna. No fence shall be constructed of chain link or similar material. White vinyl fencing will be encouraged. No fence higher than six feet (6') shall be allowed.

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

4.1.4.3 No fence or wall shall interfere with the use and enjoyment of any easement shown on the Plat.

4.1.4.4 No fence, wall, hedge, high planting, obstruction or barrier shall be allowed which would unreasonably interfere with the use and enjoyment of neighboring Building Lots and streets, and shall not be allowed if the same constitute an undesirable, noxious or nuisance effect upon neighboring Building Lots.

4.1.5 Completion of Construction. Once any Owner of a Building Lot shall have commenced the construction of a dwelling unit or structure in compliance with the restrictions herein, such construction shall be completed within one (1) year thereafter. The term "commenced the construction" as used in this subparagraph 4.1.5 shall mean the start of actual physical construction activities upon such dwelling unit or structure upon such Building Lot.

4.1.6 Designation of Lots. All of the lots in Goldcreek Subdivision have been classified as either Class 1 lots or Class 2 lots. The classification of each lot is as described on Exhibit C attached hereto, and incorporated herein.

4.2 Landscaping. The initial homeowner shall submit a landscape plan which must be approved by the Architectural Committee. Such landscape plan shall provide, at a minimum, for sod to be planted in the front yard of the Building Lot, for grass to be planted at the side yard of a corner Building Lot, and for grass or other cover approved by the Architectural Committee to be planted at the rear yard. Such landscaping plan shall provide, at a minimum, in the front yard, one (1) flowering tree of at least two inch (2") caliper or one (1) pine tree at least 6 feet in height, and five (5) one-gallon shrubs. The use of berms and sculptured planting areas is encouraged. The initial Owner of a Building Lot (which may also be the builder of the home on such Building Lot) shall at a minimum install sod in the front yard and an automatic sprinkler system to water the same and one flowering tree of at least two inch (2") caliper or one pine tree at least six feet (6') in height in the front yard prior to occupancy. The remainder of the landscaping plan shall be completed within six (6) months of the initial occupancy of the home. Prior to completion of the landscape plan, Owner shall control weeds and maintain the property in a clean and safe condition, free of debris or any hazardous condition. Each Owner is responsible for irrigating and mowing all grass along road right-of-ways that border such Owner's Building Lot. All trees located on common Building Lot lines shall be the joint responsibility of the adjoining Building Lot owners.

4.3 Exterior Maintenance: Owner's Obligations. No Improvement shall be permitted to fall into disrepair, and each Improvement shall at all times be kept in good condition and repair. Any building or structure that is vacant and unoccupied shall be kept locked and the windows glazed to prevent entrance by vandals. Vacant structures and unimproved Building Lots shall not be exempt from the provisions of this Declaration. In the event that any Owner shall permit any Improvement, including trees and landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, overgrown, weed-infested, unsightly or unattractive condition, or damages property or facilities on or adjoining their Building Lot which would otherwise be the Associations' responsibility to maintain, the Board upon fifteen (15) days prior written notice to the Owner of such property,

Building Lot until the Owner of such Building Lot or such Owner's builder is ready and able to commence construction.

4.9 No Hazardous Activities. No activities shall be conducted on the Property, and no Improvements constructed on any property which are or might be unsafe or hazardous to any person or property.

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

4.11 Animals/Pets. No animals, birds, insects, pigeons, poultry or livestock shall be kept on the Property unless the presence of such creatures does not constitute a nuisance. Chronic dog barking shall be considered a nuisance. This paragraph 4.11 does not apply to the keeping of up to one (1) domesticated dog, up to two (2) domesticated cats, and other household pets which do not unreasonably bother or constitute a nuisance to others, provided such animals are not kept, bred or maintained for any commercial purpose. Dogs and other similar pets shall be on a leash when not confined to an Owner's Building Lot.

4.12 Drainage. A site plan indicating the proposed grading and drainage of a Building Lot must be approved by the Architectural Committee before any construction is initiated. Building Lot grading shall be kept to a minimum and buildings are to be located for preservation of the existing grades, berms or swales which should be an integral part of the grade design. Subject to the requirements of any governmental entity having jurisdiction thereof, water from a Building Lot may drain or flow into adjacent streets but shall not be allowed to drain or flow upon, across or under adjoining Building Lots or Common Areas. Common Areas may drain onto adjoining lots. These adjoining Building Lots must be graded to provide positive flow of said drainage to the street. No septic tanks and/or cesspools shall be allowed on the Property.

4.13 Signs. No sign of any kind shall be displayed to the public view without the approval of the Architectural Committee except: (1) such signs as may be used by Grantor in connection with the development of the Property and sale of Building Lots; (2) such signs identifying Goldcreek Subdivision, or informational signs, of customary and reasonable dimensions as prescribed by the Architectural Committee may be displayed on or from the Common Areas; (3) one (1) sign of customary and reasonable dimensions as prescribed by the Architectural Committee as may be displayed by an Owner other than Grantor on or from a Building Lot advertising the residence for sale or lease; and (4) any sign required by the County of Ada. A customary "for sale" or "for lease" sign not more than three (3) feet by two (2) feet shall not require Architectural Committee approval. No sign shall be placed on Common Area lots without the written approval of the Architectural Committee.

4.14 Insurance Rates. Nothing shall be done or kept on any Building Lot which will increase the rate of insurance on any other portion of the Property without the approval of the Owner of such other portion, nor shall anything be done or kept on the Property or a Building Lot

shall have the right to correct such condition, and to enter upon such Owner's Building Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association, as the case may be, for the cost thereof. Such cost shall be a Limited Assessment and shall create a lien enforceable in the same manner as other Assessments set forth in Article VIII of this Declaration. The Owner of the offending property shall be personally liable, and such Owner's property may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due.

4.4 Excavation. No excavation for stone, sand, gravel, earth or minerals shall be made upon a Building Lot unless such excavation is necessary in connection with the construction of an approved structure thereon. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in or under a Building Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon, in or under any Building Lot. No derrick or other structure design for use in boring for oil or nature gas shall be erected, maintained or permitted upon any Building Lot.

4.5 Antennae. No exterior radio antenna, television antenna, satellite dish antenna or other antenna of any type shall be erected or maintained on the Property unless it is located or screened in a manner acceptable to the Architectural Committee.

4.6 No Temporary Structures. No house trailer, mobile home, tent (other than for short term individual or visitor 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.

4.7 No Unscreened Boats, Campers and Other Vehicles. No dilapidated or unrepared and unsightly vehicles or similar equipment, as determined in the reasonable discretion of the Board, shall be placed upon any portion of the Property (including, without limitation, streets, parking areas and driveways) unless the same are concealed from view in a manner approved by the Architectural Committee and using, without limitation, fencing and/or landscaping. Further, no boats, trailers, campers, all-terrain vehicles, motorcycles, recreational vehicles, bicycles shall be stored in the area between the front plane of a dwelling unit on a Building Lot and any street.

4.8 Unsightly Articles; Nuisances. No unsightly articles shall be permitted to remain on any Building Lot so as to be visible from any other portion of the Property. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants, or to any other property in the vicinity thereof or to its occupants. All refuse, garbage and trash shall be kept at all times in covered, reasonably noiseless containers, which shall be kept and maintained within an enclosed structure appropriately screened from view, except when necessarily placed for pick-up by garbage removal services. Vacant Building Lots are to be kept in clean natural state. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or to other property in the vicinity or to its occupants. No building materials of any kind shall be placed or stored on a

which would result in the cancellation of insurance on any property owned or managed by the Association or which would be in violation of any law.

4.15 No Further Subdivision. No Building Lot may be further subdivided; provided, however, the conveyance of an insignificant portion(s) of a Building Lot to the Owner of the Building Lot which abuts said conveyed portion for the purpose of correcting a common boundary or other similar purpose, shall not be deemed to be a subdividing of a Building Lot within the prohibition contained herein.

4.16 Exemption of Grantor. Nothing contained herein shall limit the right of Grantor to subdivide or resubdivide any portion of the Property, to grant licenses, to reserve rights-of-way and easements with respect to Common Areas to utility companies, public agencies or others, or to complete excavation, grading and construction of Improvements to and on any portion of the Property owned by Grantor, or to alter the foregoing and its construction plans and designs, or to construct such additional Improvements as Grantor deems advisable in the course of development of the Property so long as any Building Lot in the Property remains unsold. Such right shall include, but shall not be limited to, erecting, constructing and maintaining on the Property such structures and displays as may be reasonably necessary for the conduct of Grantor's business of completing the work and disposing of the same by sales lease or otherwise. Grantor need not seek or obtain Architectural Committee approval of any Improvements constructed or placed within the Property by Grantor, but this particular exception shall not apply to building(s) or structure(s) constructed by Grantor on a Building Lot owned by Grantor. Grantor shall have the right at any time prior to acquisition of title to a Building Lot by a purchaser from Grantor to grant, establish and/or reserve on that Building Lot additional licenses, reservations and rights-of-way to Grantor, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property. The rights of Grantor hereunder may be assigned by Grantor to any successor in interest in connection with Grantor's interest in any portion of the Property, by an express written assignment recorded in the Office of the Ada County Recorder.

4.17 Adoption of Rules. The Association, through its Board of Directors, may adopt reasonable rules not inconsistent with this Declaration relating to the use of the Common Areas and all facilities thereon, and the conduct of Owners and their tenants and guests with respect to the Property and other Owners.

ARTICLE V: GOLDCREEK SUBDIVISION HOMEOWNERS' ASSOCIATION, INC.

5.1 Organization of Goldcreek Subdivision Homeowners' Association, Inc. Goldcreek Subdivision Homeowners' Association, Inc. (the "Association") shall be initially organized by Grantor as an Idaho non-profit corporation under the provisions of the Idaho Code relating to general non-profit corporations 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. Neither the Articles nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

5.2 Membership. Each Owner, by virtue of being an Owner and for so long as such ownership is maintained, shall be a Member of the Association. The memberships in the Association shall not be transferred, pledged, assigned or alienated in any way except upon the transfer of Owner's title in such Owner's Building Lot and then only to the transferee of such title. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books of the Association.

5.3 Voting. Voting in the Association shall be carried out by Members who shall cast the votes attributable to the Building Lots which they own, or attributable to the Building Lots owned by Grantor. The number of votes any Member may cast on any issue is determined by the number of Building Lots which the Member, including Grantor, owns. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the votes attributable to the Building Lot. For voting purposes, the Association shall have two (2) classes of Members as described below:

5.3.1 Class A Members. Owners other than Grantor shall be known as "Class A Members." Each Class A Member shall be entitled to cast one (1) vote for each Building Lot owned by such Class A Member on the day of the vote.

5.3.2 Class B Members. Grantor shall be known as the "Class B Member," and shall be entitled to ten (10) votes for each Building Lot owned by such Class B Member on the day of the vote. The Class B Member shall cease to be a voting Member in the Association on the happening of either of the following events, whichever occurs earlier:

5.3.2.1 when the Class B Member holds no votes; or

5.3.2.2 ten (10) years after the date this Declaration is recorded in the official records of Ada County, Idaho.

Fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint Owners of the Building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot to which it is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Building Lot concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Building Lot to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner, subject to any assignment of the right to vote to a lessee, mortgagee, or beneficiary as provided herein.

5.4 Board of Directors and Officers. The affairs of the Association shall be conducted and managed by a Board of Directors ("Board") and such officers as the Board may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended from time to

time. The Board of the Association shall be elected in accordance with the provisions set forth in the Association Bylaws.

5.5 Power and Duties of the Association.

5.5.1 Powers. The Association shall have all the powers of a corporation organized under the general corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, and this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law and under this Declaration, and the Articles and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Common Areas and the Association's other assets, including water rights when and if received from Grantor, and affairs and the performance of the other responsibilities herein assigned, including without limitation:

5.5.1.1 Assessments. The power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

5.5.1.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owner who consents thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or the Bylaws.

5.5.1.3 Emergency Powers. The power, exercised by the Association or by any person authorized by it, to enter upon any property (but not inside any building constructed thereon) in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association.

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

5.5.1.4.1 Underground lines, cables, wires, conduits or other devices for the transmission of electricity or electronic signals-for lighting, heating, power, telephone, television or other

purposes, and the above ground lighting stanchions, meters, and other facilities associated with the provisions of lighting and services; and

5.5.1.4.2 Public sewers, storm drains, water drains and pipes, water supply systems, sprinkling systems, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities.

5.5.1.4.3 Mailboxes and sidewalk abutments around such mailboxes or any service facility, berm, fencing and landscaping abutting common areas, public and private streets or land conveyed for any public or quasi-public purpose.

The right to grant such licenses, easements and rights-of-way are hereby expressly reserved to the Association and may be granted at any time prior to twenty-one (21) years after the death of the issue of the individuals executing this Declaration on behalf of Grantor who are in being as of the date hereof.

5.5.2 Duties. In addition to duties necessary and proper to carry out the power delegated to the Association by this Declaration, and the Articles and Bylaws, without limiting the generality thereof, the Association or its agent, if any, shall have the authority and the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:

5.5.2.1 Operation and Maintenance of Common Areas. Operate, maintain, and otherwise manage or provide for the operation, maintenance and management of the Common Areas.

5.5.2.2 Taxes and Assessments. Pay all real and personal property taxes and Assessments separately levied against the Common Areas or against the Association and/or any other property owned by the Association. Such taxes and Assessments may be contested or compromised by the Association, provided, however, that such taxes and Assessments are paid or a bond insuring payment is posted prior to the sale or disposition of any property to satisfy the payment of such taxes and Assessments. In addition, the Association shall pay all other federal, state or local taxes, including income or corporate taxes levied against the Association, in the event that the Association is denied the status of a tax exempt corporation.

5.5.2.3 Water and Other Utilities. Acquire, provide and/or pay for necessary services for maintenance of the Common Areas, and to manage for the benefit of the Association all water rights and rights to receive water held by the Association, whether such rights are evidenced by license, permit, claim, stock ownership or otherwise.

5.5.2.4 Insurance. Obtain insurance from reputable insurance companies authorized to do business in the State of Idaho, and maintain in effect any insurance policy the Board deems necessary or advisable, including, without limitation the following policies of insurance:

5.5.2.4.1 Fire insurance including those risks embraced by coverage of the type known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreed amount basis for the full insurable replacement value of all Improvements, equipment and fixtures located within the Common Areas.

5.5.2.4.2 Comprehensive public liability insurance insuring the Board, the Association, Grantor and the individual grantees and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the Common Areas. Limits of liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000) per person and One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage.

5.5.2.4.3 Such other insurance, including motor vehicle insurance and Worker's Compensation insurance, to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association functions or to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property.

5.5.2.4.4 The Association shall be deemed trustee of the interests of all Owners in connection with any insurance proceeds paid to the Association under such policies, and shall have full power to receive such Owner's interests in such proceeds and to deal therewith.

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

5.5.2.4.6 Each Owner may obtain insurance at such Owner's own expense providing coverage upon such Owner's Building Lot, such Owner's personal property, for such Owner's personal liability, and covering such other risks as such Owner 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 of 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. Proceeds of such insurance claims shall be paid to the owner of the Building Lot and/or the mortgagee in connection with such Building Lot.

5.5.2.5 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably advisable or necessary to enforce any of the provisions of the Declaration, or of the Articles or Bylaws, including, without limitation, the recordation of any claim of lien with the Ada County Recorder, as more fully provided herein.

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

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

5.7.1 Budget/Projected Operating Statement. A projected operating statement or budget, for each fiscal year shall be distributed not less than sixty (60) days before the beginning of each fiscal year. The operating statement projected for the ensuing fiscal year shall include a schedule of Assessments received and receivable, identified by the Building Lot number and the name of the person or entity assigned.

5.7.2 Balance Sheet. Within thirty (30) days after the close of each fiscal year, the Association shall cause to be prepared a balance sheet as of the last day of the Association's fiscal year, and will deliver such Balance Sheet to each Owner within ninety (90) days after the end of each fiscal year.

5.7.3 Operating Statement. Within thirty (30) days after the close of each fiscal year, the Association shall cause to be prepared an annual operating statement reflecting the income and expenditures of the Association. Copies of the balance sheet

and operating statement shall be distributed to each Member within ninety (90) days after the end of each fiscal year.

5.7.4 Audit. The Corporation will provide an audited statement for the preceding fiscal year if the holder, insurer or guarantor of any first mortgage that is secured by a Building Lot submits a written request for it; such holder, insurer or guarantor shall pay the reasonable cost of such audit. A copy of each audit shall be delivered to each Member within thirty (30) days after the completion of such audit.

5.8 Meetings of Association. Each year the Association shall hold at least one meeting of the Members, according to the schedule for such meetings established by the Bylaws; provided, that such meeting shall occur no earlier than April 15 and no later than May 31 each year. Only Members shall be entitled to attend Association meetings, and all other persons may be excluded. Notice for all Association meetings, regular or special, shall be given by regular mail to all Members, and any person in possession of a Building Lot, not less than ten (10) days nor more than thirty (30) days before the meeting and shall set forth the place, date and hour of the meeting and the nature of the business to be conducted. All meetings shall be held within the Property or as close thereto as practical at a reasonable place selected by the Board. The presence at any meeting in person of the Class B Member where there is such a Member, and of the Class A Members representing Owners holding at least thirty percent (30%) of the total votes of all Class A Members, shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was scheduled. At any such meeting properly called, the presence of any Member shall constitute a quorum.

ARTICLE VI: ARCHITECTURAL CONTROL

6.1 Architectural Committee. In order to protect the quality and value of all homes built on the Property, and for the continued protection of the Owners thereof, an Architectural Committee, initially consisting of R. Craig Groves, Robert R. Bass and Stacy Wirick, is hereby established. At such time as the total number of Building Lots owned by Grantor total less than five (5) percent of the Building Lots, then the membership of the Architectural Committee shall be comprised of the Board of Directors of the Association. A two-thirds (2/3) vote of the Architectural Committee is required for approval.

6.2 Approval by Committee. No building, fence, wall, patio cover, window awning or other Improvement shall be commenced, erected, or maintained upon any Building Lot, Common Areas or other portion of the Property, nor shall any exterior addition to or change or alteration therein be made, until the plans and specifications showing the nature, kind, shape, height, materials, location of the same, color, and such other detail as the Architectural Committee may require shall have been submitted to and approved in writing by the Architectural Committee. A single-family dwelling unit or structure should take into consideration the Building Lot frontage and the potential for side-lot access for the garage, which side-lot garage access shall be encouraged where appropriate. In the event the Architectural Committee fails to approve or disapprove such plans, specifications and location within thirty

(30) days after said plans and specifications have been submitted to it in such form as may be required by the Architectural Committee, in writing, approval will not be required, and this Article will be deemed to have been fully complied with.

6.3 Rules and Regulations. The Architectural Committee is hereby empowered to adopt rules to govern its procedures, including such rules as the Architectural Committee may deem appropriate with regard to the right of concerned parties due to be heard on any matter before the Architectural Committee. The Architectural Committee is further hereby empowered to adopt such regulations as it shall deem appropriate, consistent with the provisions of this Declaration, with regard to matters subject to the Architectural Committee's approval, including matters of design, materials and aesthetic interest. Such rules, after adoption, shall be of the same force and effect as if set forth in full herein.

ARTICLE VII:

ARTICLE 7: RIGHTS TO COMMON AREAS

7.1 Use of Common Areas. Every Owner shall have a right to use each parcel of the Common Areas, which right shall be appurtenant to and shall pass with the title to every Building Lot, subject to the following provisions:

7.1.1 The right of the Association holding or controlling the Common Areas to levy and increase Assessments;

7.1.2 The right of the Association to suspend the voting rights and rights to use of, except for the right of an Owner to ingress and egress to such Owner's Building Lot, or interest in, Common Areas by an Owner for any period during which any Assessment or charge against such Owner's Building Lot remains unpaid;

7.1.3 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 permitted by the Articles and Bylaws and agreed to by the Members. No dedication or transfer of said Common Areas shall be effective unless an instrument agreeing to such dedication or transfer signed by Members representing two-thirds (2/3) of each class of Members has been recorded;

7.1.4 The right of the Association to prohibit the construction of structures or Improvements on the Common Areas;

7.1.5 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 assessments against said Member's property remains unpaid, and for a period not to exceed thirty (30) days for each infraction of its published rules and regulations;

7.1.6 The right of the Association to limit the number of Members permitted to use the Common Areas, or a portion thereof, at any one time; and

7.1.7 The right of the Association to publish reasonable rules and regulations governing the use of the Common Areas.

7.2 ACHD Maintenance. Notwithstanding the Association is obligated to maintain Lot 7, Block 2 of the Common Area and facilities contained therein, it is hereby provided that Ada County Highway District ("ACHD") may elect to maintain any part or facility of the Common Area should the Association fail to maintain Lot 7, Block 2 of the Common Area. In the event that ACHD determines, in its sole reasonable discretion, that the Association is not adequately maintaining Lot 7, Block 2 of the Common Area, ACHD shall, before undertaking maintenance of the Common Area, provide written notice of its intention to begin maintenance of the Common Area within a thirty (30) day period, within which time frame the Association may undertake to initiate and conclude all maintenance defects as identified by ACHD. In the event the Association shall fail to commence and conclude maintenance of the Common Area to the extent such items of specific maintenance are identified by ACHD within the prescribed thirty (30) days, then in such event, ACHD may begin to undertake maintenance of Lot 7, Block 2 of the Common Area.

ACHD is hereby granted an irrevocable license to enter upon any portion of Lot 7, Block 2 of the Common Area to perform inspection and maintenance. Should ACHD engage in maintenance of Lot 7, Block 2 of the Common Area after having provided notice to the Association and having provided the Association an opportunity to undertake such maintenance, ACHD shall be entitled to and empowered to file a ratable lien against all Building Lots in Goldcreek Subdivision with power of sale as to each and every Building Lot to secure payment of the costs in connection with such maintenance. The prior written approval of ACHD is required to amend this section or dissolve the Association.

7.3 Designation of Common Areas. Grantor shall designate and reserve the Common Areas in this Declaration, and/or recorded Plats, deeds or other instruments and/or as otherwise provided herein.

7.4 Delegation of Right to Use. Any Owner may delegate, in accordance with the respective Bylaws of the Association such Owner's right of enjoyment to the Common Areas, to the members of such Owner's family in residence, and such Owner's tenants or contract purchasers who reside on such Owner's Building Lot.

7.5 Damages. Each Owner shall be fully liable for any damage to any Common Areas which may be sustained by reason of the negligence or willful misconduct of the Owner, such Owner's resident tenant or contract purchaser, or such Owner's family and guests, both minor and adult. In the case of joint ownership of a Building Lot, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Limited Assessment against the Building Lot and may be collected as provided herein for the collection of other

Assessments. No Owner shall be liable for any amounts greater than is legally allowable under Idaho law.

ARTICLE VIII: ASSESSMENTS

8.1 Covenant to Pay Assessments. By acceptance of a deed to any property in Goldcreek Subdivision, each Owner of such property hereby covenants and agrees to pay when due all Assessments or charges made by the Association, including all Regular, Special and Limited Assessments and charges made against such Owner pursuant to the provisions of this Declaration or other applicable instrument.

8.1.1 Assessment Constitutes Lien. Such Assessments and charges 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 property against which each such Assessment or charge is made.

8.1.2 Assessment is Personal Obligation. Each such Assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such property beginning with the time when the Assessment falls due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them but shall remain such Owner's personal obligation regardless of whether he remains an Owner.

8.2 Regular Assessments. All Owners, including Grantor, are obligated to pay Regular Assessments to the treasurer of the Association on a schedule of payments established by the Board.

8.2.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by the Association, including legal and attorneys fees and other professional fees, for the conduct of its affairs, including without limitation the costs and expenses of construction, improvement, protection, maintenance, repair, management and operation of the Common Areas, including all Improvements located on such areas owned and/or managed and maintained by the Association, and an amount allocated to an adequate reserve fund to be used for repairs, replacement, maintenance and improvement of those elements of the Common Areas, or other property of the Association that must be replaced and maintained on a regular basis (collectively "Expenses").

8.2.2 Computation of Regular Assessments. The Association shall compute the amount of its Expenses on an annual basis. The Board shall compute the amount of Regular Assessments owed beginning the first day of the third month following the month in which the closing of the first sale of a Building Lot occurred in Goldcreek Subdivision for the purposes of the Association's Regular Assessment ("Initiation Date"). Thereafter, the computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of an

Association. The computation of the Regular Assessment for the period from the Initiation Date until the beginning of the next fiscal year shall be adjusted by an amount which fairly reflects the fact that such period was less than one year.

8.2.3 Amounts Paid by Owners. The Board can require, in its discretion or as provided in the Articles or Bylaws, payment of Regular Assessments in monthly, quarterly, semi-annual or annual installments. The Regular Assessment to be paid by any particular Owner, including Grantor, for any given fiscal year shall be computed by multiplying the Association's total advance estimate of Expenses by the fraction produced by dividing the Building Lots attributable to the Owner by the total number of Building Lots in the Property.

8.3 Special Assessments.

8.3.1 Purpose and Procedure. In the event that the Board shall determine that its respective Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of the Association for any reason, including but not limited to costs of construction, reconstruction, unexpected repairs or replacement of capital improvements upon the Common Areas, attorney's fees and/or litigation costs, other professional fees, or for any other reason, the Board thereof shall determine the approximate amount necessary to defray such Expenses and levy a Special Assessment against the portions of the Property within its jurisdiction which shall be computed in the same manner as Regular Assessments. No Special Assessment shall be levied which exceeds twenty percent (20%) of the budgeted gross Expenses of the Association for that fiscal year, without the vote or written assent of the Owners representing a majority of the votes of the Members of the Association. The Board shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

8.3.2 Consistent Basis of Assessment. Every Special Assessment levied by and for the Association shall be levied and paid upon the same basis as that prescribed for the levying and payment of Regular Assessments for such Association.

8.4 Limited Assessments. Notwithstanding the above provisions with respect to Regular and Special Assessments, a Board may levy a Limited Assessment against a Member as a remedy to reimburse the Association for costs incurred in bringing the Member and/or such Member's Building Lot into compliance with the provisions of the governing instruments for Goldcreek Subdivision.

8.5 Uniform Rate of Assessment. Unless otherwise specifically provided herein, Regular and Special Assessments shall be fixed at a uniform rate per Building Lot for all Members of the Association.

8.6 Assessment Period. Unless otherwise provided in the Articles or Bylaws, the Assessment period shall commence on January 1 of each year and terminate December 31 of the year in which the Initiation Date occurs. The first Assessment shall be pro-rated according to the

number of months remaining in the fiscal year and shall be payable in equal monthly or quarterly installments, as determined by the Board, as per paragraph 8.2.3 above.

8.7 Notice and Assessment Due Date. Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the Owner of every Building Lot subject thereto, and to any person in possession of such Building Lot. The due dates for installment payment of Regular Assessments and Special Assessments shall be the first day of each month unless some other due date is established by the Board. Each monthly installment of the Regular Assessment or Special Assessment shall become delinquent if not paid within ten (10) days after the levy thereof. There shall accrue with each delinquent installment payment a late charge equal to five percent (5%) of the delinquent installment. In addition, each installment payment which is delinquent for more than twenty (20) days shall accrue interest at ten percent (10%) per annum calculated from the date of delinquency to and including the date full payment is received by the Association. The Association may bring an action against the delinquent Owner and may foreclose the lien against such Owner's Building Lot as more fully provided herein. Each Owner is personally liable for Assessments, together with all interest, costs and attorneys' fees, and no Owner may exempt such Owner from such liability by a waiver of the use and enjoyment of the Common Areas, or by lease or abandonment of such Owner's Building Lot.

8.8 Estoppel Certificate. The Association, upon at least twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request, a statement in writing stating whether or not, to the knowledge of the Association, a particular Building Lot Owner is in default under the provisions of this Declaration, and further stating the dates to which any Assessments have been paid by the Owner. Any such certificate delivered pursuant to this paragraph 8.8 may be relied upon by any prospective purchaser or mortgagee of the Owner's Building Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge.

8.9 Special Notice and Quorum Requirements. Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of levying a Special Assessment, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessment, shall be sent to all Members of the Association and to any person in possession of a Building Lot, not less than fifteen (15) days nor more than thirty (30) days before such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the total votes of the Association shall constitute a quorum. If such quorum is not present, subsequent meetings may be called subject to the same notice requirement, and the required quorum at the subsequent meetings shall be fifty percent (50%) of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

ARTICLE IX: ENFORCEMENT OF ASSESSMENTS; LIENS

9.1 Right to Enforce. The Association has the right to collect and enforce its Assessments pursuant to the provisions hereof. Each Owner of a Building Lot, upon becoming an Owner of such Building Lot, shall be deemed to covenant and agree to pay each and every

Assessment provided for in this Declaration and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay reasonable attorney's fees in addition to any other relief or remedy obtained against such Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board may exercise the power of foreclosure and sale pursuant to paragraph 9.3 to enforce the liens created hereby. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

9.2 Assessment Liens.

9.2.1 Creation. There is hereby created a claim of lien with power of sale on each and every Building Lot to secure payment of any and all Assessments levied against such Building Lot pursuant to this Declaration together with interest thereon at the maximum rate permitted by law and all costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorneys' fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Building Lots upon recordation of a claim of lien with the Ada County Recorder. Such lien shall be prior and superior to all other liens or claims created subsequent to the recordation of the notice of delinquency and claim of lien except for tax liens for real property taxes on any Building Lot and Assessments on any Building Lot in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

9.2.2 Claim of Lien. Upon default of any Owner in the payment of any Regular, Special or Limited Assessment issued hereunder, the Association may cause to be recorded in the office of the Ada County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Building Lot(s) against which the same have been assessed, and the name of the record Owner thereof. Each delinquency shall constitute a separate basis for a notice and claim of lien, but any number of defaults may be included within a single notice and claim of lien. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction of relief of such delinquent sums and charges. The Association may demand and receive the cost of preparing and recording such release before recording the same.

9.3 Method of Foreclosure. Such lien may be foreclosed by appropriate action in court or by sale by the Association establishing the Assessment, its attorney or other person authorized to make the sale. Such sale shall be conducted in accordance with the provisions of the Idaho Code applicable to the exercise of powers of sale permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any title

company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

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

9.5 Subordination to Certain Trust Deeds. The lien for the Assessments provided for herein in connection with a given Building Lot shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such Building Lot prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in paragraph 9.6 with respect to a first mortgagee who acquires title to a Building Lot, the sale or transfer of any Building Lot shall not affect the Assessment lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.

9.6 Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat the rights of the beneficiary under any deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such deed of trust such Building Lot shall remain subject to this Declaration as amended.

ARTICLE X: EASEMENTS

10.1 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Building Lot and such portion or portions of the Common Areas adjacent thereto or as between adjacent Building Lots due to the unwillful placement or settling or shifting of the Improvements. Easements of encroachment shall be valid only so long as they exist, and the rights and obligations of Owners shall not be altered in any way because of encroachments, settling or shifting of the Improvements; provided, however, that in no event shall a valid easement for encroachment occur due to the willful act or acts of an Owner. In the event a structure on any Building Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Building Lot agree that minor encroachments over adjoining Building Lots that existed prior to the encroachment may be reconstructed pursuant to the easement granted by this paragraph 10.1.

10.2 Easements of Access. Grantor expressly reserves for the benefit of all the Property reciprocal easements of access, ingress and egress for all Owners to and from their respective Building Lots for installation and repair of utility services, for drainage of water over, across and upon adjacent Building Lots (consistent with Paragraph 4.12 above), and Common Areas, resulting from the normal use of adjoining Building Lots or Common Areas, and for necessary maintenance and repair of any Improvement including fencing, retaining walls, lighting facilities, mailboxes and sidewalk abutments, trees and landscaping. Such easements may be used by Grantor, and by all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Property, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Building Lot or Common Areas.

10.3 Drainage, Irrigation, and Utility Easements. Notwithstanding anything expressly or impliedly contained herein to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by Grantor for the installation and maintenance of utilities, irrigation and drainage facilities that are required for the development of the Property. In addition, Grantor hereby reserves for the benefit of the Association the right to grant additional easements and rights-of-way over the Property, as appropriate, to utility companies and public agencies as necessary or expedient for the proper development of the Property until close of escrow for the sale of the last Building Lot in the Property to a purchaser.

10.3.1 Improvement of Drainage, Irrigation, and Utility Easement Areas. The Owners of Building Lots are hereby restricted and enjoined from constructing any Improvements upon any drainage, irrigation or utility easement areas as shown on the Plat of Goldcreek Subdivision (all phases) or otherwise designated in any recorded document which would interfere with or prevent the easement from being used for such purpose; provided, however that the Owner of such Building Lots and Grantor, Association or designated entity with regard to the landscaping easement described in this Article X, shall be entitled to install and maintain landscaping on such easement areas, and also shall be entitled to build and maintain fencing on such easement areas subject to approval by the Architectural Committee, so long as the same would not interfere with or prevent the easement areas from being used for their intended purposes; provided, that any damage sustained to Improvements on the easement areas as a result of legitimate use of the easement area shall be the sole and exclusive obligation of the Owner of the Building Lot whose Improvements were so damaged.

10.4 Rights and Duties Concerning Utility Easements. The rights and duties of the Owners of the Building Lots within the Property with respect to utilities shall be governed by the following:

10.4.1 Wherever utility house connections are installed within the Property, which connections or any portions thereof lie in or upon Building Lots owned by an Owner other than the Owner of the Building Lot served by the connections, the Owner of the Building Lot served by the connections shall have the right, and is hereby granted an easement to the full extent necessary therefor, to enter upon any Building Lot or to have their agent enter upon any Building Lot within the Property in or upon which said

connections or any portion thereof lie, to repair, replace and generally maintain the connections as and when it may be necessary.

10.4.2 Whenever utility house connections are installed within the Property, which connections serve more than one Building Lot, the Owner of each Building Lot served by the connections shall be entitled to full use and enjoyment of such portions of said connections as service such Owner's Building Lot.

10.5 Disputes as to Sharing of Costs. In the event of a dispute between Owners with respect to the repair or rebuilding of utility connections, or with respect to the sharing of the cost therefor, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board which shall decide the dispute and, if appropriate, make an appropriate Assessment against any or all of the Owners involved on behalf of the prevailing Owner(s), which Assessment shall be collected and enforced in the manner provided by this Declaration for Limited Assessments.

ARTICLE XI: PRESSURIZED IRRIGATION SYSTEM

11.1 Irrigation System. Each Building Lot shall have access to a pressurized irrigation water system ("Irrigation System") owned and operated by the City of Kuna. The amount of water received for use on the Property is determined by the State of Idaho and administered by the City of Kuna.

11.2 Non-Potable Water. The non-potable Irrigation System contains inherent dangers. Use of the Irrigation System shall be subject to such rules, regulations, laws and ordinances as may be adopted and amended from time to time, of the City of Kuna, State of Idaho, and federal government, if any, and the Association, governing the use of the Irrigation System including, without limitation, all requirements of the "Idaho Rules for Public Drinking Water Systems." Each Owner shall clearly mark every non-potable water tap on such Owner's Building Lot with a warning label or sticker, and shall maintain such label or sticker. Cross-connections of any type or kind whatsoever between the non-potable Irrigation System and potable water lines are strictly prohibited.

ARTICLE XII: MISCELLANEOUS

12.1 Term. The easements created hereunder shall be perpetual, subject only to extinguishment by the holders of such easements as provided by law. The covenants, conditions, restrictions and equitable servitudes of this Declaration shall run until December 31, 2015, unless amended as herein provided. After December 31, 2015, such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by Members holding at least three-fourths (3/4) of the voting power of the Association and such written instrument is recorded with the Ada County Recorder. Further provided that the Association shall not be dissolved without the prior written approval of the City of Kuna and Ada County Highway District, such consent not to be unreasonably withheld provided that a responsible successor organization shall

agree to perform those maintenance responsibilities arising from applicable city and county governmental requirements.

12.2 Amendment.

12.2.1 By Grantor. Except as provided in paragraph 12.2.3 below, until the recordation of the first deed to a Building Lot in the Property, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to (collectively, "amendment") or terminated by Grantor by recordation of a written instrument setting forth such amendment or termination.

12.2.2 By Owners. Except where a greater percentage is required by express provision in this Declaration, any amendment to the provisions of this Declaration, other than this Article XII, shall be by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying and attesting that such amendment has been approved by the vote or written consent of Owners representing more than fifty percent (50%) of the votes in the Association, and such amendment shall be effective upon its recordation with the Ada County Recorder. Any amendment to this Article XII shall require the vote or written consent of Members holding ninety-five percent (95%) of the voting power of the Association.

12.2.3 Effect of Amendment. Any amendment of this Declaration approved in the manner specified above shall be binding on and effective as to all Owners and their respective properties notwithstanding that such Owners may not have voted for or consented to such amendment. Such amendments may add to and increase the covenants, conditions, restrictions and easements applicable to the Property but shall not prohibit or unreasonably interfere with the allowed uses of such Owner's property which existed prior to the said amendment.

12.3 Mortgage Protection. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat or render invalid the rights of the beneficiary under any first deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after foreclosure of any such first deed of trust such Building Lot shall remain subject to this Declaration, as amended.

12.4 Notices. Any notices permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association, as provided in this paragraph 12.4.

12.5 Enforcement and Non-Waiver.

12.5.1 Right of Enforcement. Except as otherwise provided herein, any Owner of any Building Lot, or the Association, shall have the right to enforce any or all of the provisions hereof against any property within the Property and Owners thereof.

12.5.2 Violations and Nuisances. The failure of any Owner of a Building Lot to comply with any provision hereof, or with any provision of the Articles or Bylaws of the Association, is hereby declared a nuisance and will give rise to a cause of action in Grantor, the Association or any Owner Building Lot(s) within the Property for recovery of damages or for negative or affirmative injunctive relief or both. However, any other provision to the contrary notwithstanding, only Grantor, the Association, the Board, or a duly authorized agent of any of them, may enforce by self-help any of the provisions hereof only if such self-help is preceded by reasonable notice to the Owner.

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

12.5.4 Remedies Cumulative. Each remedy provided herein is cumulative and not exclusive.

12.5.5 Non-Waiver. The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the right to enforce any such provision.

12.6 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property. This Declaration shall be construed and governed under the laws of the State of Idaho.

12.6.1 Restrictions Construed Together. All of the provisions hereof shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the recitals of this Declaration.

12.6.2 Restrictions Severable. Notwithstanding the provisions of the foregoing paragraph 12.6.1, each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

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

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

12.7 Successors and Assigns. All references herein to Grantor, Owners, the Association or person shall be construed to include all successors, assigns, partners and authorized agents of such Grantor, Owners, Association or person.

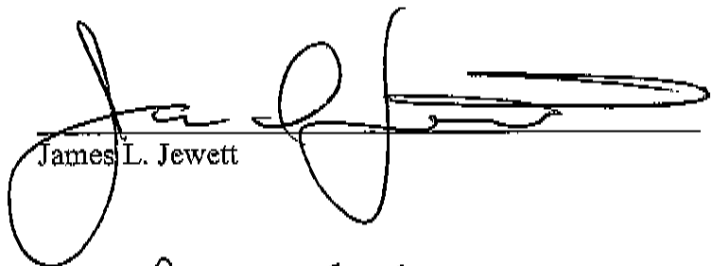
12.8 Mortgagees' Right to Satisfy Obligations of the Association. In the event that the Association fails to pay any debt or sum lawfully owed by it, for which a lien has been placed against the Common Areas, or in the event that the Association fails to pay premiums due on insurance policies required by this Declaration, the lapse of which would jeopardize a mortgagee's security in any Building Lot, such mortgagee may pay said premium after first having served five (5) days, written demand for such payment on the Association. In the event that the Association has allowed said insurance policies to lapse, any such mortgagee whose security in any Building Lot is jeopardized thereby may secure new comparable insurance coverage. In the event that such mortgagee makes payments allowed hereunder, it shall be entitled to prompt reimbursement from the Association.

IN WITNESS WHEREOF, Goldcreek Developers, LLC has set its hand this 15th day of March, 2002.

GRANTOR:

GOLDCREEK DEVELOPERS, LLC,
an Idaho limited liability company

By: 
Robert R. Bass, Managing Member


James L. Jewett

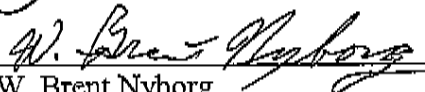

W. Brent Nyborg

EXHIBIT A
Legal Description of Goldcreek Subdivision

That certain real property known as Goldcreek Sub, according to the official plat thereof, filed as Instrument No. 102020581 in Book 83 at pages 9174 through 9175, records of Ada County, Idaho, more particularly described as follows:

See Attached.

Project No. 00-00100

January 19, 2000
Revised February 8, 2000
Revised February 10, 2000
Revised February 9, 2001

GOLDCREEK SUBDIVISION

A parcel of land located in the NE1/4 of the NW1/4 of Section 23, T.2N., R.1W. B.M., Ada County, Idaho, more particularly described as follows: Commencing at the 1/4 corner common to Section 14 and the said Section 23, from which the center of said Section 23 bears South 00°00'00" West, 2636.22 feet; thence South 00°00'00" West, 1318.11 feet to the C-N 1/16 corner; thence along the South line of the NE1/4 of the NW1/4, said line common to the North boundary of Prospector Subdivision No. 5 and Prospector Subdivision No. 3, as same are recorded in Book 70 of Plats at Page 7181, and Book 66 of Plats at Page 6780, respectively, South 89°57'40" West, 494.72 feet to the **REAL POINT OF BEGINNING**.

Thence continuing South 89°57'40" West, 802.76 feet to the southeast corner of Palomar Heights No. 2 Subdivision, as same is recorded in Book 77 of Plats at Page 8151, records of Ada County, Idaho;

thence along the East boundary of said subdivision North 00°43'24" East, 660.05 feet (record North 00°42'21" East, 659.98 feet) to an angle point on the exterior boundary of said subdivision;

thence North 89°57'17" East, (record North 89°57'40" East and North 89°57'35" East) 699.50 feet;

thence South 00°01'46" West, (record South 00°00'16" East) 370.72 feet;

thence South 89°23'08" East, 95.11 feet;

thence South 00°00'11" East, 288.26 feet to the Point of Beginning. Containing 11.29 acres more or less.

Prepared by:
HUBBLE ENGINEERING, INC.

D. Terry Peugh, P.L.S.

"C"

SEE EXHIBIT "A" ATTACHED
PROPOSED LOT 5, BLOCK 1
GOLDCREEK SUBDIVISION

A parcel of land located in the Northeast quarter of the Northwest quarter of Section 23, Township 2 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows; Commencing at the North quarter of said Section 23, from which the center of said Section 23 bears South 00°00'00" West, 2636.23 feet; thence South 00°00'00" West, 1069.04 feet; thence South 90°00'00" West, 602.04 feet to the REAL POINT OF BEGINNING.

Thence South 00°01'45" West, 131.63 feet;
Thence South 65°58'26" West, 28.23 feet;
Thence 31.29 feet along the arc of a non-tangent curve to the left, having a radius of 125.00 feet, a central angle of 14°30'26" and a long chord bearing North 37°20'52" West, 31.20 feet;
Thence 109.71 feet along the arc of a curve to the right, having a radius of 150.00 feet, a central angle of 41°54'20" and a long chord bearing North 23°33'54" West, 107.28 feet;
Thence 32.54 feet along the arc of a curve to the right, having a radius of 20.00 feet, a central angle of 93°13'37" and a long chord bearing North 44°00'04" East, 29.07 feet;
Thence South 89°23'08" East, 67.48 feet to the POINT OF BEGINNING.



SELDETT-DEW LEGAL

05/07/01 14:42 FAX

"D"

PROPOSED LOT 1, BLOCK 4
GOLDCREEK SUBDIVISION

A parcel of land located in the Northeast quarter of the Northwest quarter of Section 23, Township 2 North, Range 1 West, Boise Meridian, Ada County, Idaho, more particularly described as follows; Commencing at the North quarter corner of said Section 23, from which the center of said Section 23 bears South 00°00'00" East, 2635.22 feet; thence South 00°00'00" East, 1174.16 feet, thence South 90°00'00" West, 843.37 feet to the REAL POINT OF BEGINNING.

- Thence South 89°57'54" West, 182.27 feet.
- Thence North 00°43'24" East, 252.51 feet.
- Thence North 89°57'17" East, 165.65 feet.
- Thence South 00°01'45" West, 120.00 feet.
- Thence South 12°00'54" East 64.91 feet,
- Thence South 00°01'45" West, 69.02 feet to the POINT OF BEGINNING.

REAL POINT OF BEGINNING

W. B. M.

EXHIBIT B

Legal Description of Goldcreek Subdivision No. 2

See Attached.

Project No. 0019500

October 30, 2000
Revised July 24, 2001

GOLD CREEK SUBDIVISION NO. 2

A parcel of land located in the NE1/4 of the NW1/4 of Section 23, T.2N., R.1W. B.M., Ada County, Idaho, more particularly described as follows: Commencing at the corner common to Sections 14, 15, 22 and the said Section 23, from which the 1/4 corner common to said Sections 14 and 23 bears South 89°57'46" East, 2642.51 feet; thence South 89°58'06" East, 1321.28 feet to the West 1/16 corner common to said Sections 14 and 23, said point being the **REAL POINT OF BEGINNING**.

Thence continuing along the North boundary of said Section 23 South 89°57'26" East, 515.88 feet;

thence South 00°02'34" West, 297.42 feet;

thence South 85°14'57" East, 31.34 feet;

thence South 89°57'26" East, 93.11 feet;

thence North 00°45'35" East, 82.33 feet;

thence North 14°50'10" East, 176.52 feet;

thence North 00°02'34" East, 47.00 feet to a point on the North boundary of said Section 23;

thence along said boundary South 89°57'26" East, 258.64 feet;

thence South 00°45'26" East, 659.01 feet to a point on the South boundary of the North 1/2 of the NE1/4 of the NW1/4;

thence along said South boundary North 89°56'26" West, 222.10 feet;

thence South 89°57'17" West, 699.50 feet to the northeast corner of Lot 16, Block 26 of Palomar Heights No. 2 Subdivision, as same is recorded in Book 77 of Plats at Page 8151, records of Ada County, Idaho;

thence along the easterly boundary of said subdivision South 89°57'40" West, 31.90 feet;

thence North 00°00'56" West, 660.00 feet (record North 00°00'51" West, 659.97 feet) to the Point of Beginning. Containing 13.36 acres, more or less.

Prepared by:
HUBBLE ENGINEERING, INC.

J/Goldcreek/DTP/vw/GoldCreek2-10-30-00

D. Terry Peugh, P.L.S.

EXHIBIT C

Lot Classifications

Goldcreek Subdivision:

Class 1 Lots shall include:

Lots 1 and 2, Block 3

Lots 11, 12, 13 and 14, Block 4

Lot 1, Block 2

Lot 1, Block 5

Lots 1, 2, 4 and 5, Block 1

With the exception of Common Area (Lot 7, Block 2), all remaining lots are Class 2 Lots. If Lot 1, Block 4 (the "Nyborg Parcel") is subdivided, the resulting lots shall be Class 2 lots.

Goldcreek Subdivision No. 2:

Class 2 Lots shall include:

Lots 15, 18, 24, 31, 33 and 37, Block 5

Lots 4, 7, 10, and 11, Block 3

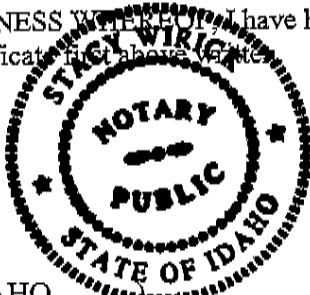
Lots 4 and 11, Block 6

With the exception of Common Area (Lot 15, Block 3 and Lots 27, 28, 38 and 43, Block 5), all remaining Lots are Class 2 Lots.

STATE OF IDAHO)
) ss.
County of Ada)

On this 15th day of March, 2002, before me, the undersigned, a Notary Public in and for said state, personally appeared ROBERT R. BASS, known or identified to me to be the Managing Member of GOLDCREEK DEVELOPERS, LLC, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

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



[Signature]
Notary Public for Idaho
Residing at Boise Idaho
My commission expires: 10/25/06

STATE OF IDAHO)
) ss.
County of Ada)

On this 15th day of March, 2002, before me, a Notary Public in and for said State, personally appeared Jim Jewett, known to me to be the person who signed the within and foregoing document and acknowledged to me that he executed the same.

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

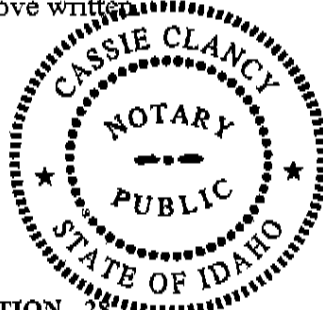


[Signature]
Notary Public for Idaho
Residing at Boise, ID
My commission expires: 9/10/07

STATE OF IDAHO)
) ss.
County of Ada)

On this 15th day of March, 2002, before me, a Notary Public in and for said State, personally appeared William Nyborg, known to me to be the person who signed the within and foregoing document and acknowledged to me that he/she 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 Boise, ID
My commission expires: 9/10/07