

ACCOMMODATION

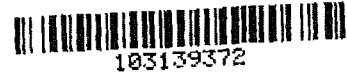
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ADA COUNTY RECORDER J. DAVID NAVARRO
BOISE IDAHO 08/18/03 02:48 PM
DEPUTY Joanne Hooper
RECORDED - REQUEST OF
Pioneer
AMOUNT 90.00

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR SABLE RIDGE SUBDIVISION #2**

1 THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR Sable Ridge
2 Subdivision is made effective as of the 18th day of August, 2003, by **Sagewood Development**
3 **Corporation** (hereinafter "Grantor" or "Declarant") whose address is 2752 S. Goshen Way, Boise,
4 Idaho 83709.

ARTICLE I - RECITALS

5
6
7 **1.1 Property Covered.** The property subject to this Declaration of Covenants, Conditions and
8 Restrictions (hereinafter referred to as "Declaration" or "CC&R's") for Sable Ridge Subdivision is
9 that property in Ada County, State of Idaho, which is contained in Sable Ridge Subdivision and
10 legally described on Exhibit A attached hereto, together with any additions or annexations as may
11 hereinafter be brought within the jurisdiction of these CC&R's and the Association. The "common
12 area" lots contained in this Subdivision are set out in Paragraph 3.8 below.

13
14 **1.2 Purpose of Declaration.** Sable Ridge Subdivision is a residential development, which
15 Grantor intends to develop in accordance with governmental approvals. The purpose of this
16 Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions and
17 equitable servitude that will apply to the development and use of the Property. This Declaration is
18 designed to preserve the Property's value, desirability and attractiveness, and to guarantee
19 adequate maintenance of the Common Area, and any Improvements located thereon.

ARTICLE II - DECLARATION

20
21
22
23 **2.1 Grantor Declaration.** Grantor declares that all the Property shall be held, sold, transferred,
24 encumbered, leased, used, occupied and improved subject to these CC&R's. Each owner
25 accepting a deed to any of the property agrees that these CC&R's are for the protection,
26 maintenance, improvement and enhancement of the Property.

27
28 **2.2 Runs With The Land.** These CC&R's shall run with the land described on Exhibit A and
29 shall be binding upon all persons with any right, title or interest in the land. They are for the benefit
30 of all the property and bind all successors.

31
32 **2.3 Enforcement.** These CC&R's may be enforced by Grantor, any owner or by the
33 Association.
34

1 **2.4 Grantor's Rights.** Notwithstanding the foregoing, no provision of this Declaration shall be
2 construed as to prevent or limit Grantor's right to complete development of the Property and to
3 construct improvements thereon, nor Grantor's right to maintain model homes, construction, sales
4 or leasing offices or similar facilities on any portion of the Property, including the Common Area or
5 any public right-of-way, nor Grantor's right to post signs incidental to construction, sales or leasing.
6

7
8 **ARTICLE III. DEFINITIONS**

9 **3.1 "Articles"** shall mean the Articles of Incorporation of the Association or other organizational
10 or charter documents of the Association.

11
12 **3.2 "Sable Ridge Subdivision"** shall mean the Property described on Exhibit A (together with
13 any future additions or annexations).

14
15 **3.3 "Assessments"** shall mean those payments required of Class A Owners and Association
16 Members (excluding Declarant) and include but are not limited to all Assessments (whether regular,
17 set-up, special or limited), late charges, attorneys' fees, interest, and other charges set out in these
18 CC&R's.
19

20 **3.4 "Association"** shall mean Sable Ridge Neighborhood Association, Inc., a nonprofit
21 corporation organized under the laws of the State of Idaho, its successors and assigns.
22

23 **3.5 "Board"** shall mean the Board of Directors or other governing board or individual, if
24 applicable, of the Association and includes its authorized agents and representatives.
25

26 **3.6 "Building Lot"** shall mean one or more lots as specified or shown on any Plat upon which
27 improvements may be constructed. The term "Building Lot" shall not include any Common Area,
28 any area dedicated to the public, or any lots deeded to an irrigation entity for an irrigation pump
29 facility.
30

31 **3.7 "By-laws"** shall mean the By-laws of the Association (a copy of which is attached hereto
32 as Exhibit B).
33

34 **3.8 "Common Area"** shall mean all lots of Sable Ridge Subdivision that are designated on the
35 Plat as private streets or drives, common open space, common areas and common landscaped
36 areas, including but not limited to, the following parcels which Declarant shall deed to the Sable
37 Ridge Neighborhood Association: The Association shall manage, maintain and operate these
38 common area lots on the attached Exhibit "B".
39

40 **3.9 "Declaration"** shall mean this Declaration as it may be amended from time to time.
41

42 **3.10 "Grantor"** shall mean Sagewood Development Corporation and any successor in interest,
43 or any person or entity to whom the rights under this Declaration are expressly transferred by
44 Grantor or its successor. Grantor is also referred to as the Declarant.
45

46 **3.11 "Improvement"** shall mean any improvement or object, whether permanent or temporary,
47 which is erected, constructed or placed upon, under or in any portion of the Property, including but
48 not limited to buildings, fences, driveways, landscaping, signs, lights, mail boxes, recreational
49 facilities, and fixtures of any kind.

- 1 **3.12 Limited Assessment** shall mean a charge against a particular Owner and such Owner's
2 Building Lot, directly attributable to the Owner, equal to the cost (plus a management fee equal to
3 10% of the cost) incurred by the Grantor or the Association for corrective action performed pursuant
4 to the provisions of this Declaration. (See Corrective Action, Section 9.1.1 below.)
5
6 **3.13 Member** shall mean each person or entity holding a membership in the Association.
7
8 **3.14 Owner** shall mean the person or other legal entity, including Grantor, holding fee simple
9 interest of record to a Building Lot which is a part of the Property, but excludes those having an
10 interest merely as security for the performance of an obligation.
11
12 **3.15 Person** shall mean any individual, partnership, corporation or other legal entity.
13
14 **3.16 Plat** shall mean any subdivision plat covering any portion of the Property as recorded at
15 the office of the County Recorder.
16
17 **3.17 Property** shall mean all Property described herein including each lot or portion thereof,
18 including all water rights associated with or appurtenant to such property.
19
20 **3.18 Regular Assessment** shall mean the portion of the cost of maintaining, improving,
21 repairing, managing and operating the Common Areas and all Improvements located thereon, and
22 the other costs of the Association.
23
24 **3.19 Set-Up Assessment** shall mean that initial fee payable to the Association to set up the
25 Association. This one-time, set-up fee is assessed against the buyer of each lot upon the first
26 purchase of each lot.
27
28 **3.20 Special Assessment** shall mean the portion of the costs of the capital improvements or
29 replacements, equipment purchases and replacements or shortages in Regular Assessments.
30
31 **3.21 Transfer Special Assessment** shall mean that transfer fee assessed against each lot
32 transferred, to be paid to the Association on each transfer of legal title and recording of a deed to
33 a lot in this subdivision.
34

35 **ARTICLE IV. GENERAL AND SPECIFIC RESTRICTIONS**

- 36
37 **4.1 Prior Plan Approval.** No improvement or obstruction shall be placed or permitted to remain
38 upon any part of the property unless a written request for approval, containing the plans,
39 specifications, and exterior color scheme, has been approved by the Board or a person designated
40 by the board to approve same. (See Article 6 below.) The approval of the Board will not be
41 unreasonably withheld if the plans and specifications comply with these CC&R's, government
42 ordinances, and are in general in harmony with the existing structures located in this Subdivision.
43
44 **4.2 Government Rules.** In the event any of these CC&R's are less restrictive than any
45 governmental rules, regulations or ordinances, then the more restrictive governmental rule,
46 regulation or ordinance shall apply.
47
48 **4.3 Use, Size and Height: Basements.** All Building Lots shall be used exclusively for one or
49 two-story, single-family homes. Split entry homes are not allowed. The minimum floor area square

1 footage (excluding the area of the eaves, steps, open porches, car ports, garages, and patios) shall
2 be as follows:

- 3
4 a) 1340 Square Feet minimum for one-story homes.
5 b) 1,600 Square Feet minimum for any two-story homes; provided, however, in any
6 such two-story home the ground floor shall have a minimum of 950 square feet.
7 c) Lots 13 thru 23 of Block 2 will have a minimum square footage of 1,600 square feet.
8 Lots 17 through 20 of Block 8 and Lots 32 through 35 of Block 8 shall also have a
9 1,600 square foot minimum. Any two-story home will have a minimum of 1,100
10 square feet on the ground floor.
11

12 **4.4 Accessory Structures.** There shall be no metal or wood storage attachments to any home
13 except as approved by the Board. Storage sheds attached to the residential structure, and patio
14 covers, shall be constructed of, and roofed with, the same materials, and with similar colors and
15 design, as the residential structure on the applicable Building Lot. Only one outbuilding per lot shall
16 be allowed, and it shall be a) constructed of quality material; b) completed, finished and painted in
17 the same general color as the main house; c) generally screened from public view; and d) approved
18 by the Board.
19

20 **4.5 Setbacks.** All setbacks shall comply with the pertinent local government ordinances.
21

22 **4.6 Garages.** All residential homes shall have an attached enclosed garage which holds no
23 less than two cars and no more than four and shall be constructed of the same materials and colors
24 as the main building or as approved by the Board.
25

26 **4.7 Exterior Appearance.**
27

28 **4.7.1 Brick, Stone, Stucco on front Exterior.** All homes shall have accent architecture
29 in the form of brick, stone, stucco or other acceptable material as approved by the Board.
30 Full-height columns of accent architecture are strongly encouraged at the sides of the
31 garage. Vinyl siding will not be allowed on the exterior of any residential home.
32

33 **4.7.2 Windows, Porches, etc.** Large picture windows, broken roof lines, hip roofs,
34 gables, etc. are strongly encouraged. Decorative porches, railings, steps and front doors
35 are also strongly suggested.
36

37 **4.8 Roofs.** Roofs must be at least a 5/12 pitch. No gravel roofs are allowed. Roofing materials
38 shall be composition shingles. Roofs shall be black or weathered gray color as approved by the
39 ACC.
40

41 **4.9 Solar Covenants.** Each Lot in this subdivision shall be subject to, and each Lot Owner
42 shall comply with, all related local governmental solar ordinances.
43

44 **4.10 Driveways.** All Lots shall have a paved driveway and a minimum of two paved car parking
45 spaces within the boundaries of each Lot. No driveway or parking area shall be dirt, rock, gravel or
46 asphalt.
47

48 **4.11 Colors.** Exterior colors of earth tones and grays shall be encouraged for the body of the
49 house. Bright, bold or very dark colors shall be discouraged. Roof colors shall be black or gray.

1 Exterior colors shall be approved by the Board.
2

3 **4.12 Pole Lights.** Each home is encouraged, but not required, to have a photo-sensitive pole
4 light in the front yard within five (5) feet of the sidewalk and five (5) feet of the driveway designed
5 to switch on automatically at sunset and off at sunrise.
6

7 **4.13 Landscaping.** Berms and sculptured planting areas are encouraged. Landscaping of the
8 front yard shall be in place at the time the home is occupied. Front landscaping shall consist of sod,
9 automatic sprinklers and one tree at least two inches (2") in caliper and two (2) five-gallon shrubs.
10 Grass shall be planted or sodded in the back yard within one year of occupancy of the home. The
11 "front yard" shall be defined as that portion of the building lot from one side lot line to the opposite
12 side lot line lying in the front exposure of the structure. For building lots on corners, the "front yard"
13 shall also include that portion of the building lot from the front of the structure to the rear of the
14 structure of the side street (i.e., the side yard next to the side street).
15

16 **4.14 Fences.**
17

18 **4.14.1 Subdivision Perimeter Fences.** Grantor may construct a perimeter fence around
19 the exterior of this subdivision property (except for entrance or exit roadways or waterway
20 crossings). After Grantor has transferred title to any lot which contains a portion of this
21 perimeter fence it shall be the responsibility of the Owner of that lot to maintain, repair,
22 and/or replace as needed that portion of the perimeter fence on that Owner's lot. The
23 maintenance, repairs and/or replacement shall be performed so as to keep the perimeter
24 fencing uniform, attractive and harmonious. The Association may, in its sole discretion,
25 maintain some or all of the perimeter fencing as a Common Area expense.
26

27 **4.14.2 Other Owner Fences.** Other Owner fences are not required. If a fence is desired,
28 plans for it shall be approved by the Board prior to construction. Fences shall be of good
29 quality and workmanship and shall be properly finished and maintained. Fences may be
30 built of wood, such as a 6-foot, dog-eared cedar. Chain link fences are not allowed except
31 along ditches or water retention areas. Fences shall not be built closer to the front of the
32 lot than even with the front corner of the home, nor within 20 feet of any street right-of-way.
33

34 **4.15 Construction.** No pre-existing or prefabricated home shall be moved onto any lot. All
35 homes in this Subdivision must be constructed on the lot. Once construction has begun,
36 completion of each building or other improvement shall be diligently pursued and completed within
37 six months.
38

39 **4.16 Sewer.** All bathroom, sink and toilet facilities shall be located inside the home, and
40 connected underground to wet line sewer.
41

42 **4.17 No Further Subdivision.** No Building Lot may be split or subdivided without the prior
43 written approval of the Board.
44

45 **4.18 Nuisances.** No rubbish or debris shall be placed on or allowed to accumulate anywhere
46 on the Property, including Common Areas or vacant Building Lots. No unsanitary, unsightly, or
47 offensive conditions shall be permitted to exist on any part of the Property. Noise or other
48 nuisances in violation of local ordinances are prohibited. No Owner shall permit any noise, party
49 or other activity in the Common Area which unreasonably interferes with the peace and quiet of the

1 other Owners or occupants. The use of fireworks, firecrackers and any type of firearms on the
2 Property is strictly prohibited.
3

4 **4.19 Exterior Maintenance: Owner's Obligations.** All Improvements, especially the exterior
5 appearance of the home, lawn, trees, fencing and landscaping shall be kept in good condition and
6 repair. In the event an Owner permits an Improvement to fall into disrepair or to create a
7 dangerous, unsafe, hazardous, unsightly or unattractive condition, then the Board or Grantor, after
8 thirty (30) days prior written notice to the offending Owner, shall have the right to enter upon that
9 Owner's property to correct such condition. Owner shall be obligated to reimburse the Board or
10 Grantor for all of the costs of the corrective action as set out in Article 8 and 9 below.
11

12 **4.20 Unsightly Articles.** No unsightly articles shall be permitted to remain on any property so
13 as to be visible from any other Owner's property. Trash is to be kept in containers and areas
14 approved by the Board. Clothing or fabrics are not to be hung or aired in such a way as to be
15 visible to other property. No equipment, heat pumps, compressors, containers, lumber, firewood,
16 grass, shrub or tree clippings, metals, bulk material, disabled vehicles, or scrap shall be kept, stored
17 or allowed to accumulate on any property except within an enclosed structure or screened from
18 view. Vacant residential structures shall not be used for storage.
19

20 **4.21 No Temporary Structures.** No house trailer, mobile home, tent, shack or other temporary
21 building, improvement or structure shall be placed upon any portion of the Property or on any
22 streets. Temporary construction structures are permitted during the time of construction.
23

24 **4.22 No Unscreened Boats, Campers and Other Vehicles.** No boats, trailers, campers, all-
25 terrain vehicles, motorcycles, recreational vehicles, bicycles, dilapidated or unrepaired and
26 unsightly vehicles or similar equipment shall be placed upon any portion of the Property (including,
27 without limitation, streets, parking areas and driveways) unless enclosed by a concealing structure
28 approved by the Board.
29

30 **4.22.1 Removal of Vehicles; Warning; Costs.** The Board or its representatives may
31 remove any vehicles in violation of this section at any time after giving the owner fifteen (15)
32 days' written notice of its intent to do so. For any such vehicles removed, the Owner shall
33 reimburse the Board, as a limited assessment, the costs thereof plus a management fee
34 equal to ten percent (10%) of the costs. (See Article 9 below.)
35

36 **4.23 Animals/Pets.** No farm animals, animals creating a nuisance, or animals in violation of
37 governmental ordinances shall be kept on any Property. Chronic dog barking shall be considered
38 a nuisance. No more than two domestic cats and no more than two domestic dogs shall be allowed
39 to inhabit any one lot. All dogs outside the home or outside the lot fence must be leashed. Pets
40 shall not be allowed in the Common Areas. Any kennel or dug run must be screened, placed inside
41 the lot fences, and approved by the Board.
42

43 **4.24 Signs.** No sign shall be displayed to public view without the approval of the Board except:
44 (1) signs used by Grantor in connection with the development and sale of the Property; (2) signs
45 identifying the development; (3) informational signs by the Board displayed on Common Areas;
46 (4) one sign of less than 12 square feet displayed by an Owner (other than Grantor) on that Owner's
47 property advertising the home for sale or lease; and (5) signs required by the governing authorities.
48 No signs other than Grant's shall be placed in the Common Area without the written approval of the
49 Board.

1 **4.25 Lot Grading and Drainage Requirements.** Each lot owner shall grade and maintain their
2 individual lot to direct water away from the foundation and to prevent the runoff of storm water onto
3 adjacent owner's lots.
4

5 **4.26 Additional Easements.** In addition to the easements shown on the recorded plat, an
6 easement is further reserved and each lot shall be subject to an easement five (5) feet on each side
7 of all other lot lines for installation and maintenance of utilities, irrigation and drainage.
8

9 **4.27 Exemption of Grantor.** Nothing contained in these CC&R's shall limit the right of Grantor:
10 to subdivide or re-subdivide any portion of the Property owned by Grantor; to grant easements,
11 licenses, or to reserve rights-of-way with respect to Common Areas; to complete excavation,
12 grading and construction of any portion of the Common Areas, or Property owned by Grantor; to
13 alter construction plans and designs; to construct additional Improvements; to erect, construct and
14 maintain structures and displays as necessary for the conduct of Grantor's business. Prior to
15 transferring title to a Building Lot, Grantor shall have the right to grant, establish and/or reserve on
16 that Building Lot additional licenses, reservations and rights-of-way to Grantor, to utility companies,
17 or to others. Grantor may use any structures owned by Grantor on the Property as model home
18 complexes or real estate sales leasing offices. The rights of Grantor may be assigned by Grantor
19 to any successor in interest by a written assignment recorded in the Office of the County Recorder.
20

21 **4.28 Water; Water Rights.** The property in this subdivision is provided with irrigation water
22 through the Kuna irrigation district. No guarantee is made as to when such irrigation water will be
23 available and the amounts so available. Such availability and volume are dependent on when, and
24 in what quantities, irrigation water becomes available through the servicing canal. Irrigation water
25 is non-potable. No irrigation water rights exist from any irrigation district for any lot in Sable Ridge
26 Subdivision.
27

28 **4.29 Laws; Ordinances.** These CC&R's are subject to all rules, regulations, laws and
29 ordinances of all applicable governmental bodies. In the event a governmental rule, regulation, law
30 or ordinance would render a part of these CC&R's unlawful, then in such event that portion shall
31 be deemed to be amended to comply with the applicable rule, regulation, law or ordinance.
32

33 **4.30 Special Covenants.** Lot 7, Block 1 in this subdivision has special circumstances which
34 require special covenants and restrictions as follows:
35

36 **4.30.01 Drainage Easement.** Lot 7, Block 1 is a common area lot to be owned by the
37 Association and is subject to an overflow drainage/retention easement in favor of the ACHD.
38 ACHD is hereby granted a drainage/retention easement on this lot to retain water, and to
39 construct, install and maintain the drainage system.
40

41 **4.30.02 Drainage Easement Area Restrictions.** The Association shall maintain a grass
42 lawn in the easement area and shall keep the lawn mowed and the area free of trash and
43 debris. No buildings, fences, trees, shrubs or structures shall be placed in the floor of this
44 drainage easement area. (However, shrubs and trees may be planted on the slopes of this
45 drainage area providing they don't interfere with the ACHD easements or interfere with the
46 drainage/retention system).
47

48 **4.30.03 "Heavy" Maintenance of Drainage/Retention Area.** Heavy maintenance consists
49 of periodically inspecting the retention facility to ensure it is functioning properly; cleaning

1 out the facility piping and mucking out the facility when the sediment level exceeds the
2 designed storage level. All other maintenance shall be referred to herein as "light"
3 maintenance. ACHD has opted to perform this "heavy" maintenance and shall be allowed
4 to perform this maintenance work. In the even the ACHD shall decide not to do such
5 "heavy" maintenance, then the Association shall do so.
6

7 **4.30.4 "Light" Maintenance.** The Association shall provide all "light" maintenance of the
8 drainage/retention area (mowing, weed control, trash control, etc.).
9

10 **4.30.5 Association Failure to Maintain: ACHD Remedies.** In the event that ACHD
11 determines, in its sole discretion, that the Association is not adequately maintaining the
12 detention pond/drainage basin, then ACHD shall, before undertaking maintenance of said
13 common area, provide written notice of its intention to begin maintenance within a thirty (30)
14 day period, within which time the Association may undertake to initiate and conclude all
15 maintenance defects as identified by ACHD. In the event that the Association shall fail to
16 commence and conclude maintenance of the detention pond/drainage basin to the extent
17 said items of specific maintenance are identified by ACHD within the prescribed thirty (30)
18 days, then in that event, ACHD may begin to undertake such maintenance. ACHD is
19 hereby granted an irrevocable license and easement to enter upon any portion of the
20 common area or facility after having provided notice to the Association and having provided
21 the Association an opportunity to undertake said maintenance, ACHD shall first bill the
22 Association and if such bill shall not be paid within sixty (60) days, then ACHD shall be
23 entitled to and empowered to file a taxable lien against all lots within Sable Ridge
24 Subdivision with power of sale as to each and every lot in order to secure payment of any
25 and all assessments levied against all lots in these subdivisions pursuant to the Master
26 Declaration as if said maintenance has been performed by the Association, together with
27 interest at the rate which accrues on judgments thereon and all costs of collection which
28 may be paid or incurred by ACHD. The Association shall not be dissolved or relieved of its
29 responsibility to maintain the defined common area and facilities contained therein without
30 the prior written approval from ACHD. The Association and all lot owners by accepting title
31 to a lot agree that all lot owners within these subdivisions are benefitted property owners
32 of such maintenance.
33

34 **4.31 Micro-Path Lot Easement Area.** Micro-Path lot easement areas may be created for the
35 purpose of maintaining a Micro-Path easement. This easement area shall be landscaped as
36 approved by the City of Kuna and shall contain a paved Micro-Path at least eight (8) feet in width
37 the entire length of the easement area. This lot and easement area shall be for the ingress and
38 egress of pedestrian and bicycle traffic and shall be for the benefit of all lots in Sable Ridge
39 Subdivision and Kuna. This lot shall be owned and maintained by the Association and such
40 maintenance shall comply with all Kuna City requirements and regulations for Micro-Path easement
41 areas. This Micro-Path easement and the maintenance responsibilities relating thereto shall not
42 be dissolved without the express written permission of the City of Kuna.
43

44 **4.32.1 No Liability.** Each lot owner by accepting a deed to a lot in Sable Ridge Subdivision
45 and each occupant by occupying a lot in Sable Ridge Subdivision and each user of the
46 Micro-Path specifically agrees that the Declarant, its agents, officers, employees and
47 shareholders shall have no liability of any kind whatsoever relating in any way to the use of
48 the Micro-Path including, but not limited to, any accidents or bodily injuries which result from
49 the use of the Micro-Path. Nor shall the Association, its officers, agents, or employees have

1 any such liability. All lot owners, occupants and users of the Micro-Path specifically
2 assume the risk and waive any and all claims relating to the use of this Micro-Path.
3

4 **4.32 Perpetual.** The provisions contained in this paragraph 4.32 shall be perpetual and shall run
5 with each affected lot. These provisions of paragraph 4.32 as they apply to each of the common
6 driveway lots may not be amended unless such amendment is approved by a) the lot owners
7 affected; b) the President of the Association, if the Association exists; and, 3) the City of Kuna.
8

9 **4.33 Exclusion from Codes, Covenants & Restrictions.** The five (5) acres, more or less,
10 being owned by Terry and Dana True, located at 887 E. Ardell Road, are excluded from the Codes,
11 Covenants & Restrictions of Sable Ridge Subdivision.
12

13 **ARTICLE V - SABLE RIDGE NEIGHBORHOOD ASSOCIATION, INC.**

14

15 **5.1 Organization of Sable Ridge Neighborhood Association, Inc.** Sable Ridge
16 Neighborhood Association, Inc. (the "Association") shall be initially organized by Grantor as an
17 Idaho non-profit corporation under the provisions of the Idaho Code relating to general non-profit
18 corporations and shall be charged with the duties and invested with the powers prescribed by law
19 and set forth in the Articles, Bylaws (attached hereto as Exhibit b) and this Declaration. Neither the
20 Articles nor the Bylaws shall be amended or otherwise changed or interpreted so as to be
21 inconsistent with this Declaration.
22

23 **5.2 Membership.** Each Owner of a lot subject to assessment (including contract sellers), by
24 virtue of being an Owner, and for so long as such ownership is maintained, shall be a Member of
25 the Association. The memberships in the Association shall not be transferred, pledged, assigned
26 or alienated except upon the transfer of Owner's title the transferee of such title. Any prohibited
27 membership transfer shall be void and will not be reflected on the books of the Association.
28

29 **5.3 Voting.** Voting in the Association shall be carried out by Members (including Grantor) who
30 shall cast the votes attributable to the Building Lots which they own. The number of votes any
31 Member may cast on any issue is determined by the number of Building Lots owned. When more
32 than one person holds an interest in any Building Lot, all such persons shall be Members but shall
33 share the vote attributable to the Building Lot. One lot, one vote. For voting purposes, the
34 Association shall have two (2) classes of Members:
35

36 **5.3.1 Class A Members.** Owners other than Grantor shall be Class A Members. Each
37 Class A Member shall be entitled to cast one (1) vote for each Building Lot owned by such
38 Class A Member(s) on the day of the vote.
39

40 **5.3.2 Class B Members.** The Grantor shall be the Class B Member, and shall be entitled
41 to three (3) votes for each Building Lot owned by Grantor. The Class B Member shall cease
42 to be a voting Member in the Association on the happening of either of the following events,
43 whichever occurs first: (a) when seventy-five percent (75%) of the Building Lots have been
44 sold to Owners other than Grantor; or, (b) on December 31, 2007.
45

46 **5.3.3 No Fractional Votes or Severance from Land.** Fractional votes are not allowed.
47 If joint Owners cannot agree how their vote will be cast, they lose their right to vote on the
48 matter being put to a vote. A vote cast will be conclusive for all purposes that the Owner
49 had authority and consent of all joint Owners. Votes may not be severed from the Building

1 Lot. However, an Owner may give a revocable proxy, or assign the Owner's right to vote
2 to a lessee, mortgagee, beneficiary or contract purchaser of the Building Lot concerned, for
3 the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance
4 of a Building Lot to a new Owner automatically transfers the voting right to the new Owner.
5

6 **5.4 Board of Directors and Officers.** The affairs of the Association shall be managed by a
7 Board of Directors ("Board") and such officers or agents as the Board may elect or appoint as
8 provided in the Bylaws. The Board shall be elected in accordance with the Bylaws.
9

10 **5.5 Power and Duties of the Association.** The Association shall have all the powers of a
11 corporation organized under the laws of the State of Idaho subject only to the limitations set forth
12 in the Articles, Bylaws, and this Declaration. The Association shall have the power to appoint
13 representatives and the power to perform all acts which may be necessary or incidental to
14 discharge its duties and responsibilities and to manage and operate the Association's Common
15 Areas and to manage and operate the Association's Common Areas and assets. The Association's
16 powers include, but are not limited to, the following:
17

18 **5.5.1 Assessments.** The power to levy Assessments on any Class A Owner as set out
19 herein and to force payment as provided in this Declaration.
20

21 **5.5.2 Enforcement.** The power and authority in its own name, or on behalf of any Owner
22 who consents, to file and maintain actions and suits to restrain and enjoin any breach or
23 threatened breach of this Declaration, the Articles or the Bylaws; and to file and maintain
24 any action to enforce the terms thereof.
25

26 **5.5.3 Emergency Powers.** The power to enter upon any property (but not inside any
27 building) in any emergency where there is potential danger to life or property or when
28 necessary to protect or maintain Improvements for which the Association is responsible.
29 The Association may also enter upon any property to prevent the waste of irrigation water.
30 Such entry shall be made with as little inconvenience to the Owner as practicable. Any
31 damage caused by the Association shall be repaired by the Association.
32

33 **5.5.4 Licenses, Easements and Rights-of-Way; Cooperative Agreements.** The
34 Association shall have the power to enter into any cooperative or license agreements
35 regarding water or irrigation systems. The Association shall have the power to grant and
36 convey to any third-party licenses, easements and rights-of-way, in or under the Common
37 Area or in any easement areas of any Lots as may be necessary or appropriate for the
38 orderly maintenance, preservation and enjoyment of the Property and Common Area, and
39 for the preservation of the health, safety, convenience and welfare of the owners. The right
40 to grant such licenses, easements and rights-of-way are hereby expressly reserved to the
41 Association and may be granted at any time prior to twenty-one (21) years from the date of
42 recording of these CC&R's.
43

44 **5.6 Duties of the Association.** In addition to duties necessary and proper to carry out the
45 powers delegated to the Association by this Declaration, the Articles and Bylaws, the Association
46 shall have the authority to perform without limitation, each of the following duties:
47

48 **5.6.1 Operation and Maintenance.** Operate, maintain, and otherwise manage to provide
49 for the operation, maintenance and management of the Common Area, and, at the

1 discretion of the Board, provide for: 1) the cleaning and sweeping of the streets in the
2 subdivision to keep construction mud and debris to a minimum; b) mowing the vacant lots
3 and maintaining right-of-way areas in or adjacent to the subdivision to keep the subdivision
4 as a whole as aesthetically pleasing as possible.

5
6 **5.6.2 Taxes and Assessments.** Pay all real and personal property taxes and assessments
7 including but not limited to water costs separately levied against the Common Area or
8 against the Association and/or any other property in this Subdivision owned or managed by
9 the Association. Taxes, assessments and water costs may be contested or compromised
10 by the Association and the costs are a common area expense. The Association shall pay
11 any applicable federal, state or local taxes levied against the Association.

12
13 **5.6.3 Water and Other Utilities.** Acquire, provide and pay for water, utilities, maintenance,
14 operation costs, and other necessary services for the Common Areas or any pressurized
15 urban irrigation system.

16
17 **5.6.4 Insurance.** Acquire insurance coverage as the Board deems necessary or advisable,
18 from insurance companies authorized to do business in the State of Idaho, and maintain
19 any insurance policies including, but not limited to, the following: (1) Comprehensive public
20 liability insurance insuring the Board, the Association, the Grantor and/or the individual
21 grantees and agents and employees of each against any liability incident to the ownership
22 and/or use of the Common Area; (2) Directors' and officers' liability insurance; (3) Motor
23 vehicle insurance and workmen's compensation insurance; (4) Performance, fidelity and
24 other bonds the Board deems necessary to carry out the Association functions or to insure
25 the Association against any loss from malfeasance or dishonesty of any employee or other
26 person charged with the management or possession of Association funds or other property.
27 The Association shall be deemed trustee of the interests of all Owners in connection with
28 any insurance proceeds paid to the Association under such policies, and shall have full
29 power to receive the Owner's interests in such proceeds. All proceeds shall be used for
30 Association purposes. Insurance premiums for the above insurance coverage shall be a
31 common expense to be included in the Regular Assessments levied by the Association.

32
33 **5.6.5 Enforcement of Restrictions and Rules.** Perform such other acts, whether or not
34 expressly authorized by this Declaration, as may be reasonably advisable or necessary to
35 enforce any of the provisions of this Declaration, the Articles or the Bylaws.

36
37 **5.7 No Liability.** No Board member, committee member, Association officer, Grantor or its
38 officers, directors or shareholders (collectively herein "Grantor") shall be personally liable to any
39 Owner, or any other party, including the Association, for any damage, loss or prejudice suffered or
40 claimed on the account of any act, omission, error or negligence of that person provided that the
41 person has acted in good faith and without gross, willful or intentional misconduct.

42
43 **5.8 Budgets; Operating Statement; Balance Sheet; Inspection.** Within sixty (60) days after
44 the close of each calendar year, the Association shall cause to be prepared and shall make
45 available for inspection by any Owner, (1) a balance sheet as of the last day of the Association's
46 calendar year; (2) an annual operating statement reflecting the income and expenditures of the
47 Association for its last calendar year, and (3) a proposed budget and schedule of Assessments for
48 the current year. Notice of scheduled Assessments due shall be given at least once a year.

49

1 **5.9 Meetings of Association; Notice of Meeting and Assessments.** Each year the
2 Association shall hold at least one annual meeting of the Members on April 30, or some other date
3 set by the board between April 15 and May 31. If any meeting date falls on a weekend or holiday,
4 then the meeting shall be on the next following business day. Notice of such meeting shall be given
5 at least ten (10), and no more than thirty (30), days prior to the meeting and such notice may
6 include notice of the Assessments scheduled due for the coming year. Only Members or their
7 proxies shall be entitled to attend Association meetings. All other persons may be excluded. Notice
8 for all Association meetings, regular or special, shall be given by regular mail to all Members, at the
9 address for the lot in the subdivision or the address supplied in writing to the Association. This
10 notice shall set forth the place, date and hour of the meeting and the nature of the business to be
11 conducted. All meetings shall be held within the Property, or as close thereto as practical, at a
12 reasonable place selected by the Board. The presence at any meeting of the Class B Member (or
13 representative) where there is such a Member, and of Class A Members representing Owners
14 holding at least ten percent (10%) of the total votes of all Class A Members, shall constitute a
15 quorum. If any meeting cannot be held because a quorum is not present, the Members present
16 may adjourn the meeting to another time not more than thirty (30) days from the time the original
17 meeting was scheduled. If the rescheduled meeting is more than thirty (30) days, then additional
18 notice of the next meeting shall be given. At any subsequent meeting properly called, the presence
19 of any Member shall constitute a quorum.

20 **ARTICLE VI - ARCHITECTURAL CONTROL**

21
22
23 No building, structure, fence, wall, hedge, landscaping, painting, obstruction, berm, driveway, or
24 improvement shall be placed on, under, over or across any part of Sable Ridge Subdivision unless
25 a written request (given to one of the Board of Directors of the Association or a person designated
26 by the Board) for approval thereof containing the plans and specifications therefor, including
27 exterior color scheme, has been approved, in writing, by a member of the Board or any person
28 designated by the Board. The initial Board and their addresses is as follows:

- 29
- 30 1. Lisa A. Wanner, 2752 S. Goshen Way, Boise, Idaho 83709
- 31
- 32 2. Therese Goodman, 2752 S. Goshen Way, Boise, Idaho 83709
- 33
- 34 3. Michael Farlow, Valley Property Management, 877 North Liberty, Boise, Idaho,
- 35 83704.
- 36
- 37
- 38
- 39
- 40
- 41
- 42

43 **ARTICLE VII - RIGHTS TO COMMON AREAS**

44
45 **7.1 Use of Common Area.** Every Owner shall have the equal right to enjoy the use of those
46 Common Areas or common facilities which are designed and built for such use. The Association
47 may make reasonable rules governing use of the Common Areas and facilities. All common areas
48 and facilities shall be owned by the Association. The Association shall have the power to suspend
49 the use of all common areas to Members who are in arrears for non-payment of Assessments.

1 However, the Association may not suspend street or sidewalk access to a member's lot or home.
2 The Association may dedicate or transfer all or any part of the Common Area to any public agency,
3 authority or utility for such purposes agreed to by the Members. No dedication, mortgage or
4 transfer of said Common Area shall be effective unless an instrument agreeing to such dedication
5 or transfer is signed by the Grantor (if Grantor still owns any of the Building Lots), and two-thirds
6 (2/3) of the Class A Members. Transfer must also be approved by any local government having
7 jurisdiction over the transfer. Said transfer shall become effective when the instrument is recorded.
8 In the event that an Owner's access to his lot is over any Common Area, then any transfer of the
9 Common Area shall be subject to an easement for the access of the Owner.

10
11 **7.2 Damages.** Any Owner shall be liable for damage to any Common Area which may be
12 sustained by reason of the negligence of willful misconduct of the Owner, the Owner's tenant, or
13 the Owner's family, guests, agents, contractors or invitees. In the case of joint ownership the
14 liability of such Owners shall be joint and several. The cost of correcting the damage shall be
15 treated as a Limited Assessment against the Owner and building Lot and may be collected as
16 provided herein. No Owner shall be liable for any amounts greater than is legally allowable under
17 Idaho law.

18 **ARTICLE VIII - ASSESSMENTS**

19
20
21 **8.1 Covenant to Pay Assessments.** By acceptance of a deed to any property in Sable Ridge
22 Subdivision, each Class A Owner hereby covenants and agrees to pay, when due, all Assessments
23 or charges made by the Association pursuant to this Declaration. In the event this subdivision is
24 developed in Phases, the lots in uncompleted phases shall not be assessed until they become
25 Class A Owner's lots. Declarant shall not pay any Assessments. No Mortgagee shall be required
26 to collect any assessments.

27
28 **8.1.1 Assessment Constitutes Lien.** Such Assessments and charges set out herein,
29 together with interest, costs and reasonable attorneys' fees which may be incurred in
30 collecting the same, shall be a continuing lien upon the property against which each such
31 Assessment or charge is made.

32
33 **8.1.2 Assessment Personal Obligation.** Each Assessment obligation set out herein which
34 accrues during the time of ownership shall also be the personal obligation of the Owner
35 beginning the time the Assessment falls due. This personal obligation for Assessments
36 shall remain Owner's personal obligation regardless of whether he remains an Owner.
37 Notwithstanding anything contained herein, the failure to pay assessments does not
38 constitute a default on an owner's federally insured mortgage.

39
40 **8.2 Regular Assessments.** All Class A Owners are obligated to pay Regular Assessments to
41 the Association on a schedule of payments established by the Board.

42
43 **8.2.1 Initial Regular Assessment.** The initial Regular Assessment for the first calendar
44 year is to be One Hundred Twenty-Five Dollars (\$125.00) per year, per lot. This initial
45 assessment is due upon sale of a lot from Grantor and shall be prorated on a calendar-year
46 basis based on the date of closing, and shall be paid to the Association by the Buyer upon
47 closing of the first transfer of the lot from the Declarant to the Buyer.

48
49 **8.2.2 Regular Assessments.** The proceeds from Regular (and other) Assessments are

1 to be used to pay for all costs and expenses incurred by the Association, including, but not
2 limited to: (1) legal, accounting, management, and professional fees; (2) the costs and
3 expenses of construction, improvement, protection, maintenance, repair, management and
4 operation of the Common Area and common facilities; (3) an amount allocated to an
5 adequate reserve fund, established by the Board, for repairs, replacement, maintenance
6 and improvement of those elements of the Common Area, or other property of the
7 Association that must be replaced and maintained; (4) the cleaning and sweeping of the
8 streets in the subdivision to keep construction mud and debris to a minimum; and
9 (5) mowing the vacant lots and maintaining right-of-way areas in or adjacent to the
10 subdivision to keep the subdivision as a whole as aesthetically pleasing as possible.

11
12 **8.2.3 Computation of Regular Assessments.** The Association shall compute the amount
13 of its Expenses on an annual calendar basis and shall assess each Class A Owner's lot
14 equally for all Assessments (except the Limited Assessments which are on a lot-by-lot
15 basis). Regular Assessments for the calendar year shall be prorated as of the date of
16 closing.

17
18 **8.2.4 Amounts Paid by Owners.** The Board can require, in its discretion, payment of
19 Regular Assessments in monthly, quarterly, semi-annual, or annual installments. The
20 Regular Assessment to be paid by any particular Owner, including Grantor, for any given
21 calendar year shall be computed by dividing the Association's total advance estimate of
22 expenses by the total number of Building Lots in the Property (i.e., each Owner of a Building
23 Lot shall pay an equal share of Regular Assessments).

24
25 **8.3 Special Assessments.**

26
27 **8.3.1 Transfer Special Assessment.** Upon each transfer of any lot in the subdivision and
28 the recording of the deed, each Buyer at closing shall pay the Association a special transfer
29 assessment of Fifteen Dollars (\$15.00), which shall be used for general Association
30 purposes.

31
32 **8.3.2 Set-up Assessment.** Upon the first sale of each lot in this subdivision from the
33 Declarant, the Buyer shall pay to the Association at closing an initial Association set-up fee
34 equal to One-Hundred Fifty Dollars (\$150.00) to be used for general Association purposes.
35 This fee shall be a one-time, initial set-up fee, and shall not be prorated for any time left in
36 the calendar year. This set-up fee assessment shall be paid in full regardless of the time
37 of year of the closing, but shall only be paid once per lot.

38
39 **8.3.3 Special Assessments.** In the event that the Board shall determine that its respective
40 Regular Assessment for a given calendar year is or will be inadequate to meet the
41 Expenses of the Association for any reason, including, but not limited to, costs of
42 construction, reconstruction, unexpected repairs or replacement of capital improvements
43 upon the Common Area, attorneys' fees and/or litigation costs, other professional fees, the
44 Board shall determine the approximate amount necessary to defray such expenses and levy
45 an Excess or Special Assessment equally to all Class A Owners. No such Assessment
46 shall be levied which exceeds thirty-five percent (35%) of the budgeted expenses of the
47 Association for that calendar year, without the vote or written assent of 2/3 of the Class A
48 Owners. The Board shall, in its discretion, determine the schedule under which such
49 Special Assessment will be paid.

1 **8.4 Limited Assessments.** Notwithstanding the above provisions with respect to Regular and
2 Special Assessments, the Board may levy a Limited Assessment against a Building Lot and the
3 Owner thereof personally as a remedy to reimburse the Association for costs (together with the 10%
4 management fee, interest, and attorneys' fees as provided in Article 9 below) incurred in bringing
5 the Owner and/or such Owner's Building Lot into compliance with the provisions of these CC&R's.
6

7 **8.5 Notice and Assessment Due Date.** Except for the Special Transfer Assessment, the Set-
8 Up Assessment and initial prorated Regular Assessment, written notice of all other assessments
9 shall be given to the Owner at the property address in the property covered by this Declaration or
10 to such other address as the Owner supplies in writing to the Board. Such notice shall set out the
11 amounts due and the date(s) due. Each installment of Assessments shall become delinquent if not
12 paid within ten (10) days after the levy and notice thereof. The Association may bring an action
13 against the delinquent Owner and may foreclose the lien against such Owner's Building Lot as
14 more fully provided herein.
15

16 **8.6 Late Fees: Interest on Past-Due Assessments.** Assessments of any kind which are not
17 paid within ten (10) days of the due date shall be assessed an additional late charge of Fifteen
18 Dollars (\$15.00). In addition, interest shall be paid on the unpaid assessment at the rate of one and
19 one-half percent (1½%) per month from and after the date the assessment was due until the date
20 of payment.
21

22 **8.7 Estoppel Certificate.** The Association, upon at least twenty (20) days prior written request,
23 shall execute, acknowledge and deliver to the party making such request, a statement in writing
24 stating whether or not, to the knowledge of the Association, a particular Building Lot Owner is in
25 default under the provisions of this Declaration, and further stating the dates to which any
26 Assessments have been paid by the Owner. Any such certificate delivered pursuant to this
27 paragraph may be relied upon by any prospective purchaser of Mortgagee of the Owner's Building
28 Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have
29 had no actual knowledge.
30

31 **ARTICLE IX - ENFORCEMENT OF COVENANTS AND ASSESSMENTS: LIENS**

32
33 **9.1 Right to Enforce: Attorneys' Fees.** The Association has the right to enforce these
34 covenants and to collect and enforce its Assessments. Each Owner of a Building Lot, by accepting
35 a deed to a Building Lot, covenants and agrees to comply with the terms, covenants, conditions,
36 and restrictions contained herein and to pay each Assessment provided for in this Declaration and
37 agrees to the enforcement of all covenants and Assessments in the manner herein specified and/or
38 by law. In the event an attorney or attorneys are employed for the enforcement of any covenants
39 or the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with
40 or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay
41 reasonable attorneys' fees in addition to any other relief or remedy against such Owner. The Board
42 or its authorized representative may enforce these covenants or the obligations of the Owner
43 hereunder by: (1) direct corrective action against the Owner or the offending violation; (2) litigation
44 at law or in equity; (3) foreclosure of the liens created herein; (4) expenditure of funds to remedy
45 any violations; and/or, (5) any other lawful action.
46

47 **9.1.1 Corrective Action.** In the event an Owner fails to comply with any provisions of these
48 Declarations, the Board shall have authority to take appropriate corrective action against
49 said Owner. Each Owner who is the subject of such corrective action agrees to and shall

1 pay all the costs of said corrective action, plus interest on all expended funds from the date
2 of expenditure at the rate of one and one-half percent (1½%) per month, plus a
3 management fee equal to ten percent (10%) of all the costs expended for the corrective
4 action, and all attorneys' fees incurred. Such shall be a Limited Assessment against that
5 Lot and that Lot Owner and shall create a lien enforceable in the same manner as other
6 Assessments set forth in these CC&R's. If such an Assessment is not paid within ten (10)
7 days of notice of the Limited Assessment, the Owner shall also be subject to late fees set
8 out herein.
9

10 **9.1.2 Notice of Corrective Action.** Prior to taking corrective action, the board, or its
11 authorized representative, shall give notice to the Owner of the violation of these
12 Declarations, the remedy necessary and the date by which the remedy must be completed.
13 In the event the Owner has not remedied the violation by the time set out in the notice, the
14 Owner consents to corrective action by the Board or its representatives and shall pay all the
15 costs of such corrective action as set out in this Declaration.
16

17 **9.2 Assessment Liens.** There is hereby created a lien with power of sale on each and every
18 Building Lot to secure payment of any and all Assessments levied against such Building Lot,
19 together with other charges as provided in this Declaration. All sums assessed in accordance with
20 the provisions of this Declaration shall constitute a lien on such respective Building Lots upon
21 recording of a claim of lien with the County Recorder. Such lien shall be prior and superior to all
22 other liens or claims created subsequent to the recording of the claim of lien except for tax liens for
23 real property taxes on any Building Lot and Assessments on any Building Lot in favor of any
24 municipal or other governmental assessing body which, by law, would be superior thereto.
25

26 **9.2.1 Claim of Lien.** Upon default of any Owner in the payment of any Assessment, the
27 Association may cause to be recorded in the office of the County Recorder a claim of lien.
28 The claim of lien shall state the amount of such delinquent sums and other authorized
29 charges (including the cost of recording), a sufficient legal description of the Building Lot(s)
30 against which the same have been assessed, and the name of the record Owner (or
31 reputed Owner) thereof. Each default shall constitute a separate basis for a claim of lien,
32 but any number of defaults may be included within a single claim of lien. Upon payment to
33 the Association of all Assessments and all other charges of any kind set out in this
34 Declaration or other satisfaction thereof, the Association shall cause to be recorded a notice
35 releasing the lien. The Association may demand and receive the cost of preparing and
36 recording such release before recording the same.
37

38 **9.3 Method of Foreclosure.** The lien may be foreclosed like a mortgage; foreclosed by power
39 of sale; foreclosed pursuant to Idaho Code Section 45-507; or foreclosed by any other appropriate
40 action in court. The Owner shall pay all of the Association's attorneys' fees and costs of the action
41 if the Association prevails. Any sale shall be conducted in accordance with Idaho law applicable
42 to the exercise of powers of sale. The Board is authorized to appoint its attorney, any officer or
43 director of the Association, or any title company authorized to do business in Idaho as trustee for
44 the purpose of conducting such power of sale or foreclosure to the extent allowed by law.
45

46 **9.4 Action at Law.** The Association may, in its discretion, elect not to foreclose the lien and
47 simply file an action at law against the Owner for the monies due. The Owner shall pay all of the
48 Association's attorneys' fees and costs of the action if the Association prevails.
49

1 **9.5 Required Notice.** Any claim of lien shall be recorded with the County Recorder. In the
2 event that the Association elects to file a lien and foreclose pursuant to Idaho Code Section 45-507,
3 then the Association shall serve the copy of the recorded lien on the Owner within 24 hours of the
4 recording of the lien as required by Idaho Code Section 45-507. No foreclosure action may be
5 brought to foreclose the lien, whether judicially, by power of sale or otherwise, until the expiration
6 of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail,
7 certified or registered, postage prepaid, to the Owner of the Building Lot(s) described in the claim
8 of lien, and to the person in possession of such Building Lot(s). No prior notice to the Owner is
9 required for the Association to file an action at law for the monies due; provided, however, that no
10 action at law can be filed until an Assessment is more than sixty (60) days in default.
11

12 **9.6 Subordination to Certain Trust Deeds.** The lien for the Assessments provided for herein
13 shall be subordinate to the lien of any first deed of trust or first mortgage given and made in good
14 faith and for value that is of record as an encumbrance against such Building Lot prior to the
15 recording of a claim of lien for the Assessments. The transfer of any lot pursuant to a foreclosure
16 of a first deed of trust or mortgage shall extinguish the lien of the Assessments which came due
17 before the foreclosure. Otherwise, the sale or transfer of any Building Lot shall not affect any liens
18 or lien rights that Association has in this Declaration. Nor shall such sale or transfer diminish or
19 defeat the personal obligation of any Owner for Assessments.
20

21 **9.7 Rights of Mortgages.** Notwithstanding any other provision of this Declaration, no
22 amendment of this Declaration shall operate to defeat the rights of the Beneficiary under any deed
23 of trust upon a Building Lot made in good faith and for value, and recorded prior to the recording
24 of such amendment, provided that after the foreclosure of any such deed of trust such Building Lot
25 shall remain subject to this Declaration as amended.
26

27 **ARTICLE X - EASEMENTS**

28
29 **10.1 Easements of Access.** Grantor expressly reserves for the benefit of all the Property and
30 Owners reciprocal easements of access, ingress and egress to and from their respective Building
31 Lots. These reserved easements are for: (1) installation and repair of utility services in the
32 easement areas identified on the plat; (2) drainage of water (by buried pipe and not by flooding)
33 across and under adjacent Building Lots and Common Areas in the drainage easement areas
34 shown on the plat; (3) reasonable and necessary access by adjacent Owners for the maintenance
35 and repair of fending, retaining walls, lighting facilities, mailboxes, sidewalk abutments, trees,
36 landscaping, and the like. Such easements may also be used as necessary by Grantor and the
37 Association.
38

39 **10.2 Utility Easements.** This Declaration is subject to all easements ranted by Grantor before
40 or after this Declaration for the installation and maintenance of utilities, drainage facilities, sewer,
41 water, irrigation systems, and the like, that are required for the development of the Property.
42 Grantor reserves, for the benefit of the Association, the right to grant additional easements and
43 rights-of-way over the Property to utility companies and public agencies as necessary or expedient
44 for the proper development of the Property.
45

46 **10.2.1 Improvement of Drainage and Utility Easement Areas.** No permanent structures
47 or Improvements shall be constructed on any drainage or utility easement areas which
48 would interfere with or prevent the easement from being used for its intended purpose.
49 Landscaping and fences in these easement areas are permitted in this Declaration if they

1 do not interfere with the use of the easement.
2

3 **ARTICLE XI - MISCELLANEOUS**
4

5 **11.1 Term.** The easements granted in this Declaration shall be perpetual. These CC&R's shall
6 run with the land, and remain in effect, until 2015, unless amended as provided. After 2015, these
7 CC&R's shall be automatically extended for successive periods of ten (10) years each, unless
8 amended or terminated by a recorded instrument executed by Members holding at least three-
9 fourths (3/4) of the voting power of the Association. The Association shall not be dissolved without
10 the prior written approval of the City of Kuna.
11

12 **11.2 Amendment by Grantor.** Until the recording of the first deed to a Building Lot, the
13 provisions of this Declaration may be amended, modified, clarified, supplemented, added to or
14 terminated by Grantor alone by recording of a written instrument setting forth such amendment or
15 termination.
16

17 **11.3 Amendment by Owners.** Any amendment to this Declaration shall be by an instrument in
18 writing, signed and acknowledged by the President and Secretary of the Association, certifying and
19 attesting that such amendment has been approved by the vote, or written consent, representing
20 two-thirds (2/3) or more of the votes in the Association. Any amendment shall be effective upon
21 recording with the County Recorder of such amendment.
22

23 **11.4 Effect of Amendment.** Any amendment of this Declaration approved in the manner
24 specified above shall be binding on all owners and all Property, notwithstanding that some Owners
25 may not have voted for or consented to such amendment. Amendments may add to and increase
26 the covenants, conditions, restrictions and easements applicable to the Property but no amendment
27 shall prohibit or unreasonably interfere with the allowed uses of any owner's property which existed
28 prior to the said amendment.
29

30 **11.5 Annexation of Additional Area.** Declarant shall have the right to annex and include
31 additional areas owned by Declarant into these Declarations and to make these additional areas
32 subject to the jurisdiction of these CC&R's and the Association. Declarant may annex these
33 additional areas by recording a "Notice of Annexation" with the county recorder, describing the
34 additional property to be annexed and referring to these Declarations and specifically stating in the
35 notice any other or modified or additional restrictions that apply to the additional lands. Upon
36 recording of the Notice of Annexation, these CC&R's shall apply to the additional lands (as added
37 to or modified by the Notice of Annexation) as if the additional land were originally covered by this
38 Declaration. Thereafter, the rights, privileges, duties and liabilities of all parties with respect to the
39 additional lands and the lands described in this Declaration will be governed by these Declarations
40 and the Notice of Annexation as if all had been done together originally. The Association shall
41 manage all the lands together.
42

43 **11.6 Mortgage Protection.** No amendment of this Declaration shall operate to defeat or render
44 invalid the rights of the beneficiary under any first deed of trust made in good faith and for value,
45 and recorded prior to the recording of such amendment, provided that after foreclosure of any first
46 deed of trust such Building Lot shall remain subject to this Declaration, as amended.
47

48 **11.7 Notices.** Any notices required by these CC&R's shall be in writing and may be delivered
49 either personally, by mail, or by overnight courier. Delivery shall be complete when served

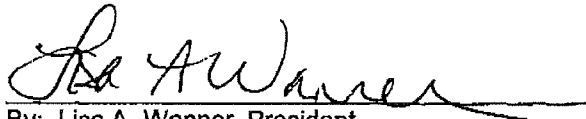
1 personally, posted prepaid at the Post Office or delivered prepaid to the overnight courier. Notices
2 shall be sent to Owners at the address of the property or if the Owner has given a different address
3 to the Association in writing then notices shall be given to that address. Such address may be
4 changed from time to time by notice in writing to the Association. Notices to the Grantor and to the
5 Association shall be given to that address of Grantor on Page One until Owners are given notice
6 in writing of another address for notice.
7

8 **11.8 Enforcement and Non-Waiver.** These CC&R's may be enforced by Declarant, the Board,
9 the Association or any Owner. Failure to enforce any of the terms of this Declaration at any time
10 shall not be a waiver of the right to do so thereafter. Nothing contained herein shall be construed
11 as an obligation of the Declarant, Board or Sable Ridge Neighborhood Association shall have any
12 liability of any kind to any person or Lot Owner for failing to enforce any of these CC&R's.
13

14 **11.9 Successors and Assigns.** All references herein to Declarant, Owners, the Association or
15 person shall be construed to include all heirs, successors, assigns, partners and authorized agents
16 of such Grantor, Owners, Association or person.
17

18 DATED This 18th day of August, 2003.
19

20 **Sagewood Development Corporation**

21
22 
23
24 By: Lisa A. Wanner, President
25
26

27
28 STATE OF IDAHO)
29) ss.
30 COUNTY OF ADA)
31

32 On this August 18th, 2003, before me, Kasie L. Perkins, a Notary Public in and for the State
33 of Idaho, personally appeared Lisa A. Wanner, known to me or identified to me or proved to me on
34 the basis of satisfactory evidence to be the President of Sagewood Development Corporation, and
35 to be the person whose name is attached to the foregoing instrument and acknowledged to me that
36 said corporation executed the same.
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39 IN WITNESS WHEREOF, I have hereunto placed my official hand and seal the day and year in this
40 Certificate first above written.
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Kasie L. Perkins
Notary Public for Idaho
Residing at Meridian Boise
My Commission expires on 7-1-2006
6-10-08

EXHIBIT "A"

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A parcel of land being a portion of the North ½ of the SW ¼ of Section 13, Township 2 North, Range 1 West of the Boise, Meridian, Ada County, Idaho, being more particularly described as follows:

Commencing at the West ¼ corner of Section 13, T.2 N. R. 1 W., B.M., Thence S 88°51'18" E 933.35 feet along the North line of the SW ¼ of said Section 13 to the REAL POINT OF BEGINNING of this description;

Thence continuing S 88°51'18" E 1,703.08 feet to the Center ¼ corner of said Section 13;

Thence S 0°07'33" W 1,322.80 feet to the Center-South 1/16 corner of said Section 13;

Thence N 88°50'03" W 1,029.61 feet along the South line of the North ½ of the SW ¼ to a point on the centerline of a drain ditch;

Thence along said ditch centerline the following courses and distances:

N 23°09'30" W 852.93 feet;

N 18°03'00" W 155.71 feet;

N 29°49'30" W 200.62 feet;

N 39°45'00" W 118.90 feet;

N 49°51'00" W 152.20 feet;

N 07°40'00" E 40.39 feet to the REAL POINT OF BEGINNING of this description.

This parcel contains 40.28 acres, more or less, and is subject to all existing easements and rights-of-way.

Access to this parcel is supplied by an easement described as the Northerly 50.00 feet of the NW ¼ of the SW ¼ which lies adjacent to and westerly of the above-described parcel.

EXHIBIT "B"

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**BYLAWS
OF
SABLE RIDGE NEIGHBORHOOD
ASSOCIATION, INC.**

ARTICLE 1. NAME AND LOCATION.

The name of the corporation is SABLE RIDGE NEIGHBORHOOD ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the Association shall be located at 2752 S. Goshen Boise ID 83709, but meetings of Members and directors may be held at such places within the State of Idaho, as may be designated by the Board of Directors.

ARTICLE 2. DEFINITIONS.

The following terms shall have the following meanings:

Section 1. "ASSOCIATION" shall mean and refer to Sable Ridge Neighborhood Association, Inc., a nonprofit corporation organized under the laws of the state of Idaho, its successors and assigns.

Section 2. "COMMON AREA" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners.

Section 3. "DECLARANT" shall mean and refer to Sagewood Development Corporation its successors and, subject to the provisions of the Declaration, its assigns.

Section 4. "DECLARATION" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the County Recorder of Ada County, State of Idaho.

Section 5. "LOT" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties.

Section 6. "MEMBER" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 7. "OWNER" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 8. "PROPERTIES" shall mean and refer to that certain real property in Ada County, State of Idaho, more particularly described as Sable Ridge Subdivision according to the official plat thereof, records of Ada County, Idaho, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE 3. MEETING OF MEMBERS.

Section 1. Annual Meetings: The first annual meeting of the Members shall be held within two years from the date of incorporation of the Association. The annual meeting thereafter of the Members for the election of directors whose terms have expired and for the transaction of such other business as may properly come before the meeting shall be held as such hour and on such day as shall be determined by the Board of Directors. Each Lot Owner shall be deemed a Member of the Association, and shall be entitled to cast such votes as are provided for in the Declaration.

Section 2. Special Meetings: Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings: Written notice of each Meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mail a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum: The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Article of Incorporation, the Declaration, or these Bylaws. If however, such quorum shall not be present or represented at any meeting, by vote of majority of the membership votes entitled to be cast then present or represented thereat, the meeting may be adjourned from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies: At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE 4. BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE.

Section 1. Number: The affairs of this Association shall be managed by a board of three (3) or more directors, who need not be Members of the Association.

Section 2. Term of Office: Until the first annual meeting of Members, the directors of the Association shall be those individuals named in the Articles of Incorporation or their successors determined in accordance with this Article. At such

meeting, and at each annual meeting of Members thereafter, the directors may be elected at any special meeting of Members held for that purpose. All directors shall hold office until their respective successors are elected.

Section 3. Removal: Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation: No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without A Meeting: The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE 5. NOMINATION AND ELECTION OF DIRECTORS.

Section 1. Nomination: Nomination for election to the Board of Directors shall be made from the floor at the annual meeting. Such nominations may be made from among Members or nonmembers.

Section 2. Election: Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 6. MEETING OF DIRECTORS.

Section 1. Regular meetings: Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings: Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum: A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE 7. POWERS AND DUTIES OF BOARD OF DIRECTORS.

Section 1. Powers: The Board of Directors shall have power to:

- A. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guest thereon, and to establish penalties for the infraction thereof;
- B. Suspend the voting rights of the Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association.
- C. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of there Bylaws, the Articles of Incorporation or the Declaration;
- D. Declare the office Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- E. Employ managers, independent contractors or such other employees as the Board deems necessary and to prescribe their duties.

Section 2. Duties: It shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all its acts and corporate affairs and to president a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote.
- B. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- C. As more fully in the Declaration to:
 - 1. Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - 2. Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - 3. Foreclose the lien against any property for which assessment are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same.
- D. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate shall be conclusive evidence of such payment;

- E. Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- G. Cause the Common Area to be maintained as more fully provided for in the Declaration.
- H. Adopt, publish and enforce rules, regulations, policies and procedures providing for the verification of compliance with the occupancy requirements contained in the Declaration, which such rules, regulations, policies and procedures shall comply with any rules issued from time to time by the Secretary of the Department of Housing and Urban Development.

ARTICLE 8. OFFICERS AND THEIR DUTIES.

Section 1. Enumeration of Offices: The officers of this Association shall be a president and vice president, who shall at all times be Members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time create by resolution.

Section 2. Elected of Officers: The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term: The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless they shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments: The Board may elect such officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may from time to time determine.

Section 5. Resignation and Removal: Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time, giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make effective.

Section 6. Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices: The offices of the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties: The duties of the officers are as follows:

- A. President: The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.
- B. Vice President: The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, shall exercise and discharge such other duties as may be required of him by the Board.
- C. Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.
- D. Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE 9. COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose. The Architectural Control Committee for Sable Ridge Neighborhood Association Inc. will oversee all constructed homes within the Subdivision.

ARTICLE 10. BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and Bylaws if the Association shall be available for inspection by any Member at the principle office of the Association, where copies may be purchased at reasonable cost.

ARTICLE 11. ASSESSMENTS

As more fully provided in the Declaration, each Owner is obligated to pay to the Association annual and special assessment which are secured by a continuing lien upon the property against which the assessment is made. Any assessment which are not paid

when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, cost and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE 12. AMENDMENTS

The Bylaws of the Association may be altered, amended, or new Bylaws adopted at any regular meeting or at any special meeting of the Members thereof, called for that purpose, by the affirmative vote of two-thirds (2/3) of the Members present at such meeting; provided, that a quorum as specified herein or in the laws of the State of Idaho be present; provided further, however, that notwithstanding the foregoing, Declarant may amend these Bylaws from time to time for the purpose of adopting any amendment which may reasonably be requested by any proposed mortgage or by any institutional holder intending to purchase a mortgage, in order to assure such mortgage or institutional holder that its interest are adequately protected, or in order to comply with the requirements or regulations of any governmental or quasi-governmental entity or institution holding or insuring a mortgage.

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Article shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE 13. IDENTIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

Section 1. Directors and Executive Officers: The corporation shall indemnify its directors and officers to the full extent permitted by the Idaho Nonprofit Corporation Act (the "Act"), as the same exist or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide prior to such amendment); provided, however, that the corporation may limit the extent of such indemnification by individual contracts with its directors and officers; and, provided further, that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person or any proceeding by such a person against the corporation or its directors, officers, employees or other agents unless (i) such indemnification is expressly required to be made by law; (ii) the proceeding was authorized by the Board of Directors of the corporation, or (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the Act.

Section 2. Other Officers, Employees and Other Agents: The corporation shall have the power to indemnify its employees and other agents as set forth in the Idaho Nonprofit Corporation Act.

Section 3. Good Faith: For purpose of any determination under this Article 13, a director or officer shall be deemed to have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation and, with respect to any criminal action or proceeding, to have had no reasonable cause to

believe that this conduct was unlawful, if his action is based on the records or books of account of the corporation or another enterprise, or on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented (i) the officers of the corporation or another enterprise whom the director or officer reasonably believes to be reliable and competent in the matters present, or (ii) legal counsel, a public accountant or other person as to matters which the director or officer believes to be within such person's professional or expert competence. The term "other enterprise" as used in this Section 3 shall mean any other corporation or any partnership, joint venture, trust or other enterprise, including any employee benefit plan, of which such person is or was serving at the request of the corporation as a director, officer, employer or other agent. The provisions of this Section 3 shall not be deemed to be exclusive and/or to limit in any way the circumstance in which a person may be deemed to have met the applicable standard of conduct set forth by the Act.

Section 4. Expenses: The corporation shall advance, prior to the final disposition of any director or officer in connection with such proceeding upon receipt of any undertaking by or on behalf of such person to repay such amount if it should be determined ultimately that such person is not entitled to be indemnified under this Article 13 or otherwise.

Section 5. Enforcement: Without the necessity into an express contract, all rights to indemnification and advances under this Article 13 shall be deemed to be contractual rights and to be effective to the same extent as if provided for in a contract between the corporation and the director or officer who serves in such capacity at any time while this Article 13 and other relevant provisions of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this Article 13 to a director or officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefore. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting his claim. It shall be a defense to any such action that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed; but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors, its independent legal counsel, or its Members) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the Act, nor an actual determination by the corporation (including its Board of Directors, its independent legal counsel, or its Members) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

Section 6. Non-Exclusivity of Rights: The rights conferred on any person by this Article 13 shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaw, agreement, vote of Members or disinterested directors or otherwise, both as to action in this official capacity and as to action in any other capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, as provided by law.

Section 7. Survival of Rights: The rights conferred on any person by this article 13 shall continue as to a person who has ceased to be a director, officer, employee or other agent and shall inure to the benefit of the heirs and personal representatives of such a person.

Section 8. Amendments: Any repeal or modification of this Article 13 shall only be prospective and shall not affect the right under this Article 13 in effect at the time of the alleged occurrence of any act or omission to act that is the cause of any proceeding against any director, officer, employee or agent of the corporation.

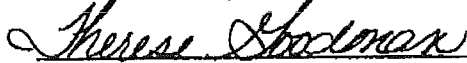
Section 9. Saving Clause: If this Article 13 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director to the full extent permitted by any applicable portion of this Article 13 that shall not have been invalidated, or by any other applicable law.

ARTICLE 14. MISCELLANEOUS

Unless otherwise determined by the Association's Board of Directors, the fiscal year of the Association shall begin on the first day of January and end on the thirty first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

The foregoing Bylaws shall be effective the 15th day of August 2003.


LISA WANNER, Director


THERESE GOODMAN, Director

MIKE FARLOW, Director