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CONDOMINIUM DECLARATION

AND

COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS

FOR

MOUNTAIN PARK CONDOMINIUMS

February 1980

ARTICLE 1. DEFINITIONS.

Section 1.1 Words Defined. For the purposes of this Declaration and any amendments hereto, the following definitions shall apply.

Section 1.1.1 Articles shall mean the articles of incorporation of the Association defined below.

Section 1.1.2 Association shall mean the Association of unit owners described in Article 14 of this Declaration.

Section 1.1.3 Board shall mean the board of directors of the Association.

Section 1.1.4 Bylaws shall mean the bylaws of the Association.

Section 1.1.5 Common Area and Common Areas and Facilities shall mean the common areas and facilities described in Article 6 and in Article 7.

Section 1.1.6 Condominium shall mean a separate interest in a unit, together with its undivided interest in common in the common area (expressed as a percentage of the entire ownership interest in the common area, as set forth in Article 9 hereinbelow), together with all appurtenances.

Section 1.1.7 Condominium Statute shall mean the Condominium Property Act of the State of Idaho (S.L. 1965, Chapter 225), presently codified in Chapter 15, Title 55, Idaho Code, as I.C. Section 55-1501 through I.C. Section 55-1527, and amendments thereto.

Section 1.1.8 Declarant shall mean Givens Construction, Inc., and its representatives, successors, and assigns.

Section 1.1.9 Declaration shall mean this Declaration and Covenants, Conditions, Restrictions and Reservations for Mountain Park Condominiums, as it may from time to time be amended.

Section 1.1.10 First Mortgage and First Mortgagee shall mean, respectively, (a) a recorded mortgage on a unit that has legal priority over all other mortgages thereon, and (b) the holder of a First Mortgage.

Section 1.1.11 Institutional Holder of a mortgage shall mean a mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation in the business of owning or servicing real estate mortgages, or insurance company, or any federal or state agency.

Section 1.1.12 Managing Agent shall mean the person designated by Declarant under Section 16.2 or by the Board under Section 17.4.

Section 1.1.13 Mortgage shall mean a recorded mortgage, deed of trust or other security instrument by which a condominium is encumbered.

Section 1.1.14 Mortgagee shall mean the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a unit created by a mortgage, deed of trust or other security instrument.

Section 1.1.15 Owner shall mean the legal owner of a unit. Where a real estate contract for the sale of a condominium has been executed, the contract purchaser, and not the contract seller, shall be deemed to be the owner for the purposes of this Declaration.

Section 1.1.16 Person shall mean an individual, corporation, partnership, association, trustee, or other legal entity.

Section 1.1.17 Project shall mean the property covered by this Declaration, including any property hereafter annexed thereto pursuant to the provisions of Article 34 hereinbelow.

Section 1.1.18 Property shall mean the land and the buildings and all improvements and structures now or hereafter placed on the land described in Schedule A attached hereto or on any land annexed into the project pursuant to Article 34 hereinbelow.

Section 1.1.19 Survey Map and Plans shall mean the survey map or plat and the plans recorded with respect to the property and any amendments, corrections and addenda thereto subsequently recorded.

Section 1.1.20 Transition Date is defined in Section 16.1.

Section 1.1.21 Unit shall mean a residential dwelling unit composed of a suite of rooms and other enclosed spaces in a building. The boundaries of a unit are the unfinished interior surfaces of its perimeter walls, floors, ceilings, windows and doors, and the unit includes both the portions of the building so described and the air space so encompassed.

Section 1.2 Form of Words. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine and neuter pronouns shall be used interchangeably.

Section 1.3 Statutory Definitions. Some of the terms defined above are also defined in the Condominium Statute. The definitions in this Declaration are not intended to limit or contradict the definitions in the Condominium Statute, insofar as it might apply in a particular situation. If there is any inconsistency or conflict in a situation where the Condominium

Statute is intended to apply and govern, the statutory definitions will prevail over those set forth herein to the extent necessary to give full force and effect to the Statute.

ARTICLE 2. SUBMISSION OF THE PROPERTY TO THE CONDOMINIUM STATUTE.

Declarant, being the record owner of the property, makes this Declaration for the purpose of submitting the property to the condominium form of use and ownership and to the provisions of the Condominium Statute. Declarant declares that the property shall be held, used, conveyed, encumbered, leased, occupied, rented and improved subject to the covenants, conditions, restrictions, reservations and easements stated in this Declaration, all of which are in furtherance of the division of the property into condominium units and common areas and facilities, and shall be deemed to run with the land and be a burden and benefit to Declarant and all persons who own or acquire an interest in the property or any part thereof, and their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE 3. DESCRIPTION OF LAND.

The land on which the buildings and improvements provided for in this Declaration are or will be located is described in Schedule A attached hereto.

ARTICLE 4. DESCRIPTION OF BUILDINGS.

There are two (2) buildings in the project, each building containing twelve (12) units, for a total of twenty-four (24) units in the project. The buildings have been given numerical designations 1419 Camel Back Lane and 1420 Camel Back Lane. The buildings are further described and their locations shown in the Survey Map and Plans.

ARTICLE 5. UNIT NUMBERS, LOCATION AND DESCRIPTION.

Each unit is identified by an assigned number, B-100 ("B" indicating basement units) through 207. Building 1419 contains Units B-101, B-103, B-105 and B-107 (on the basement level); Units 101, 103, 105 and 107 (on the first floor); and Units 201, 203, 205 and 207 (on the second floor). Building 1420 contains Units B-100, B-102, B-104 and B-106 (on the basement level); Units 100, 102, 104 and 106 (on the first floor); and Units 200, 202, 204 and 206 (on the second floor). The location and configuration of each unit are shown in the Survey Map and Plans.

ARTICLE 6. COMMON AREAS AND FACILITIES.

Section 6.1 Description. The common areas and facilities consist of those specified in the Condominium Statute, as well as the following:

(a) The land described in Schedule A attached hereto;

(b) The roofs, foundations, studding, joists, beams, supports, main walls (excluding nonbearing interior partitions of units, if any), and all other structural parts of the buildings, to the unfinished interior surfaces of the units' perimeter walls, floors, ceilings, windows, and doors;

(c) The pipes, wires, conduits and other fixtures and equipment for utilities;

(d) The grounds, trees, gardens, landscaped areas, exterior fixtures, walkways and driveways;

(e) Parking spaces and carports;

(f) Any attics and crawl spaces in the buildings;

(g) The swimming pool, spa and sauna, and the building in which the sauna and dressing rooms are located;

(h) The three-level foyers in each building and all fixtures and stairways situated therein;

(i) Certain items which might ordinarily be considered common areas such as, but not limited to, screen doors, window screens, awnings, planter boxes and the like may, pursuant to specification in the Bylaws or administrative rules and regulations, be designated as items to be furnished and maintained by unit owners at their individual expense, in good order, according to standards and requirements set forth in the bylaws or rules adopted by the Board; and

(j) The limited common areas and facilities described in Article 7.

Section 6.2 Use. Each unit owner shall have the right to use the common areas and facilities (except the limited common areas and facilities reserved for other units) in common with all other unit owners. The right to use the common areas and facilities shall extend not only to each unit owner, but also to his agents, servants, tenants, family members, invitees and licensees. The right to use the common areas and facilities, including the limited common areas and facilities, shall be governed by the provisions of the Condominium Statute, this Declaration, the Bylaws and the rules and regulations of the Association. The owners shall not by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common areas and facilities, and no other person shall have the right to have them partitioned or divided. The granting of easements for utilities or for other purposes consistent with the intended use of the common areas and facilities by the unit owners and occupants shall not be deemed a partition or division.

A subdivision of a limited common area as an incident of an authorized subdivision of a unit pursuant to Article 27 will not be deemed a violation of this provision.

ARTICLE 7. LIMITED COMMON AREAS AND FACILITIES.

Section 7.1 Description. Some common areas and facilities, called limited common areas and facilities, are reserved for the exclusive use of the unit or units to which they are adjacent or assigned. They consist of the following:

(a) Patios outside certain units on the basement level;

(b) Balconies and decks contiguous to the respective units; and

(c) Storage closets located off of balconies or decks contiguous to the respective units and the separate storage closets on the lower level assigned for the use of those owning units on the basement level.

Section 7.2 Appurtenant to Units. Conveyance of a unit includes the exclusive rights to the use of the limited common areas and facilities appurtenant to that unit.

ARTICLE 8. ACCESS.

Each unit has direct access to the common area adjacent to the unit entrace and thence across the common areas to the public streets and sidewalks. The right of ingress to and egress from each unit shall be perpetual and appurtenant to the unit.

ARTICLE 9. PERCENTAGE OF UNDIVIDED INTEREST IN COMMON AREAS AND FACILITIES.

For the purpose of meeting certain requirements of the Condominium Statute, the percentage of undivided interest in the common areas and facilities appertaining to each unit and its owner for all purposes, including voting, tax assessment and liability, is set forth in Schedule B attached hereto. Such percentage has been fixed by taking as a basis the value of each unit in relation to the value of the property as a whole.

ARTICLE 10. PARKING.

Section 10.1 Assignment to Units. The owner of each unit has the unqualified right to use at least one parking space in the project sufficient to accommodate an automobile. One carport, but not more than one, may be rented to a unit owner for that owner's exclusive use upon such terms as the Board deems advisable. Uncovered parking spaces may either be held for common parking or rented to an owner in accordance with such rules or regulations as the Board may from time to time adopt.

Section 10.2 Rental of Parking Spaces and Carports. Any rental of a parking space or carport by the Association shall be terminable upon fifteen (15) days' notice. Rental of a parking space or carport shall be terminated automatically and without notice upon the transfer of title of the unit to which it is assigned.

Section 10.3 Use of Parking Spaces and Carports. Carports may be used only for the parking of operable passenger motor vehicles. Use of parking spaces for parking trucks, trailers or recreational vehicles, or for other purposes shall be permitted only to the extent expressly allowed by rules and regulations adopted by the Association. The Association may prohibit or restrict the parking of automobiles owned by unit owners or their tenants in the parking spaces held for common parking. The Association may direct that any vehicle or other thing improperly parked or kept in a parking space be removed, and if it is not removed within ten (10) days, the Association may cause it to be removed at the risk and expense of the owner thereof. The common parking spaces in the project not rented to owners are intended to be used for guest parking, not for regular use by unit owners or occupants. The Association may adopt a rule that no resident of the project shall be permitted to use a guest parking space for more than twenty-four (24) hours or to make regular use of guest parking spaces for his or her own parking.

ARTICLE 11. PERMITTED USES; MAINTENANCE OF UNITS; CONVEYANCES.

Section 11.1 Residential Use. The buildings and units are intended for and restricted to use as single family residences only, on an ownership, rental or lease basis and for social, recreational or other reasonable activities normally incident to such use, and for the purposes of operating the Association and managing the project if required. In addition to the foregoing, Declarant may use units it owns as sales offices and models for sales of units.

Section 11.2 Leases. With the exception of a mortgagee in possession of a unit following a default in a first mortgage, a foreclosure proceeding, or any deed or other arrangement in lieu of foreclosure, no unit owner or other person shall be permitted to lease or otherwise rent a unit for a term less than thirty (30) days. No lease or rental of a unit may be of less than the entire unit. Any lease or rental agreement must provide that its terms shall be subject in all respects to the provisions of this Declaration and the Bylaws and rules and regulations of the Association and that any failure by the tenant to comply with the terms of such documents, rules and regulations shall be a default under the lease or rental agreement and that the unit owner grants to the Board and/or managing agent the authority to evict the tenant on the unit owner's behalf for such default upon only such notice as is required by law; if any lease does not contain the foregoing provisions, such provisions shall nevertheless be deemed to be a part of the lease and binding upon the unit owner and the tenant by reason of their being stated in this Declaration. Neither the Board nor the managing agent shall be liable to the unit owner or the tenant for any eviction under this section that is made in good faith. All leases and rental agreements shall be in writing. Copies of all leases and rental agreements shall be delivered to the Board before the tenancy commences. Other than as stated in this Section 11.2, there is no restriction on the right of any unit owner to lease or otherwise rent his unit.

Section 11.3 Maintenance of Units and Limited Common Areas. Each unit owner shall, at the owner's sole expense, keep the interior of said owner's unit and its equipment, appliances and appurtenances in a clean and sanitary condition, free of rodents and pests, and in good order, condition and repair, and shall do all interior redecorating and interior painting at any time necessary to maintain the good appearance and condition of his unit. Each owner shall be responsible for the maintenance, repair or replacement of any air conditioning units, plumbing fixtures, water heaters, fans, heating equipment, electrical fixtures or appliances which are in the unit or portions thereof that serve that unit only, and shall replace any glass in the windows and in the exterior doors of the unit that becomes cracked or broken. Each unit owner will be responsible for care, maintenance, cleanliness and orderliness of the limited common areas that are appurtenant to the unit, except that sweeping and maintenance of the parking areas shall be the responsibility of the Association. Owners may not, however, modify, paint or otherwise decorate, or in any way alter, their respective limited common areas without prior written approval of the Board.

Section 11.4 Exterior Appearance. In order to preserve a uniform exterior appearance of the buildings, the Board shall provide for the painting or staining of the buildings and prescribe the type and color of paint or stain. No owner may modify or decorate the exterior of the buildings or screens, doors, awnings or other portions of any unit visible from outside the unit without the prior written consent of the Board, or in accordance with rules or regulations of the Board. No exterior radio or television antennae may be installed without the prior written consent of the Board. The Board may also require use of a uniform color and fabric for draperies, under-draperies or drapery lining for all units.

Section 11.5 Maintenance by Association. Except where the owners are responsible for maintenance and repair under Section 11.3, the Association shall be responsible for the maintenance and repair of the following: the exterior surfaces, except exterior glass, of the buildings and improvements located on the project, including without limitation the painting or staining of the same as often as necessary, the replacement of trim and caulking and the maintenance and repair of roofs; other common area improvements and facilities (including pool, sauna and spa); utility lines through the common area to the point where utility companies assume maintenance responsibility; sewer lines within the common area and to the public sewer manhole on 15th Street; drainage structures and drainage ponds; street lights at entry or elsewhere in the common area and electricity serving the same; carports, parking and road accesses; and all other improvements or materials located within or used in connection with the common area. The Association shall maintain in a proper first class manner all landscaping and natural vegetation constituting part of the common area, including assuring the preservation of good visual continuity between landscaped areas and natural vegetation. The specification of duties of the Association with respect to the foregoing items shall not be construed to limit its duties with respect to maintenance and control of the common area. The cost of such management, maintenance and repair by the Association shall be borne as provided in Article 18.

Section 11.6 Maintenance of Private Road. Camel Back Lane is a private road constructed for Mountain Park Condominiums and the abutting property. The expenses of maintaining, repairing or replacing this road shall be prorated between the project and the abutting property owner or owners in a ratio reflecting the relative use then being made of the road by the respective users. The Association shall pay the proportionate share of such expenses allocable to the project.

Section 11.7 Effect on Insurance. Nothing shall be done or kept in any unit or in any common area that will increase the rate of insurance on the property without the prior written consent of the Board. Nothing shall be done or kept in any unit or in any common area that will result in the cancellation of insurance on any part of the property, or that would be in violation of any laws.

Section 11.8 Alteration of Common Area. Nothing shall be altered or constructed in or removed from any common area or facility except upon the prior written consent of the Board.

Section 11.9 Signs. No sign of any kind shall be displayed to the public view on or from any unit or common area or limited common area without the prior consent of the Board; provided, that the Board shall designate an area or areas for display of "For Sale" signs. This section shall not apply to Declarant.

Section 11.10 Pets. No animals, birds, reptiles or living creatures of any kind (herein referred to as "pets") shall be kept in any unit or in the common or limited common areas except subject to rules and regulations adopted by the Board or Bylaws adopted by the Association. If small household pets are permitted, they shall be kept totally within the unit, and they shall not be allowed in any common areas or limited common areas, nor shall they be allowed to create a disturbance or annoyance to other owners. The Board may at any time require the removal of any pet which it finds is disturbing other owners unreasonably, and may exercise this authority for specific pets even though other pets are permitted to remain.

Section 11.11 Children. Mountain Park Condominiums is designed for childless families and single persons without children. All common areas and limited common areas shall be kept clear from children's toys and equipment, and no children or child guests shall be permitted in the pool area unless accompanied by an adult member of the family.

Section 11.12 Offensive Activity. No noxious or offensive activity shall be carried on in any unit or common area, nor shall anything be done therein that may be or become an annoyance or nuisance to other owners.

Section 11.13 Conveyances; Notice Required. The right of a unit owner to sell, transfer or otherwise convey a unit shall not be subject to any right of approval, disapproval, first refusal or similar restriction by the Association or the Board, or anyone acting on their behalf. An owner intending to sell a unit shall deliver a written notice to the Board at least two (2) weeks before closing, specifying: the unit being sold; the name and address of the purchaser, of the closing agent and of the title insurance company insuring the purchaser's interest; and the estimated closing date. The Board shall have the right to notify the purchaser, the title insurance company and the closing agent of the amount of unpaid assessments and charges outstanding against the unit, whether or not such information is requested.

ARTICLE 12. ENTRY FOR REPAIRS.

The Association and its agents or employees may enter any unit and limited common areas appurtenant thereto to effect repairs, improvements, replacements or maintenance deemed by the Board to be necessary in the performance of its duties, to do necessary work that a unit owner has failed to perform, or to prevent damage to the common areas and facilities or to another unit. Except in cases of great emergency that preclude advance notice, the Board shall cause the unit occupant to be given notice and an explanation of the need for entry as far in advance of entry as is reasonably practicable. Such entry shall be made with as little inconvenience to the owners and occupants as practicable. In order to facilitate entry when a unit owner is absent or when emergencies occur, each owner shall deposit one key to his unit with a person designated by the Board or with the managing agent named to manage and operate the project. Any damage caused by such entry shall be repaired by the Association as a common expense unless the repairs or maintenance were necessitated by the acts or default of the owner or occupant of the unit entered, in which event the costs of the repairs or maintenance shall be specially assessed to that unit.

ARTICLE 13. SERVICE OF PROCESS.

Steve Givens, 2417 Bogus Basin Road, Boise, Idaho 83702, is the person upon whom process may be served as provided for in the Condominium Statute. After organization of the Association, service of process for the purposes provided in the Condominium Statute shall be made upon the registered agent of the Association. The Board may at any time designate a different person for such purpose by filing an amendment to this Declaration limited to the sole purpose of making such change, and notwithstanding the general amendment provisions contained herein, such amendment need be signed and acknowledged only by the president of the Association.

ARTICLE 14. ASSOCIATION OF UNIT OWNERS.

Section 14.1 Form of Association. The Mountain Park Condominium Owners Association, Inc., a nonprofit corporation formed under the laws of the State of Idaho, is hereby designated the "Management Body" within the meaning of the Condominium Statute. The rights and duties of the members (owners) and of the corporation shall be governed by the provisions of the Condominium Statute and of this Declaration.

Section 14.2 Articles and Bylaws. A copy of the Association's Articles of Incorporation and a copy of its Bylaws are attached hereto as Schedules C and D, respectively. Declarant may amend the Association's Bylaws from time to time until the Transition Date. After the Transition Date, the Bylaws may be amended by the affirmative vote of sixty percent (60%) of the voting power at any duly called regular or special meeting of the Association. However, no material amendment of the Articles or Bylaws may be made without the prior written approval of all institutional holders of first mortgages.

Section 14.3 Qualification for Membership. Each fee owner of a unit (including Declarant) shall be a member of the Association and shall be entitled to one membership for each unit owned; provided, however, that if a unit has been sold on contract, the contract purchaser shall exercise the rights of the unit owner for purposes of the Association, this Declaration and the Bylaws, except as hereinafter limited, and shall be the voting representative unless otherwise specified. Ownership of a unit shall be the sole qualification for membership in the Association.

Section 14.4 Transfer of Membership. The Association membership of each owner (including Declarant) shall be appurtenant to the unit giving rise to such membership, and shall not be transferred in any way except upon the transfer of title to the unit and then only to the transferee of title to the unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a unit shall operate automatically to transfer the membership in the Association to the new owner.

Section 14.5 Number of Votes. The total voting power of all owners shall be one hundred (100) votes and the total number of votes available to the owner of any one unit shall be equal to the percentage of undivided interest in the common areas and facilities appertaining to the unit. A person (including Declarant) who owns more than one unit shall have the votes appertaining to each unit owned.

Section 14.6 Voting Representative. A unit owner may, by written notice to the Board, designate a voting representative for that unit. The voting representative need not be an owner. The designation may be revoked at any time by written notice to the Board from a person having an ownership interest in a unit, or by actual notice to the Board of the death or judicially declared incompetence of any person with an ownership interest in the unit, except in cases in which the person designated is a mortgagee of the unit. This power of designation and revocation may be exercised by the guardian of an owner, the attorney-in-fact for the owner under a durable power of attorney, and the administrators, executors or personal representatives of an owner's estate. If no designation has been made, or if a designation has been revoked and no new designation has been made, the voting representative of each unit shall be the group composed of all of its owners. If a unit is owned by husband and wife and only one of them is at a meeting, the one who is present will represent the marital community.

Section 14.7 Joint Owner Disputes. The vote for a unit must be cast as a single vote; and in no event shall the percentage of votes assigned to a particular unit be further fractionalized or split. If joint owners are unable to agree how their vote shall be cast, they shall lose their right to vote on the matter in question.

Section 14.8 Pledged Votes. If an owner is in default under a first mortgage on a unit for ninety (90) consecutive days or more, the mortgagee shall automatically be authorized to declare at any time thereafter that said owner has pledged his or her vote on all issues to the mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a mortgagee, only the vote of the mortgagee will be recognized on the issues that are subject to the pledge.

Section 14.9 Annual and Special Meetings. There shall be an annual meeting of the members of the Association in the first quarter of the fiscal year at such reasonable place and time as may be designated by written notice from the Board delivered to the owners no less than thirty (30) days before the meeting. The audited financial statement for the preceding year and the budget adopted by the Board for the current year shall be presented at the annual meeting for the information of the members. Special meetings of the members of the Association may be called at any time, in the manner provided in the Bylaws, for the purpose of considering matters which require the approval of all or some of the owners, or for any other reasonable purpose. Any first mortgagee may attend or designate a representative to attend the meetings of the Association.

Section 14.10 Audits. As soon as is convenient after the close of each fiscal year, the Board shall have an audited financial statement prepared for that year. The audit shall be made by a certified or licensed public accountant who is not a member of the Board or an owner. The audit shall be completed in time for the Association's annual meeting and in any event within ninety (90) days following the end of the fiscal year. Any mortgagee shall, upon request, be entitled to receive the annual audited financial statement within ninety (90) days following the end of the fiscal year. The Board, or persons having thirty-five percent (35%) of the voting power of the Association, may require that an audit of the Association and management books be presented at any special meeting. Any owner, at his or her expense, may at any reasonable time conduct an audit of the books of the Board and Association.

Section 14.11 Books and Records. The Board shall cause to be kept complete, detailed and accurate books and records of the receipts and expenditures of the Association, in a form that complies with generally accepted accounting principles.

Section 14.12 Inspection of Project Documents, Books and Records. During normal business hours and at other reasonable times, this Declaration, the Articles, the Bylaws and other rules governing the operation of the project shall be available for inspection by the owners, mortgagees, prospective purchasers and their prospective mortgagees, and the agents or attorneys of any of them, and, in addition, at such times the books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the Association shall be available for inspection by the owners, mortgagees and the agents or attorneys of either of them.

ARTICLE 15. NOTICES.

Section 15.1 Form and Delivery of Notice. All notices given under the provisions of this Declaration or the Bylaws or rules or regulations of the Association shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, the notice shall be deemed to have been delivered on the third day of regular mail delivery after it has been deposited in the United States mail in Boise, Idaho, first class, postage prepaid, addressed to the person entitled to such notice at the most recent address known to the Board. Notice to the owner of any unit shall be sufficient if mailed to the unit unless another mailing address has been given to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Board shall be given to Declarant until the Transition Date and thereafter shall be given to the president or secretary of the Association.

Section 15.2 Notices to Mortgagees. Any mortgagee may file with the secretary of the Board a written request that it be given copies of notices. Until such time thereafter as such mortgagee withdraws the request or satisfies its mortgage of record, the Board shall send to the requesting mortgagee a copy of (1) all notices of meetings of the Association; (2) all other notices sent to the owner of the unit covered by the mortgagee's mortgage; (3) within ninety (90) days following the end of any fiscal year, audited financial statements prepared pursuant to Section 14.10; and (4) notices of any intention of the Association to transfer any part of the common areas or facilities, abandon condominium status, or terminate professional management of the project. Holders of first mortgages shall be entitled to prompt notice of any default in an owner's obligations under any of the documents that create or govern the project, or its rules and regulations, that is not cured within thirty (30) days of the date of default and to notices under Article 24 (Damage and Repair of Damage to Property) and Article 25 (Condemnation), irrespective of whether they have filed requests for notices. The provisions of this Section 15.2 shall prevail over any inconsistent or contrary provisions in this Declaration or in the Articles or Bylaws.

ARTICLE 16. ADMINISTRATION OF PROPERTY; RIGHTS RETAINED BY DECLARANT.

Section 16.1 Transition Date. The "Transition Date" shall be the date upon which the authority and responsibility to administer and manage the Association and the project, subject to this Declaration and the Bylaws, passes to the Association. The Transition Date will be either (1) the date designated by Declarant in a written notice to the owners, which date may, at Declarant's election, be any date after this Declaration has been recorded; or (2) the one hundred twentieth (120th) day after Declarant has transferred title to purchasers of units representing seventy-five percent (75%) of the total voting power of all unit owners; or (3) the third anniversary of the recording of this Declaration; whichever of the foregoing occurs first.

Section 16.2 Declarant's Powers Until Transition Date. Until the Transition Date, Declarant shall have the full power and authority to exercise all of the rights, duties and functions of the Board of Directors and the officers of the Association, including but not limited to the adoption of rules and regulations, contracting for the purchase of goods and services, buying insurance, and collecting and expending all assessments and other Association funds. Declarant shall have the power to contract with an experienced professional managing agent and delegate to the managing agent all of the powers and duties of the Board that the Board is authorized to delegate under Section 17.4. All such management contracts made by Declarant shall be subject to the same requirements as are set forth in Section 17.4 for management contracts made by the Board. Any contract made by Declarant or its managing agent (including management contracts) that would otherwise extend beyond the Transition Date shall be terminable by the Board after the Transition Date upon thirty (30) days' notice.

Section 16.3 Declarant's Approval Until Annexation Complete. Until all the property referred to in Article 34 has been annexed and all units sold (in all phases of the project), the Declarant's prior written approval must be obtained before (a) any change is made in the exterior appearance of the buildings under Section 11.4, or (b) any alterations are made upon, around or to the limited common areas (such as patio enclosures).

Section 16.4 Right to Use Road. Declarant hereby reserves and retains, for the benefit of itself, its grantees and assigns, an easement over Camel Back Lane for ingress and egress to, and for utility service lines and facilities serving, land owned by Declarant in the vicinity of the project and any improvements built thereon upon development by Declarant or its grantees or assigns.

ARTICLE 17. AUTHORITY OF THE BOARD.

Section 17.1 Adoption of Rules and Regulations. The Board is empowered, on behalf of the Association, to adopt, amend and revoke detailed administrative rules and regulations necessary or convenient from time to time to insure compliance with the general guidelines of this Declaration and to promote the comfortable use and enjoyment of the property. The rules and regulations of the Association shall be binding upon all owners and occupants and all other persons claiming any interest in any condominium.

Section 17.2 Enforcement of Declaration; Attorney's Fees. The Board (or Declarant or Declarant's managing agent) shall have the power and the duty to enforce the provisions of this Declaration, the Articles, the Bylaws, and the rules and regulations of the Association, as the same may be lawfully amended from time to time, for the benefit of the Association. If legal action is brought to interpret or enforce compliance with the provisions of this Declaration, the Articles, the Bylaws or the rules and regulations of the Association, the prevailing party shall be entitled to judgment against the other party for its reasonable expenses, court costs and attorney's fees in the amount awarded by the court.

Section 17.3 Goods and Services. The Board shall acquire and pay for, as common expenses of the Association, all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the project. The goods and services shall include (by way of illustration and not limitation) utility services for the common areas and facilities; policies of insurance and fidelity bonds; legal and accounting services; maintenance, repair, landscaping, gardening, and general upkeep of the common and limited common areas and facilities (except where the owners have such responsibility under the provisions hereof); and all supplies, materials, fixtures, and equipment that are in the Board's judgment necessary or desirable for the operation of the project and enjoyment of it by the owners. The Board may hire such full-time or part-time employees as it considers necessary.

Section 17.4 Managing Agent. The Board may contract with an experienced professional managing agent to assist the Board in the management and operation of the project and may delegate such of its powers and duties to the managing agent as it deems to be appropriate, except as limited herein. If a managing agent is employed by the Board (or by the Declarant prior to the Transition Date), the prior written approval of all institutional holders of first mortgages shall be required before the Board may terminate professional management and assume self-management. The managing agent shall not enter any unit (directly or through agents) without the consent of the occupant unless entry has been directed by the Board. Only the Board can approve an annual budget or a supplemental budget, and only the Board can impose a special assessment on a unit or authorize foreclosure of an assessment lien. Any contract with a managing agent shall have a term no longer than one (1) year (but may be renewable by agreement of the parties for successive one-year periods) and shall be terminable by the Board without payment of a termination fee, either (1) for cause, on thirty (30) days' written notice, or (2) without cause, on not more than ninety (90) days' written notice.

Section 17.5 Protection of Property. The Board may spend such funds and take such action as it may from time to time deem necessary to preserve the property, settle claims, or otherwise act in what it considers to be the best interests of the project or the Association.

ARTICLE 18. BUDGET AND ASSESSMENT FOR COMMON EXPENSES.

Section 18.1 Fiscal Year. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year will be the calendar year.

Section 18.2 Preparation of Budget. Not less than thirty (30) days before the end of the fiscal year, the Board shall prepare a budget for the Association for the coming year. In preparing its budget, the Board shall estimate the common expenses of the Association to be paid during the year, make suitable provision for accumulation of reserves, and shall take into account any surplus or deficit carried over from the preceding year and any expected income to the Association. Declarant may prepare a budget for the remainder of the fiscal year in which this Declaration is recorded and for subsequent years until the Transition Date. If, during the year the budget proves to be inadequate for any reason, including nonpayment of any owner's assessment, the Board may prepare a supplemental budget for the remainder of the year.

Section 18.3 Monthly Assessments for Common Expenses. The sums required by the Association for common expenses as reflected by the annual budget and any supplemental budgets shall be divided into equal installments to be paid each month over the period of time covered by the budget or supplemental budget. The monthly installments shall be assessed to the respective owners in proportion to their percentages of undivided interest in the common areas and facilities. Assessments shall begin accruing with respect to a particular unit upon the closing of the initial sale of that unit by Declarant. During such time as garbage collection charges and any other utility or service charges are based on the number of occupied units, any units not occupied after the initial sale by Declarant shall be exempt from assessment for such charges until the first day of the month following the first full month of occupancy; after the initial occupancy, each unit owner shall be responsible for all assessments, regardless of future vacancies or periods of non-occupancy. Notwithstanding anything contained in this Declaration, this Section 18.3 shall not be amended without Declarant's written consent; provided, however, that Declarant may agree to allow units owned by it to be assessed at an earlier date than that set forth herein by filing an amendment to this Declaration limited to the sole purpose of making such change, and notwithstanding the general amendment provisions contained in this Declaration, such amendment need only be signed and acknowledged by the Declarant.

Section 18.4 Special Assessments. If a special assessment becomes chargeable against a unit under the authority of this Declaration or the Bylaws, the Board shall determine the amount of such special assessment and fix the month or months in which it is to be paid. The special assessment shall be added to the unit's monthly installment of common expenses and be included in the assessment against such unit.

Section 18.5 Notice of Assessment. The Board shall notify each unit owner in writing of the amount of the monthly assessments to be paid for his unit and shall furnish copies of each budget on which the assessments are based to all unit owners and, if so requested, to their respective mortgagees.

Section 18.6 Payment of Monthly Assessments. On or before the first day of each calendar month, each unit owner shall pay or cause to be paid to the treasurer of the Association the assessment against his unit for that month. Any assessment not paid by the first day of the calendar month for which it is due shall be delinquent and subject to late charges, interest charges and collection procedures as provded in Article 19.

Section 18.7 Proceeds Belong to Association. All assessments and other receipts received by the Association pursuant to the provisions hereof shall belong to the Association.

Section 18.8 Limitation on Assessments. During such time as Declarant continues to be the original owner of a unit and is offering it for sale, no budget shall be adopted or special assessment imposed that will cause the total assessments against any unit in any month to be more than ten percent (10%) greater than the total assessments against the unit for the same month of the preceding calendar year. This limitation may be waived in writing, by Declarant only, for any one or more assessments. No person other than Declarant shall have the power either to assert or waive the limitation stated in this Section.

Section 18.9 Failure to Assess. Any failure by the Board or the Association to make the budget and assessments hereunder before the expiration of any year for the ensuing year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the owners from the obligation to pay assessments during that or any subsequent year, and the monthly assessment amount established for the preceding year shall continue until a new assessment is established.

Section 18.10 Certificate of Unpaid Assessments. Upon the request of any owner or mortgagee of a particular unit, the Board will furnish a certificate in recordable form stating the amount, if any, of unpaid assessments charged to that unit. The certificate shall be conclusive upon the Board and the Association as to the amount of such indebtedness on the date of the certificate in favor of all purchasers and mortgagees of such unit who rely on the certificate in good faith. The board may establish a reasonable fee to be charged to reimburse it for the cost of preparing the certificate.

ARTICLE 19. LIEN AND COLLECTION OF ASSESSMENTS.

Section 19.1 Assessments are a Lien; Priority. All unpaid sums assessed by the Association for the share of the common expenses chargeable to any unit and any sums specially assessed to any unit under the authority of this Declaration or the Bylaws (together with interest, late charges, costs and attorney's fees in the event of delinquency) shall constitute a continuing lien on such unit and all its appurtenances from the date the assessment became due until fully paid. The lien for such unpaid assessments shall be subordinate to tax liens on the unit in favor of any assessing agency and/or special district, and to all sums unpaid on all mortgages of record, but shall have priority over all other liens against the unit. A mortgagee of a mortgage of record that obtains possession through a mortgage foreclosure or deed of trust sale, or by taking a deed in lieu of foreclosure or sale, or a purchaser at a foreclosure sale, shall take the unit free of any claims for the share of common expenses or assessments by the Association chargeable to the unit that became due before such possession, but will be liable for the common expenses and assessments that accrue after the taking of possession; in such event, the unit's past due share of common expenses or assessments shall become new common expenses chargeable to all of the owners, including the mortgagee or foreclosure sale purchaser and their successors and assigns, in proportion to their respective percentages of undivided interest in the common areas and facilities; provided, however, that the owner and any contract purchaser shall continue to be personally liable for such past due assessments, as provided in Section 19.3. For the purpose of this Section, the terms "mortgages" and "mortgagee" shall not mean real estate contracts or a vendor or a designee or assignee of a vendor under a real estate contract.

Section 19.2 Lien May Be Foreclosed. The lien for delinquent assessments may be foreclosed by suit by the managing agent or the Board, acting on behalf of the Association, in like manner as the foreclosure of a mortgage of real property. The managing agent or the Board, acting on behalf of the Association, shall have the power to bid in the amount owing at the foreclosure sale, and to acquire the unit in question and hold, lease, mortgage and convey the same.

Section 19.3 Assessments are Personal Obligations. In addition to constituting a lien on the unit and all its appurtenances, all sums assessed by the Association chargeable to any unit (together with interest, late charges, costs and attorney's fees in the event of delinquency) shall be the joint and several personal obligations of the owner and any contract purchaser of the unit when the assessment is made. Suit to recover personal judgment for any delinquent assessments shall be maintainable without foreclosing or waiving the liens securing them.

Section 19.4 Late Charges and Interest on Delinquent Assessments. The Board may from time to time establish late charges and a rate of interest to be charged on assessments that may thereafter become delinquent. In the absence of another established non-usurious rate, delinquent assessments shall bear interest at the rate of twelve percent (12%) per annum. If a monthly assessment against a unit is not paid when due, the Board may elect to declare all monthly assessments against that unit for the remainder of the fiscal year to be immediately due and payable.

Section 19.5 Recovery of Attorney's Fees and Costs. In any action to collect delinquent assessments, the prevailing party shall be entitled to recover as a part of its judgment a reasonable sum for attorney's fees and expenses reasonably incurred in connection with the action, in addition to taxable costs permitted by law.

Section 19.6 Termination of Utility Service. If an assessment becomes delinquent, the Board may give notice to the delinquent owner to the effect that unless the delinquent assessment is paid within ten (10) days (or such longer time as is specified in the notice), any or all utility services furnished to the unit in question by the Association or under the Association's control will be severed and shall remain severed until the delinquent assessment has been paid. If the delinquency is not cured in the time specified, the Board may take the action described in the notice.

Section 19.7 Remedies Cumulative. The remedies provided herein are cumulative, and the Board may pursue them and any other remedies which may be available under law although not expressed herein, either concurrently or in any order.

Section 19.8 Security Deposit. A unit owner who has been delinquent in paying his monthly assessments for three of the five preceding months may be required by the Board, from time to time, to make and maintain a security deposit not in excess of three months' estimated monthly assessments, which shall be collected and shall be subject to penalties for nonpayment as are other assessments. The deposit shall be held in a separate fund, credited to such owner, and may be resorted to at any time when such owner is ten (10) days or more delinquent in paying his assessments.

ARTICLE 20. FAILURE TO INSIST ON STRICT PERFORMANCE; NO WAIVER.

The failure of any interested party in any instance to insist upon the strict compliance with this Declaration or the Bylaws or rules and regulations of the Association, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of any term, covenant, condition or restriction. The receipt by the Board of payment of an assessment from an owner, with knowledge of a breach by the owner, shall not be a waiver of the breach. No waiver of any requirement shall be effective unless expressed in writing and signed for the party waiving such requirement.

ARTICLE 21. LIMITATION OF LIABILITY.

Section 21.1 Liability for Utility Failure, Etc. Except to the extent covered by insurance obtained by the Board, neither the Association nor the Board (nor the Declarant or Declarant's managing agent) shall be liable for: the failure of any utility or other service to be obtained and paid for by the Board; or for injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, dust or sand which may lead or flow from outside or from any parts of the buildings, or from any of their pipes, drains, conduits, appliances or equipment, or from any other place; or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance, or orders of a governmental authority. No diminution or abatement of common expense assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

Section 21.2 No Personal Liability. So long as a Board member, or Association committee member, or Association officer, or Declarant or the managing agent has acted in good faith, without willful or intentional misconduct, upon the basis of such information as is then possessed by such person, no such person shall be personally liable to any owner, or to any other person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error or negligence of such person; provided, however, that this Section shall not apply where the consequences of such act, omission, error or negligence is covered by insurance obtained by the Board.

ARTICLE 22. INDEMNIFICATION.

Each Board member and the Association committee member and Association officer, and Declarant and the managing agent shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed in connection with any proceeding to which he or she may be a party, or in which he may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not he or she holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by any type of insurance and except in such cases wherein such person is adjudged guilty of willful misfeasance in the performance of his or her duties; provided, however, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interests of the Association.

ARTICLE 23. INSURANCE.

Section 23.1 General Requirements. The Board shall cause the Association to purchase and maintain at all times as a common expense a policy or policies and bonds necessary to provide casualty insurance; comprehensive liability insurance; fidelity bonds; worker's compensation insurance to the extent required by applicable laws; insurance against loss of personal property of the Association by fire, theft or other causes with such deductible provisions as the Board deems advisable; insurance, if available, for the protection of the Association's directors, officers and representatives from personal liability in the management of the Association's affairs; and such other insurance as the Board deems advisable. The Board shall review at least annually the adequacy of the Association's insurance coverage. All insurance shall be obtained from an insurance carrier rated Triple B Plus or better by Best's Insurance Reports or equivalent rating service, and licensed to do business in the State of Idaho. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect casualty, flood and liability insurance and a fidelity bond that meets the insurance and fidelity bond requirements for condominium projects established by the Federal National Mortgage Association, the Government National Mortgage Association, and the Federal Home Loan Mortgage Corporation, so long as they are mortgagees or owners of a unit within the project, except to the extent such coverage is not available or has been waived in writing by any of the aforesaid entities which is a mortgagee or owner. All such insurance policies and fidelity bonds shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' prior written notice to any and all insureds named therein, including owners, mortgagees and designated servicers of mortgagees.

Section 23.2 Casualty Insurance. The casualty insurance shall, at the minimum, consist of a standard form of fire insurance policy with extended coverage endorsement in an amount equal to the full replacement value (i.e., 100% of current replacement cost exclusive of land, foundation, excavation, and other items normally excluded from coverage) of the common areas and facilities, units, and all fixtures and equipment belonging to the Association with an "Agreed Amount Endorsement" or its equivalent, if available, or an Inflation Guard Endorsement, and, if required by the Federal National Mortgage Association or by the Federal Home Loan Mortgage Corporation, a "Demolition and Contingent Liability from Operation of Building Laws Endorsement," an "Increased Cost of Construction

Endorsement," an "Earthquake Damage Endorsement," and such other endorsements as the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation deems necessary and are available. In addition to protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, the policy shall provide protection against loss or damage from sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, water damage and such other risks as are customarily covered with respect to residential condominium projects of similar construction in the Boise metropolitan area. The policy or policies shall provide for separate protection for each unit to the full insurable replacement value thereof (limited as above provided), and a separate loss payable endorsement in favor of the mortgagee or mortgagees of each unit. The insurance proceeds may be made payable to any trustee with which the Association may enter into an insurance trust agreement, or any successor trustee, who shall have exclusive authority to negotiate losses under the policies. The policy or policies shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Association (or any insurance trustee) or when in conflict with the provisions of any insurance trust agreement to which the Association may be a party, or any requirement of law.

Section 23.3 Comprehensive Public Liability Insurance. The comprehensive policy of public liability insurance shall insure the Board, the Association, the owners, Declarant and the managing agent, and cover all of the common areas and facilities in the project with a "Severability of Interest Endorsement" or equivalent coverage which would preclude the insurer from denying the claim of an owner because of the negligent acts of the Association or of another owner, and shall include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and such other risks as are customarily covered with respect to residential condominium projects of similar construction in the Boise metropolitan area. The limits of liability shall be not less than $1,000,000.00 covering all claims for personal injury and/or property damage arising out of a single occurrence.

Section 23.4 Additional Policy Provisions. The insurance obtained pursuant to Sections 23.2 and 23.3 shall contain the following provisions and limitations:

Section 23.4.1 The named insured shall be the Association, as trustee for each of the unit owners in accordance with their respective percentages of undivided interest in the common areas and facilities. The insurance proceeds may be made payable to any trustee with which the Association may enter into an insurance trust agreement, or any successor trustee, who shall have exclusive authority to negotiate losses under the policies.

Section 23.4.2 Such policies shall not provide for contribution by or assessment against mortgagees or become a lien on the property superior to the lien of a first mortgage.

Section 23.4.3 In no event shall the insurance coverage be brought into contribution with insurance purchased by the owners or their mortgagees.

Section 23.4.4 Coverage shall not be prejudiced by (a) any act or neglect of an owner when such act or neglect is not within the control of the Association, or (b) failure of the Association to comply with any warranty or condition with regard to any portion of the premises over which the Association has no control.

Section 23.4.5 A waiver of subrogation by the insurer as to any and all claims against the Association, the owners, and/or their respective agents, employees or tenants, and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured.

Section 23.4.6 A standard mortgagee clause which shall:

(a) Provide that any reference to a mortgagee in the policy shall mean and include all holders of mortgages on any unit or unit lease or sublease in their respective order of preference, whether or not named therein;

(b) Provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Board or the owners or any persons under any of them;

(c) Waive any provision invalidating such mortgage clause by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium thereon, and any contribution clause; and

(d) Provide that, without affecting any protection afforded by such mortgagee clause, any proceeds payable under such policy shall be payable to the Board or the insurance trustee.

Section 23.5 Fidelity Bonds. The required fidelity bonds shall afford coverage to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association or the managing agent and all other persons who handle or are responsible for handling funds of the Association and be in an amount that will provide a level of coverage generally considered adequate by prudently managed business concerns in Ada County, Idaho, but not less than fifty percent (50%) of the estimated annual operating expenses of the project, including reserves. In determining the level of coverage, the Board may rely on the advice of a competent, independent insurance broker. All such fidelity bonds shall name the

Association as an obligee and contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

Section 23.6 Owner's Individual Insurance. Each owner may obtain additional insurance on his unit and its contents at his own expense but only if the owner's insurance does not decrease the amount that the Board, or any trustee for the Board, on behalf of all of the owners, will realize under any insurance policy that the Board may have in force on the property. Each owner shall notify the Board of all improvements by the owner to his unit, the value of which is in excess of One Thousand Dollars ($1,000.00). Any owner who obtains individual insurance policies covering any portion of the property other than personal property belonging to him shall file a copy of his individual policy or policies with the Board within thirty (30) days after he buys it, and the Board shall immediately review its effect with the Board's insurance broker, agent or carrier.

ARTICLE 24. DAMAGE AND REPAIR OF DAMAGE TO PROPERTY.

Section 24.1 Initial Board Determination. In the event of damage to any part of the property, the Board shall promptly, and in all events within thirty (30) days after the date of damage, make the following determinations with respect thereto, employing such advice as the Board deems advisable:

(a) The nature and extent of the damage, together with an inventory of the improvements and property directly affected thereby;

(b) A reasonably reliable estimate of the cost to repair the damage, which estimate shall, if reasonably practicable, be based upon two or more firm bids obtained from responsible contractors;

(c) The expected insurance proceeds, if any, to be available from insurance covering the loss based on the amount paid or initially offered by the insurer;

(d) The amount, if any, by which the estimated cost of repair exceeds the expected insurance proceeds, and the amount of the assessments that would have to be made against each unit if the excess cost were to be paid as a maintenance expense and specially assessed against all the units in proportion to their percentages of undivided interest in the common areas and facilities; and

(e) The Board's recommendation whether the damage should be repaired.

Section 24.2 Notice of Damage. The Board shall promptly, and in all events within thirty (30) days after the date of damage, provide each owner and each holder of a first mortgage with a written notice describing the damage and summarizing the initial Board determinations made under Section 24.1. If the Board fails to do so within said 30 days, any owner or mortgagee may make the determinations required under Section 24.1 and give the notice required under this Section 24.2.

Section 24.3 Definitions: Damage, Substantial Damage, Repair, Emergency Work. As used in this Article 24:

Section 24.3.1 Damage shall mean all kinds of damage, whether of slight degree or total destruction.

Section 24.3.2 Substantial Damage shall mean that in the judgment of a majority of the Board the estimated special assessment determined under Section 24.1(d) for any one unit exceeds ten percent (10%) of the full, fair market value of the unit before the damage occurred, as determined by a majority of the Board or, in case of their inability to agree, by an MAI or SRPA appraisal.

Section 24.3.3 Repair shall mean restoring the improvements to substantially the condition they were in before they were damaged, with each unit and the common areas and facilities having substantially the same vertical and horizontal boundaries as before. Modifications to conform to applicable governmental rules and regulations or available means of construction may be made.

Section 24.3.4 Emergency Work shall mean work that the Board deems reasonably necessary to avoid further damage or substantial diminution in value to the improvements and to protect the owners from liability from the condition of the site.

Section 24.4 Execution of Repairs.

Section 24.4.1 The Board shall promptly repair the damage and use the available insurance proceeds therefor unless, before the repairs (other than emergency work) are begun, the owners decide in accordance with this Article not to repair. If the cost of repair exceeds the available insurance proceeds, the Board shall impose a special assessment against all units in proportion to their percentages of undivided interest in the common areas in an amount sufficient to pay the excess costs.

Section 24.4.2 The Board shall have the authority to employ architects and engineers, advertise for bids, let contracts to contractors and others, and take such other action as is reasonably necessary to make the repairs. Contracts for the repair work shall be awarded when the Board, by means of insurance proceeds and sufficient assessments, has provided for paying the cost. The Board may authorize the insurance carrier to make the repairs if the Board is satisfied that the work will be done satisfactorily, and if such authorization does not contravene any insurance trust agreement or requirement of law.

Section 24.4.3 The Board may enter into a written agreement with a reputable financial institution or trust or escrow company that the institution or company shall act as an insurance trustee to adjust and settle any claim for casualty loss in excess of $50,000.00, or for the institution or company to collect the insurance proceeds and carry out the provisions of this Article 24.

Section 24.5 Damage Not Substantial. If the damage, as determined under Section 24.3.2 is not substantial, the following provisions shall apply:

Section 24.5.1 Either the Board or the requisite number of owners, within fifteen (15) days after the notice required under Section 24.2 has been given, may, but shall not be required to, call a special owners' meeting in accordance with Section 14.9 and the Bylaws to decide whether to repair the damage.

Section 24.5.2 Except for emergency work, no repairs shall be commenced until after the 15-day period and until after the conclusion of the special meeting, if such a special meeting is called within the fifteen (15) days.

Section 24.5.3 A unanimous decision of the owners and the holders of first mortgages will be required to elect not to repair the damage. The failure of the Board and the owners to call a special meeting within the 15-day period shall be deemed a decision to repair the damage.

Section 24.6 Substantial Damage. If the damage determined under Section 24.3.2 is substantial, the following provisions shall apply:

Section 24.6.1 The Board shall promptly, and in all events within thirty (30) days after the date of damage, call a special owners' meeting to consider repairing the damage. If the Board fails to do so within said 30 days, then notwithstanding the provisions of Section 14.9 and the Bylaws, any owner or first mortgagee may call and conduct the meeting.

Section 24.6.2 Except for emergency work, no repairs shall be commenced until the conclusion of the special owners' meeting.

Section 24.6.3 A concurring vote of more than two-thirds (2/3) of the total voting power will be required to elect not to repair the damage. Failure of the Board, the owners and the first mortgagees to conduct the special meeting provided for under Section 24.6.1 within ninety (90) days after the date of damage shall be deemed a unanimous decision not to repair the damage.

Section 24.7 Effect of Decision Not to Repair. In the event of a decision under with Section 24.5.3 or Section 24.6.3 not to repair the damage, the Board may nevertheless expend so much of the insurance proceeds and common funds as the Board deems reasonably necessary for emergency work (which emergency work may include, but is not necessarily limited to, removal of the damaged improvements and clearing, filling and grading the land), and the remaining funds, if any, and the property shall thereafter be held and distributed as follows:

Section 24.7.1 The property shall be owned in common by the owners and shall no longer be subject to this Declaration or to condominium ownership.

Section 24.7.2 Each owner's percentage of undivided interest in the property shall be the same as the percentage of undivided interest he previously owned in the common areas and facilities.

Section 24.7.3 Any mortgages or liens affecting any of the units shall be deemed transferred in accordance with the existing priorities to the owner's percentage of the undivided interest in the property.

Section 24.7.4 The property shall be subject to an action for partition at the suit of any owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund. The fund shall be divided into separate shares, one for each owner in a percentage equal the percentage of undivided interest owned by each such owner in the property. After first paying out of the respective share of each owner, to the extent sufficient for the purpose, all mortgages and liens on the owner's interest, the balance remaining in each share shall be distributed to the owner.

ARTICLE 25. CONDEMNATION.

Section 25.1 Consequences of Condemnation; Notices. If any unit or portion thereof or the common areas and facilities or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority (referred to herein as a "taking"), notice of the proceeding or proposed acquisition shall promptly be given to each owner and to each holder of a first mortgage and the provisions of this Article 25 shall apply.

Section 25.2 Proceeds. All compensation, damages, or other proceeds of the taking, the sum of which is hereinafter called the "condemnation award," shall be payable to the Association.

Section 25.3 Complete Taking. If the entire property is taken, the condominium ownership shall terminate. The condemnation award shall be apportioned among the owners in proportion to their respective percentages of undivided interest in the common areas and facilities; provided, however, that if a standard different from the value of the property as a whole is employed to measure the condemnation award in the taking, then, in determining such shares, the same standard shall be employed to the extent it is relevant and applicable. On the basis of the foregoing principle, the Board shall, as soon as practicable, determine the share of the condemnation award to which each owner is entitled. Each owner's share shall be applied first to the payment of all mortgages and liens on the owner's interest in accordance with the existing priorities, and the balance of each share shall be distributed to the owner.

Section 25.4 Partial Taking. If less than the entire property is taken, the condominium ownership shall not terminate. Each owner shall be entitled to a share of the condemnation award determined in the following manner:

Section 25.4.1 As soon as practicable the Board shall, reasonably and in good faith, allocate the condemnation award among compensation for property taken, severance damages or other proceeds.

Section 25.4.2 The Board shall apportion the amounts so allocated to taking of or injury to the common areas and facilities, which in turn shall be apportioned among owners in proportion to their respective undivided interests in the common areas and facilities.

Section 25.4.3 The total amount allocated to severance damages shall be apportioned to the units that were not taken.

Section 25.4.4 The amounts allocated to the taking of or injury to a particular unit and/or improvements an owner had made within the unit shall be apportioned to the unit.

Section 25.4.5 The amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board determines to be equitable in the circumstances.

Section 25.4.6 If an allocation of the condemnation award has already been established in negotiation, judicial decree, or otherwise, then in apportioning the condemnation award the Board shall employ that allocation to the extent it is relevant and applicable.

Section 25.4.7 Distribution of apportioned proceeds shall be made to the owners and their respective mortgagees in the manner provided in Section 25.3.

Section 25.5 Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article 24 for repair of damage, provided that the Board may retain and apply such portion of each owner's share of the condemnation award as is necessary to discharge the owner's liability for any special assessment arising from the operation of Article 24.

ARTICLE 26. EASEMENTS.

Section 26.1 In General. Each unit has an easement in and through each other unit and the common areas and facilities for all support elements and utility, wiring, heat and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of the project. In addition, each unit and all the common areas and facilities are specifically subject to easements as required for the electrical wiring and plumbing for each unit. The specific mention or reservation of any easement in this Declaration does not limit or negate any easement incident to a condominium grant under the provisions of the Condominium Statute.

Section 26.2 Encroachments. Each unit and all common areas and facilities are hereby declared to have an easement over all adjoining units and common areas and facilities for the purpose of accommodating any present or future encorachment as a result of engineering errors, construction, reconstruction, repairs, settlement, shifting or movement of any portion of the property, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of the encroaching units, areas and facilities so long as the encroachments shall exist, and the rights and obligations of owners shall not be altered in any way by the encroachment; provided, however, that in no event shall a valid easement for encroachment be created in favor of a unit if the encroachment was caused by the willful act with full knowledge of the owner of said unit. The encroachments described in this Section 26.2 shall not be construed to be encumbrances affecting the marketability of title to any unit.

Section 26.3 Easement Specifically Reserved by Declarant. Declarant reserves an access easement over, across, and through the common areas and facilities of the project for the purpose of completing any unfinished units or other improvements and exhibiting and preparing units for sale and for the purposes of developing any contiguous land owned by Declarant.

Section 26.4 Easement Granted to Boise Water Corporation. Declarant hereby grants to Boise Water Corporation an easement over Camel Back Lane for ingress and egress to the existing water tank owned by said Corporation, situated to the East of the project.

Section 26.5 Power of Association to Grant Easements. The Association shall have the right to grant easements for utility purposes over, upon, across, under or through any portion of the common area, and each owner hereby irrevocably appoints the Association as attorney-in-fact for such purpose.

ARTICLE 27. PROCEDURES FOR SUBDIVIDING OR COMBINING UNITS.

No unit or units shall be subdivided and/or combined either by agreement or legal proceedings, except as provided in this Article.

Section 27.1 By Owners Other Than Declarant. A unit owner may propose subdividing and/or combining of a unit or units by submitting the proposal in writing to all other owners and the mortgagees of the units to be subdivided or combined. If the proposal contemplates the subdivision of a unit, the proposal must also be given to every first mortgagee of any unit in the project. The proposal must include complete plans and specifications for accomplishing the subdivision or combination and proposed amendments of this Declaration and the Plans and, if necessary, the Survey Map.

(a) Approval Required for Subdivision. A proposal that contemplates subdivision of a unit will be accepted only if approved in writing by all owners and mortgagees of the unit or units to be subdivided, the owners of eighty percent (80%) of the total undivided interest in the common areas and facilities, and every first mortgagee.

(b) Approval Required for Combination. A proposal that contemplates only combination of units without subdividing any of them will be accepted if approved in writing by the owners of sixty percent (60%) of the total undivided interest in the common areas and facilities and all owners and mortgagees of the units to be combined.

(c) Procedure After Approval. Upon approval of the proposal, the owner making it may proceed according to the proposed plans and specifications; provided that the Board may, in its discretion, require that the Board administer the work or that provisions for the protection of other units or common areas and facilities or that reasonable deadlines for completion of the work be inserted in the contracts for the work. The changes in the Survey Map, if any, and the changes in the Plans and Declaration shall be placed of record as amendments thereto.

Section 27.2 Declarant's Right to Combine. Notwithstanding the provisions of Section 27.1, Declarant shall have the right to combine physically the area or space of any unit owned by Declarant with the area or space of one or more adjoining units. Such combination shall not prevent separate ownership of such units in the future. Declarant reserves the right to grant permission in writing for such combination to any prospective purchaser of two or more units owned by Declarant, reserving also the right to designate and convey to any such purchaser as additional limited common area any walls, floors or other structural separations between units so combined, or any space which would be occupied by such structural separations but for the combination of the units. Such structural separations and such space shall automatically become general common area if the combined units ever become subject to separate ownership in the future. Declarant may delete this Section 27.2 in whole or in part or relinquish any rights granted to it under this Section by filing an amendment to this Declaration limited to the sole purpose of making such change, and notwithstanding the general amendment provisions contained in this Declaration, such amendment need only be signed and acknowledged by the Declarant.

ARTICLE 28. AMENDMENTS OF DECLARATION OR SURVEY MAP AND PLANS.

Section 28.1 Amendments by the Association. A unit owner may propose amendments to this Declaration or the Survey Map and Plans to the Board. A majority of the members of the Board may cause a proposed amendment to be submitted to the members of the Association for their consideration. If an amendment is proposed by owners of twenty percent (20%) or more of the units in the project, then, irrespective of whether the Board concurs in the proposed amendment, it shall be submitted to the members of the Association for their consideration at their next regular or special meeting for which timely notice may be given. Notice of a meeting at which an amendment is to be considered shall include the text of the proposed amendment. Amendments may be adopted at a meeting of the Association or by written consent of the requisite number of persons entitled to vote, after notice has been given to all persons (including mortgagees) entitled to receive notice of a meeting of the Association. The unanimous consent of all owners shall be required for adoption of either (1) an amendment altering the percentages of undivided interest in the common areas and facilities appertaining to each unit (except as provided in Article 34), or (2) a decision that the property be removed from condominium status pursuant to Article 30, or (3) an amendment of Section 14.8 or of this Article 28. All other amendments shall be adopted if approved by sixty percent (60%) of the owners and if there is compliance with Section 28.2. Once an amendment has been adopted by the Association and any necessary approval of mortgagees has been obtained, the amendment will become effective when a certificate of the amendment, executed by two officers of the Association, has been recorded in the public records.

Section 28.2 Requirement of Mortgagee Approval. In addition to other requirements of this Declaration and of the Condominium Statute, the prior written approval of all institutional holders of first mortgages will be required for certain amendments specified in Article 29 (Mortgagee Protection) hereinbelow.

ARTICLE 29. MORTGAGEE PROTECTION.

Notwithstanding anything to the contrary contained in this Declaration, or in the Articles or Bylaws of the Association:

Section 29.1 The Association will maintain an adequate reserve fund for maintenance, repairs and replacement of those common elements and unit roofs and exterior wall surfaces that must be replaced on a periodic basis, and such reserve shall be funded by monthly assessments. In addition, there must be established a working capital fund for the initial months of operation of the project equal to at least two (2) months' estimated common areas charge for each unit.

Section 29.2 Any "right of first refusal" contained in any constituent document pertaining to the project shall not impair the rights of a first mortgagee to foreclose or take title to a unit pursuant to the remedies provided in the mortgage, or accept a deed (or assignment) in lieu of foreclosure in the event of default, or interfere with a subsequent sale or lease of a unit so acquired by the mortgagee.

Section 29.3 The holders of first mortgages shall have the right to examine the books and records of the Association and to require annual reports or other appropriate financial data.

Section 29.4 Any management agreement for the project or common areas and facilities, or any other contract providing for services of the developer, sponsor or builder, shall be terminable (a) by the Association for cause upon thirty (30) days' written notice thereof, and (b) by either party without cause and without payment of a termination fee upon ninety (90) days' or less written notice thereof, and the term of any such agreement shall not exceed one (1) year.

Section 29.5 The Association shall notify the institutional holder of any first mortgage whenever: (a) damage to a unit covered by its mortgage exceeds $1,000.00, or (b) damage to the common areas and related facilities exceeds $10,000.00. No owner or other party shall be entitled to priority over such institutional holder with respect to the distribution of any insurance proceeds for damage to a unit or to the common areas and facilities.

Section 29.6 If any unit or portion thereof or the common areas or any portion thereof is made the subject matter of any condemnation or eminent domain proceedings, or is otherwise sought to be acquired by a condemning authority, the institutional holder of any first mortgage shall be entitled to timely written notice of any such proceeding or proposed acquisition, and no owner or other party shall have priority over such institutional holder with respect to the distribution to such owner of the proceeds of any award or settlement.

Section 29.7 Any provision in this Declaration restricting leases of units shall not apply to a lender in possession of a unit following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure.

Section 29.8 Each holder of a first mortgage (including any purchaser from such holder) on a unit who comes into possession of a title to said unit by virtue of foreclosure of the mortgage, or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the unit free of and shall not be liable for any unpaid claims or assessments and charges against the unit which accrue prior to the time of such possession or acquisition of title.

Section 29.9 Any holder of a first mortgage is entitled to written notification from the Association of any default by the mortgagor of such unit in the performance of such mortgagor's obligation under the Declaration which is not cured within thirty (30) days.

Section 29.10 First mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any common area property and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy, for such common area property and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

Section 29.11 Any lien which the Association may have on any unit for the payment of assessments attributable to such unit will be subordinate to the lien or equivalent security interest of any mortgage on the unit recorded prior to the date notice of such assessment lien is duly recorded.

Section 29.12 Unless all institutional holders of first mortgages have given their prior written approval, the Association and/or the owners shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the common areas or any portion thereof. (This clause shall not be deemed applicable to either (1) the granting of easements for public utilities or for other public purposes consistent with the intended use of such common areas or (2) a shifting of interests under Article 34 hereof.)

(b) Change the pro rata interest or obligations of any unit for purposes of (1) levying assessments or allocating distributions of hazard insurance proceeds or condemnation awards or for (2) determining the pro rata share of ownership of each unit in the appurtenant common areas (except as provided in Article 34 hereof).

(c) By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of said units, the maintenance of the common area property, party walks or common fences and driveways, or the upkeep of lawns and plantings in the project.

(d) Fail to maintain fire and extended coverage casualty insurance on insurable common area property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost).

(e) Use hazard insurance proceeds for losses to any property in the project (whether to units or to the common areas) for other than the repair, replacement or reconstruction of such property.

(f) By act or omission abandon or terminate the condominium status of the project.

(g) Amend materially this Declaration, the Association's Articles of Incorporation or its Bylaws.

(h) Terminate professional management and assume self-management of the project.

(i) Make any amendment to the insurance provisions (Article 23) or to these mortgagee protection provisions (Article 29) contained in this Declaration.

(j) Partition or subdivide any unit (and no partition or subdivision shall be accomplished without the prior written approval of the holder of any first mortgage, institutional or otherwise, on the unit to be partitioned or subdivided).

Section 29.14 Upon written request of any first mortgagee, the Association agrees to provide such mortgagee with a letter wherein the Association agrees to notify the mortgagee or its designee whenever: (a) damage to a unit covered by its mortgage exceeds $1,000.00, or (b) damage to the common areas and related facilities exceeds $10,000.00.

ARTICLE 30. ABANDONMENT OR TERMINATION OF CONDOMINIUM STATUS.

Except in cases of substantial damage to the property as provided in Article 24 or condemnation of the entire property as provided in Section 25.3, the condominium status of the property shall not be abandoned or terminated by reason of any act or omission of the owners or the Association except with the consent of all owners by an instrument to that effect duly recorded, and then only if the mortgagees and holders of all liens affecting any of the units consent thereto or agree, in either case by an instrument duly recorded, that their mortgages and liens be transferred to the percentage of the undivided interest of the owner in the property.

ARTICLE 31. SEVERABILITY.

The provisions of this Declaration shall be independent and severable, and the unenforceability of any one provision shall not affect the enforceability of any other provision, if the remainder complies with the Condominium Statute or, as covenants, effect the common plan.

ARTICLE 32. EFFECTIVE DATE.

This Declaration shall take effect upon recording.

ARTICLE 33. ASSIGNMENT BY DECLARANT.

Declarant reserves the right to assign, transfer, sell, lease or rent all or a portion of the property then owned by it and reserves the right to assign all or any of its rights, duties and obligations created under this Declaration.

ARTICLE 34. ANNEXATION.

Section 34.1 Time for Annexation; Land Subject to Annexation. The land described in Schedule A attached hereto is a part of a certain parcel of land situated in Ada County, Idaho, more particularly described in Schedule E attached hereto. Declarant may, at any time until January 31, 1987, add to the property which is covered by this Declaration all or any portion of the land then owned by Declarant described in said Schedule E hereto. The total number of condominium units in the project shall not exceed one hundred thirty-two (132), i.e., 108 units in addition to the 24 units in the initial phase constructed at the time of recordation of this Declaration. No rights of any character whatsoever to the land described in Schedule E shall attach to any owner except as to that portion described in any recorded Notice of Annexation or Supplemental Declaration annexing and adding such portion to the project created by this Declaration.

Section 34.2 Power to Shift Interests; Effect of Annexation. In furtherance of the foregoing, a power coupled with an interest is hereby granted to the Declarant, acting by and through its duly authorized officers, its successors or designees, and each of them singly, as attorney-in-fact, to shift the percentages of undivided ownership interest in the common areas appurtenant to each unit to the percentages set forth in each such Supplemental Declaration recorded pursuant to this Article 34. Each deed, mortgage, or other instrument with respect to a unit and the acceptance thereof shall be deemed a grant and acknowledgement of and consent to such power of said attorney-in-fact to shift and reallocate from time to time the percentages of undivided ownership interest in the common areas appurtenant to each unit to the percentages set forth in each such recorded Supplemental Declaration. Each owner of a unit, by acceptance of a deed thereto, further acknowledges, consents and agrees, as to each such Supplemental Declaration that is recorded, as follows:

(a) The percentage of undivided ownership interest in the common areas appurtenant to each unit shall automatically be shifted and reallocated to the extent set forth in each such recorded Supplemental Declaration and upon the recording of each such Supplemental Declaration, the amount by which such percentage of undivided ownership interest in the common areas appurtenant to a unit is reduced, as set forth in each such recorded Supplemental Declaration, shall thereby be deemed to be released and divested from such owner and reconveyed and reallocated among the other owners as set forth in each such recorded Supplemental Declaration.

(b) Each deed, mortgage or other instrument affecting a unit shall be deemed given subject to the conditional limitation that the percentage of undivided ownership interest in the common areas appurtenant to such unit shall, upon the recording of each Supplemental Declaration, be divested pro tanto to the reduced percentage set forth in such Supplemental Declaration and vested among the other owners and mortgagees having an interest in the other units in accordance with the terms and percentages of each such recorded Supplemental Declaration.

(c) A right of revocation is hereby reserved by the Declarant to so amend and reallocate the percentages of undivided ownership interest in the common areas appurtenant to each unit; provided, however, that such percentages shall at all times be fixed by taking as a basis the value of each unit in relation to the value of the project as a whole (including the property annexed pursuant hereto).

(d) The percentage of undivided ownership interest in the common areas appurtenant to each unit shall include and be deemed to include any additional common areas annexed hereto by a recorded Supplemental Declaration and each deed, mortgage or other instrument affecting a unit shall be deemed to include such additional common areas, and the ownership of any such unit and lien of any such mortgage shall automatically include and attach to such additional common areas as such Supplemental Declarations are recorded.

(e) The recording of each such Supplemental Declaration shall not alter the amount of the lien for expenses assessed to a unit prior to such recording.

(f) Each owner, by acceptance of the deed conveying his unit, agrees for himself and all those who claim under him, including mortgagees, that this Declaration and each Supplemental Declaration is and shall be deemed to be in accordance with the Condominium Statute, and for purposes of this Declaration and the Condominium Statute, any changes in the respective percentages of undivided ownership interest in the common areas as set forth in each such Supplemental Declaration shall be deemed to be made by and with the agreement and consent of all owners.

(g) The Declarant hereby reserves the right to amend this Declaration in order to bring the provisions of this Article into conformity with the mortgagee protection requirements of any institutional holder of a first mortgage or the requirements of the Condominium Statute, as it may be amended from time to time, and each owner agrees to execute and deliver such documents necessary or desireable in order to accomplish such amendment.

Upon the recording of a Notice of Annexation containing the provisions set forth in Section 34.3 (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 as if it were originally covered by this Declaration and orriginally constituted a portion of the project; and thereafter the rights, privileges, duties and liabilities of the parties to this Declaration with respect to the added land shall be the same as with respect to the original land, and the rights, privileges, duties and liabilities of the owners, lessees and occupants of lots and condominiums within the added land shall be the same as in the case of the original land. Notwithstanding the foregoing, any Supplemental Declaration may provide a special procedure for amendment of any specified provision thereof, e.g. by a specified vote of only the owners of units within the area subject thereto. Any provision of a Supplemental Declaration for which no special amendment procedure is provided shall be subject to amendment in the manner provided in this Declaration.

Section 34.3 Procedure for Annexation. Any portion of the land described in Schedule E 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 the 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; and

(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.

THIS DECLARATION Is executed on this 6th day of February, 1980.

GIVENS CONSTRUCTION, INC.,
Declarant

By [signature]
Vice President

STATE OF IDAHO)
) ss.
County of Ada)

On this 6th day of February, 1980, before me, a Notary Public in and for said State, personally appeared STEVE GIVENS, known to me to be the Vice President of GIVENS CONSTRUCTION, INC., the corporation that executed the foregoing instrument, or the person who executed said instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

[signature]
Notary Public for Idaho
Residing at Boise, Idaho