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VALLEY COUNTY, CASCADE, IDAHO
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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, & EQUITABLE SERVITUDES FOR SADDLE ROCK SUBDIVISION

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, & EQUITABLE SERVITUDES ("Declaration") is made by Ryan Schneider and Heidi Schneider, husband and wife (collectively "Declarant"), effective from and after the date on which it is recorded in the Official Records of Valley County, Idaho.

RECITALS

Declarant is the fee simple owner of that certain real property located in Valley County, Idaho, known as Saddle Rock Subdivision. As more particularly described in the attached and incorporated **EXHIBIT A** ("Subject Property").

Declarant desires to impose certain covenants, conditions, restrictions, and equitable servitudes on the ownership, sale, conveyance, development, occupancy, use, maintenance, and repair of the Subject Property.

Declarant's purpose in executing and recording this Declaration, and in imposing the covenants, conditions, restrictions, and equitable servitudes contained herein on the ownership, sale, conveyance, development, occupancy, and use of the Subject Property, is to protect the value, appearance, character, and desirability of the Subject Property.

DECLARATION

Declarants hereby declare as follows:

- 1. The Subject Property is and shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved subject to the following covenants, conditions, restrictions, and equitable servitudes, which are IN ADDITION TO any other land use restrictions, zoning ordinances, laws, rules, and decisions of governmental authorities.
- 2. The Subject Property shall be used and occupied exclusively for Single Family Residential purposes and/or Agriculture purposes. Except as otherwise expressly authorized in this

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, & EQUITABLE SERVITUDES FOR SADDLE ROCK SUBDIVISION

Declaration, there shall be no commercial, retail, or industrial uses of the Subject Property or any portion thereof. Renting of property for weddings and events is prohibited. Notwithstanding the foregoing, the Private Roads shall be used in accordance with that certain Declaration of Private Roads, recorded contemporaneously herewith.

- 3. As used in this Declaration, the following terms shall have the meaning as ascribed in this section:
 - a. The term "building" shall have the meaning prescribed in Valley County Code § 6-1-3, as the same may be amended and/or relocated from time-to-time.
 - b. The term "lot" shall mean and refer to each and all of the separately numbered and individually described plots of land shown on the Plat
 - c. The term "owner" shall mean and refer to the person who is the owner of record (in the office of the Valley County Recorder) of a fee interest in a Lot. Notwithstanding any applicable theory relating to a mortgage, deed of trust, or like instrument, the term "Owner" shall not mean or include a Mortgagee or a beneficiary or a trustee under a deed of trust, unless and until such Mortgagee or a beneficiary or a trustee has acquired title pursuant to foreclosure or any arrangement or proceeding in lieu thereof.
 - d. The term "person" shall mean and refer to a natural person; a corporation, whether foreign and domestic; a trust; a partnership, whether limited or general; an incorporated or unincorporated association; a company; a trust; a business entity, regardless of type; any other legal entity; and/or any other group associated in fact although not a legal entity; and/or any agent, assignee, heir, employee, representative, or servant of any of those listed herein.
 - e. The term "Road Maintenance Declaration" shall mean and refer to that certain Declaration of Road Maintenance Duties and Obligations for Saddle Rock Subdivision recorded contemporaneously herewith, a copy of which, as the same may be amended from time-to-time according to its terms, is attached hereto as Exhibit B and is incorporated herein by this reference.

Each term not defined in this section, but defined later in this Declaration, shall have the meaning there ascribed to it, and all words and terms in the singular umber shall be interpreted to include the plural number unless doing so would have an absurd result.

4. Without limiting the generality, application, and/or enforcement of any other provisions of this Declaration, the construction, use, and occupancy of buildings on the Subject Property shall be limited and restricted to the following quantity and types:

- a. One (1) building for single-family residential purposes;
- b. One (1) building, either attached to or detached from the single-family residential building, for one or more private garages for the use of residents of the single-family residential Building on such lot;
- c. One (1) building, either attached to or detached from the single-family residential building, qualifying as an accessory dwelling unit (as that term is defined in Valley County Code § 9-1-10, as amended and/or relocated from time-to-time) for use by residents of the single-family residential building and, from time-to-time, their guests;
- d. Such other usual and appropriate outbuildings as may be incidental and appurtenant to the single-family residential use of a Lot
- e. One (1) barn or shop building per Lot; and
- f. Such other agricultural buildings (as that term is defined in Valley County Code § 9-1-10, as amended and/or relocated from time-to-time) and other outbuildings for agricultural uses (as that term is defined in Valley County Code § 9-1-10, as amended and/or relocated from time-to-time) on a Lot as may be necessary or desirable.
- Notwithstanding any other provision contained in this Declaration, no more than three (3) total buildings shall be constructed, used, or occupied, or permitted to be constructed, used, or occupied, on the Subject Property, and only one (1) building on the Subject Property may be occupied and used for typical single-family residential purposes, as provided herein.
- 6. No manufactured homes (as that term is defined in Valley County Code § 6-1-3, as the same may be amended and/or relocated from time-to-time) or mobile homes shall be located, used, or occupied, or permitted to be located, used, or occupied, on the Subject Property.
- 7. No modular building (as that term is defined in Valley County Code § 6-1-3) shall be located and used or occupied as a residence or permitted to located and used or occupied as a residence, on the Subject Property.
- 8. The Subject Property, including (without limitation) any Lot, shall not be split, divided, or subdivided into smaller parcels or lots. This prohibition on further splits, divisions, and subdivisions shall be operative and enforceable even if state, county, or other law or regulation authorizes splitting, dividing, and/or subdividing the Subject Property or any

- part thereof. Per County regulations lots can be combined. Dues for maintenance will still be required for two lots even if combined into one.
- 9. All buildings on the Subject Property shall comply to County setback requirements from property lines.
- 10. Between the dates of May 1 and October 31 of each year ("Camping Period"), the owner of the Subject Property may park, or may allow to be parked, one (1) traveling temporary residence (defined as a camper, motorhome, recreational vehicle, or camp trailer) on the Subject Property. In addition, to accommodate residents of the single-family residential building and, from time-to-time, their guests during the Camping Period, up to a total of three (3) travelling temporary residences will be permitted to be parked, occupied, and used on the Subject Property; provided, however, that only one (1) such traveling temporary residence may be parked, occupied, and/or used on the Subject Property for more than ten (10) days, whether or not consecutive, in any 30-day period. The placement and parking of each temporary traveling residence shall comply with all required setbacks. Outside of the Camping Period, no traveling temporary residence shall be parked or otherwise located on the Subject Property unless completely enclosed within an approved building. Outside of the Camping Period, no traveling temporary residence shall be occupied or used on the Subject Property, even if completely enclosed within an approved building.
- 11. The Subject Property shall not be used and/or maintained, or permitted to be used and/or maintained, as a dumping ground for trash, junk, or other waste materials. All trash, junk and other waste materials shall be kept in sanitary containers out of sight from the private access road and all other lots and parcels and shall be secured in such a manner as not to attract wildlife or allow wildlife access to such trash, junk, or other waste materials.
- 12. All utility lines, including (without limitation) electrical and telephone lines, serving the Subject Property shall be buried underground and not run overhead.
- 13. The owner(s) of the Subject Property, or any portion thereof, shall comply with all Valley County ordinances and state laws requiring the control of noxious weeds on the Subject Property. The planting of Yews is prohibited, as they are toxic to elk, deer, and other wildlife and animals.
- 14. Exterior lighting shall be directed at the ground, and excessive brightness shall be avoided. Dark-sky compliant lighting is required. Without limiting or modifying the foregoing, all exterior lighting shall comply with the Valley County Lighting Ordinance (see Valley County Code Title 6, Chapter 2), as amended and/or relocated from time-to-time.

- Subject to the requirements, restrictions, standards, and exceptions contained in Idaho Code § 55-115(5), which hereby is incorporated herein and made expressly applicable to the Subject Property, no sign, symbol, flag, banner, billboard, placard, monument, memorial, shrine, marker, or other display shall be constructed, placed, or erected, or allowed to be constructed, placed, or erected, on the Subject Property, or any portion of Subject Property, in such a place or manner as to be visible from the public road, the private road, and/or any property other than the Subject Property. Notwithstanding the foregoing, signs advertising the Subject Property, or any portion thereof (including without limitation, any Lot or Lots) for sale or rental, except short term rental, shall be allowed to be temporarily constructed, placed or erected on the Subject Property in such a place and manner as to be visible from a public road, a private road, a Lot, and/or other property. For purposes of this Section 15, the term "Temporary" shall mean "not exceeding a total of thirty (30) calendar days (with any part of the a day counting as a day), whether or not consecutive, in any period of ninety (90) calendar days.
- Only post and pole style fences shall be constructed or installed on the Subject Property, and fences on the Subject Property shall not exceed forty-two inches (42") in height. The bottom rail of every fence constructed or installed on the Subject Property shall be eighteen inches (18") above grade.
- 17. Logging activities on the Subject Property shall be limited to dry conditions or once the ground is frozen, to reduce impacts to roadway and drainage systems. Throughout logging operations on any portion of the Subject Property, and immediately after the completion of such logging operations on any portion of the Subject Property, the owner of the portion of the Subject Property on which logging operations is occurring shall be responsible for maintaining and/or repairing all private roads affected or impacted by such logging operations, which shall be returned to the same or better condition they were in immediately prior to such logging operations. During operations dust mitigation measures are required. The owner of the portion of the Subject Property on which logging operations is occurring or has occurred shall pay all costs and expenses for such roadway maintenance and repair as may be required due to use of the roadway for such logging operations. Use of private roads by trucks hauling logging materials and equipment shall be limited to the hours of 8:00 am and 5:00 pm.

18. Animals.

a. No owner, resident, or guest of the Subject Property shall keep, or allow to be kept, more than four (4) dogs and four (4) cats (or other indoor household pets) on the Subject Property. Dogs shall not be allowed to disturb wildlife, waterfowl, or other natural, agricultural, domesticated, or game animals, and shall be confined to the Subject Property unless on a leash. Excessive barking is prohibited and shall be

controlled by the owner, resident, or guest of the Subject Property who owns or is otherwise responsible for the barking dog; notwithstanding the foregoing, however, it ultimately is the responsibility of the owner(s) of the Subject Property to control and prevent untimely, continuous, and/or incessant barking by any dog on such Owner's Lot.

- b. Farm animals may be kept and maintained on the Subject Property, but only if (and to the extent) the Subject Property is of a size and configuration, is fenced (subject to the fencing requirements contained in this Declaration) and has sufficient pasture grasses to support such farm animals without creating poor or unsightly conditions or any nuisance. For purposes of this Declaration, the term "farm animals" shall include and be limited to cattle, horses, llamas, alpacas, sheep, pigs, yaks, goats, chickens.
- c. Chickens may be kept on the Subject Property only if the Subject Property is of a size and configuration and is fenced in a manner that will keep chickens from leaving the Subject Property and that will prevent chickens from becoming a nuisance to the owner, residents, or guests of any other Lot.
- d. The Owner of a Lot shall fence in all animals kept or maintained, or allowed to be kept or maintained, on the Subject Property. Fences shall comply with all standards and requirements therefor contained in this Declaration. The Owner of each Lot shall not permit or allow animals to go or remain outside the fenced area of such Lot.
- e. No owner or resident of a Lot, and no guest or invitee of an owner or resident of a Lot shall feed, or permit or allow, the feeding of wildlife, including (without limitation) big game animals.
- 19. The Owner of each Lot shall provide parking on such Lot for all vehicles of the Owner and residents of such Lot, and of all guests and invitees of such owners and residents. No vehicles owned, operated, or used by the owners or residents of the Subject Property, or by such owners' or residents' guests, shall be parked or any portion of the designated Private Roads.
- 20. No Owner shall not divert, capture, convey, use, impound, or otherwise physically control any water from irrigation ditches, creeks, rivers, or any other means of water conveyance.
- 21. All driveways and parking areas on or serving the Subject Property shall be constructed of gravel, concrete, pavers, or asphalt. Dirt driveways and parking areas are prohibited. Construction or improvement of all driveways and parking areas on a Lot shall be the

- responsibility of the Owners of such Lot. Driveway construction shall comply with all applicable local, state, and federal laws and regulations.
- During any construction activity occurring on the Subject Property, the Subject Property's owner(s) and their contractors shall minimize run-off and erosion by implementing best management practices (BMPs). Dust mitigation measures during construction are required.
- Every Lot Owner shall reduce and mitigate the risk of fire by implementing the requirements in the Wildland Urban Interface Protection Plan prepared for Saddle Rock Subdivision. Requirements include but are not limited to, (1) creating defensible space around all buildings on the Subject Property; (2) not conducting burning activities outdoors when the weather is conducive to fire outbreaks (this includes warm temperatures, windy conditions, and low humidity); (3) implementing fire-wise landscaping; (4) complying with all local, state, and federal laws regarding fires and burning; (5) removal of dead and dying forest material. In addition, at the annual meeting of the shareholders for Saddle Rock Subdivision Owners Association, Inc. requirements and maintenance associated with Wildland Urban Interface Protection Plan will be discussed and implemented. Costs associated with the implementation of the plan in the right of way shall be shared equally between all parcel owners.
- 24. The use of all on and off-road vehicles, including but not limited to trucks, automobiles, motorcycles, and snowmobiles, ATVs, SXS's, "dirt bikes", and other "off-road" type recreational vehicles on the designated roadways shall be limited to ingress and egress only.
- 25. Pursuant to Valley County Code, each lot shall have no more than one wood burning device.
- 26. No Firearms shall be discharged on the Subject Property. For purposes of Section 26, the term "Firearm" shall be defined as provided in 18 U.S.C. 921, as the same may be amended or relocated from time-to-time. Hunting is prohibited.
- 27. a. For purposes of this Declaration, the term "short-term rental" shall have the meaning prescribed in Idaho Code § 63-1803(4), as amended and/or relocated from time-to-time.
 - **b.** Except as otherwise provided herein, short-term rentals are permissible on the Subject Property, subject to the following prohibitions, limitations, rules, and regulations:
 - i. Short-term rentals are prohibited on Lots that do not have a fully-constructed residence;

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, & EQUITABLE SERVITUDES FOR SADDLE ROCK SUBDIVISION

- ii. There shall be no camping short-term rentals, no short-term rentals of RVs, no short-term rentals of vehicle accommodations, and no short-term rentals of any temporary building. Every short-term rental shall include the rental and use of a residence Building on the Lot for sleeping.
- iii. No lot or portion thereof shall be rented or leased for a period of less than four (4) consecutive days.
- iv. If a lot, or portion thereof, is rented or leased to a renter or lessee for a term or period of less than thirty (30) consecutive days, then prior to the start of such rental term or lease period the owner of such lot shall notify the owners of all adjacent lots, in writing, of such short-term rental, with such written notification including, at a minimum, the following information:
 - The name and telephone number of a person designated by the renter(s) or lessee(s) as their 'responsible person,' for purposes of compliance with this Declaration; and
 - The length of the subject rental term or lease period.
- v. A then-current copy of this Declaration shall be included as an exhibit to, and made a part of, every rental contract or lease agreement for a lot or portion of a lot, regardless of length of rental or lease term.
- vi. A current and complete copy of the Short-term Rental Regulations shall be included as an exhibit to, and made a part of, every short-term rental contract or agreement for a lot, or any portion thereof.
- vii. These prohibitions, limitations, rules, and regulations governing short-term rentals comply with the requirements of Idaho Code § 55-3211, in that these prohibitions, limitations, rules, and regulations are agreed to in writing by the Declarant, as the owner of the Subject Property at the time they are added, and these prohibitions, limitations, rules, and regulations apply to the Subject Property at the time the lots comprising the Subject Property are conveyed by the Declarant.
- 28. A then-current copy of this Declaration shall be included as an exhibit to, and made a part of, every rental contract or lease agreement for a lot, or any portion of a lot, regardless of the length of rental or lease term.
- 29. The owner of a lot shall be responsible for violations of this declaration that occur or are permitted to occur on such owner's lot and/or result from the acts or failures to act of any

- renter, tenant, lessee, guest, occupant, resident, invitee, or other person using, present on, or allowed to remain on such owner's lot.
- 30. No lots, buildings on lots, portions of lots, or portions of buildings on lots shall be leased, rented, or sub-leased for weddings, events, parties, or the like. This shall not be interpreted to prohibit weddings or events hosted by a Lot Owner.
- 31. Pursuant to Valley County Code, lot owners are required to maintain their septic system in good working order. It is recommended that all systems are inspected every 3-5 years and pumped whenever necessary to maintain a highly functioning system.
- 32. Notwithstanding anything else to the contrary contained herein, for so long as the Declarant owns any portion of the Subject Property, the Declarant shall have, and is hereby vested with, the right to unilaterally amend this Declaration as may be reasonably necessary or desirable, in Declarant's sole and unfettered discretion:
 - a. To more accurately express the intent of any provision of this Declaration in light of then existing circumstances, information, or Mortgagee requirements.
 - b. To better ensure, in light of then-existing circumstances or information, workability of the arrangement which is contemplated by this Declaration.
 - c. To make amendments to comply with applicable local or state law, or to conform to the requirements of any secondary market lender; or
 - d. To make additional real property subject to the covenants, conditions, restrictions, and equitable servitudes contained in this Declaration, including (without limitation) by amending the legal description of the property.
 - e. For any other reason, in Declarants sole and unfettered discretion.
- 33. Declarant deems it desirable, for the efficient preservation of the values and amenities of the subject Property, to create an entity that possesses the power to collect and disburse assessments and charges hereinafter provided for, and to administer, interpret, and enforce the provisions of this Declaration, the Road Maintenance Declaration, and other rules and regulations governing the use, condition, and maintenance of the Subject Property, and every part and portion thereof. For such purpose, Declarant has, in conjunction with recordation of this Declaration, caused to be incorporated as a nonprofit corporation under the laws of the State of Idaho, Saddle Rock Owners Association, Inc. ("Association").
- 34. If any Owner or other Person violates or attempts to violate any provision herein set forth, whether directly or indirectly, or permits or allows any other Person to violate or attempt

to violate any provision herein set forth or set forth in the Road Maintenance Declaration, then Declarant and/or the Association may initiate and prosecute any proceedings at law or in equity against the violating Owner or other Person, whether to prevent or enjoin such Owner or other Person from violating or attempting to violate any of the provisions herein set forth, or to recover damages, or both such injunction and recovery, or any other relief as appropriate. The prevailing Person in any such action shall be entitled to reimbursement, from the non-prevailing Person, of its attorneys' fees and costs. Declarant or the Association may cure any violation and assess any Owner in violation the actual costs and all related expenses of doing so, which assessment shall be a lien upon the Owner's Lot, enforceable as provided herein. Any assessment not paid when due, together with the interest hereinafter provided for, late fees, and costs of collection, shall be, constitute, and remain a continuing lien on the subject Lot; provided, however, that any such lien shall be subordinate to the lien or equivalent security interest of any first mortgage on such Lot recorded prior to the date any such assessment becomes due. The Person who is the Owner of the Lot at the time the assessment falls due shall also be and remain personally liable for all assessment amounts due. Such personal liability shall not pass to the Owner's successors in title unless expressly assumed by them. If any assessment is not fully paid within thirty (30) days after the date on which it becomes due, the amount thereof shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and, in addition, a late payment service charge of \$20.00 shall be added to each such overdue assessment payment. The Association may, in the reasonable discretion of the Board, bring an action against any Owner who is personally liable as provided herein, and/or foreclose the lien against such Owner's Lot. Any judgment obtained by the Association shall include reasonable attorney's fees, court costs, and each and every other expense incurred by the Association in enforcing its rights under this Declaration.

- 35. The Association shall have all the powers of a corporation organized under the general corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, and this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law and under this Declaration, and the Articles, and the Bylaws, and the Road Maintenance Declaration, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Association's assets, affairs, and the performance of the other responsibilities herein assigned, including without limitation:
 - a. The power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

- b. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owner who consents thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or the Bylaws
- 36. From and after the date on which Declarant sells, transfers, or conveys its last remaining interest in any of the Lots comprising the Subject Property, the Association may amend this Declaration by obtaining the signatures of the Owners of greater than 80% of the Lots subject to this Declaration; provided, however that the Association shall not have authority to amend Section 32 or Section 37 hereof. Every authorized amendment approved as set forth herein shall be recorded in the official records of Valley County, Idaho.
- 37. Notwithstanding anything else to the contrary contained in this Declaration, Declarant expressly reserves the right to annex additional property to be governed by this Declaration and to be included in the Association, no matter whether Declarant has retained any interest in any of the lots that are then subject to this Declaration.

The within covenants, conditions, restrictions, and equitable servitudes shall: (a) run with the land comprising the Subject Property; (b) be binding upon all persons, entities, and parties having or acquiring any right, title, or interest in the Subject Property or any part or portion thereof, and/or every successor in the interest to any part or portion of the Subject Property or any interest therein, and any person, entity, or party in possession or occupancy of any part of the Subject Property; and (c) be binding to the fullest extent permitted by law.

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DECLARANTS SO DECLARE, effective from and after the date on which this Declaration is recorded in the Official Records of Valley County, Idaho.

DECLARANTS:

Ryan Schneider

Heidi Schneider

| STATE OF | Idaho | _) _) ss. |
|-----------|--------|--------------|
| County of | Valley | _) |

The within instrument was acknowledged before me on 11/9/2022 [insert date] by Ryan Schneider and Heidi Schneider

Notary Seal Jaop 10 Anni

Signature of Notary Public

My Commission expires: 9/14/2026

EXHIBIT A

Saddle Rock Subdivision Final Plat

[Please see attached.]

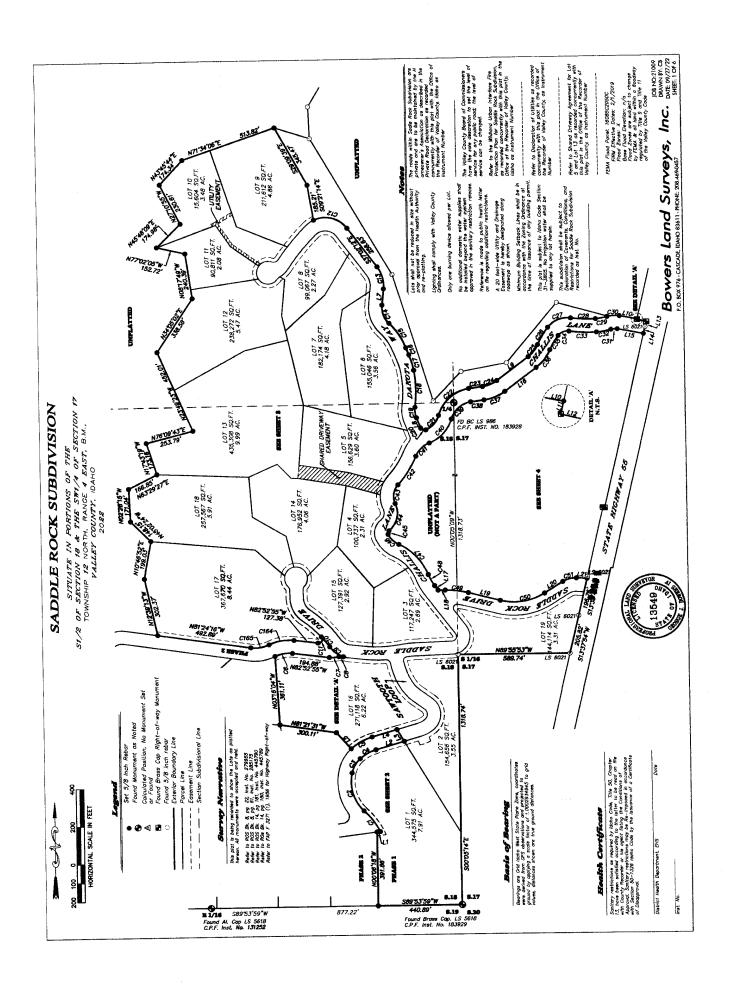


EXHIBIT B

Declaration of Private Road Maintenance Duties and Obligations for Saddle Rock Subdivision

[Please see attached.]

DECLARATION OF PRIVATE ROAD MAINTENANCE DUTIES AND OBLIGATIONS FOR SADDLE ROCK SUBDIVISION

THIS DECLARATION OF ROAD MAINTENANCE DUTIES AND OBLIGATIONS FOR SADDLE ROCK SUBDIVISION ("Declaration") is made this day of November, 2022 by Ryan Schneider and Heidi Schneider (together, "Declarants"), whose mailing address is 291 Ashton Lane, McCall ID 83638.

WHEREAS, Declarant is the fee simple owner of that certain real property located in Valley County, Idaho, known as the "Saddle Rock Subdivision," as more particularly described and depicted in the attached and incorporated Exhibit A ("Subject Property").

WHEREAS, on the _______day of November, 2022, Declarants recorded the Final Plat of Saddle Rock Subdivision in the Official Records of Valley County, Idaho, as Instrument Number _______, in Plat Book_______, on Pages_________("Plat"), a true and correct copy of which is attached as EXHIBIT B and is incorporated herein by this reference.

WHEREAS, Declarant obtained approval from Valley County, Idaho, to subdivide the Subject Property into nineteen residential lots ("Lots 1-19," respectively). (See EXHIBIT B - Plat.) Separately, any one of Lot 1, Lot 2, Lot 3, Lot 4, Lot 5, Lot 6, Lot 7, Lot 8, Lot 9, Lot 10, Lot 11, Lot 12, Lot 13, Lot 14, Lot 15, Lot 16, Lot 17, Lot 18, Lot 19 is referred to as a "Lot," and all together as the "Lots."

WHEREAS, access to each of the Lots within Saddle Rock Subdivision will be taken to and from Highway 55 via several private roads denoted in the Plat as "Saddle Rock Way," "Challis Lane," "Dakota Way," and "Sawtooth Loop," respectively (collectively, "Private Roads").

WHEREAS, to ensure continued maintenance and repair of the Private Roads, Declarants desire to apportion to the owner(s) of each of the several Lots the responsibility and duty to pay their proportionate share of all costs of maintaining and repairing the Private Roads, which costs shall be divided equally among the several Lots.

WHEREAS, Saddle Rock Owners Association, Inc., an Idaho non-profit corporation established as the owners association for the Subdivision ("Association"), shall administer and manage the responsibilities of the Lot owners, pursuant to those certain Bylaws of Saddle Rock Owners Association, Inc. ("Bylaws"), a copy of which (current as of the date of this Declaration), as the same may be amended from time-to-time as provided therein, is attached hereto as EXHIBIT C and is incorporated herein by this reference.

WHEREAS, Declarants desire to bind those persons and/or entities purchasing or otherwise acquiring title to or an interest in a Lot in Saddle Rock Subdivision to comply with

Declaration of Road Maintenance Duties and Obligations for Saddle Rock Subdivision Valley County laws, ordinances, regulations, and conditions regarding the Private Road, and to pay such Lot's equal share of the costs of road improvements, maintenance, repairs, and replacement, as hereinafter set forth.

WHEREAS, Declarants also desire to ensure perpetual access via the Private Roads to other property owned by Declarants, whether now owned or in the future acquired by Declarants, and to reserve and retain the right, in the future, to annex and incorporate other real property, and make such other real property subject to the rights and obligations contained in this Declaration, regardless of whether such other real property is within Saddle Rock Subdivision, whether by unilaterally amending this Declaration to include the legal descriptions for such other property or by other means.

NOW, THEREFORE, Declarants now covenant and declare as follows:

1. · MAINTENANCE, REPAIR, AND REPLACEMENT.

- a. Lot owners, by virtue of their respective ownership of one or more lots within Saddle Rock Subdivision, shall be responsible for maintaining, repairing, and replacing (as needed) the Private Roads, as set forth herein.
- **b.** Maintenance shall be performed on the Private Roads, including (without limitation) from the approaches on Highway 55 to the ending point or loop of each private road. Driveways are to be maintained by lot owner(s) personally.
- c. Required winter maintenance shall include full width snow removal to a minimum of a two (2) inch snow floor by snowplow or snow blowing equipment, on wheeled or rubber-tracked vehicles only. Until a residence is constructed on any Lot, winter maintenance is not required to be performed on the Private Roads. After a residence is constructed on any Lot, unless the owners of every Lot on which a residential building has been constructed unanimously agree to forego winter maintenance, winter maintenance shall be performed.
- **d.** Except as provided in (1)(a)-(c), above, maintenance, repair, and replacement shall be undertaken and completed whenever necessary to maintain the Private Roads in good operating condition at all times and to ensure the provision of safe access to the several Lots by emergency vehicles.
- e. The responsibility and duty of paying the costs of maintenance, repair, and replacement of the Private Roads shall be as set forth in Section 4, below.
- f. Declarant expressly reserves and retains unto itself, and to its designated successors and/or assigns, the right to add any property to the Subject Property benefitted by the ingress and egress over the Private Roads, and to annex and incorporate other real property and

Declaration of Road Maintenance Duties and Obligations for Saddle Rock Subdivision make such other real property subject to the rights and obligations contained in this Declaration, regardless of whether such other real property is within Saddle Rock Subdivision. Accordingly, Declarant may, in its sole and unfettered discretion, at any time, add any real property to the Subject Property, thereby making such additional other real property subject to the terms and conditions of this Declaration. Further, Declarant may, in its sole and unfettered discretion, make such other additional real property subject only to the rights and responsibilities related to the Private Roads, omitting therefrom the rights and responsibilities related to the Onsite Water Storage.

2. ONSITE WATER STORAGE.

a. Onsite Water Storage. The Saddle Rock Subdivision, by requirement and condition of approval imposed by Valley County, shall maintain a minimum of 10,000 gallons of water storage for use by emergency personnel in the event of a fire.

b. Tank Maintenance, Repair, and Replacement.

- (i) Tank maintenance, repair, and/or replacement shall be undertaken and completed whenever necessary to maintain the tank in good operating condition.
- (ii) Except as otherwise specifically provided in this Section 2, water tank maintenance, repair, and/or replacement shall be in accordance with Section 4, below.

3. SADDLE ROCK OWNERS ASSOCIATION, INC.

- a. Composition; Purpose. Declarants have established Saddle Rock Owners Association, Inc. and one such responsibility of the Association is to manage and administer the performance and funding of maintenance, repair, and replacement of the Private Roads and onsite water storage for fire suppression, subject to the terms and conditions of this Declaration.
- b. **Duties.** The Association shall ensure that the Private Roads are maintained, repaired, and replaced, as needed, and that the owner(s) of each of the several Lots, each of which enjoys the use of the Private Roads, all equally share the duty to pay the costs of such Private Roads maintenance, repairs, and replacement; provided, however, that additional lots or property granted rights of access via the Private Roads may or may not be included within the scope of this Declaration, in the sole and unfettered discretion of Declarants.
- c. Powers Assessment. The Association shall have all the powers of a corporation organized under the general corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, the and this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law

and under this Declaration, and the Articles and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Association's assets, affairs, and the performance of the other responsibilities herein assigned, including (without limitation) the power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

4. COSTS OF MAINTENANCE, REPAIR, AND REPLACEMENT.

- a. Private Roads. All costs of maintenance, repair, and replacement of the Private Roads shall be shared between owners of all Lots, with each of the Lots being responsible for paying an equal amount of such costs.
- b. Onsite Water Storage. All costs of maintenance, repair, and replacement of equipment and other items necessary for onsite water storage shall be shared equally between owners of all Lots; provided, however, that Declarant may opt to include its other property in such obligation or to exempt such other property of Defendant from such obligation, depending on whether such other property is to be benefitted by such onsite water storage. Each of the Lots shall be responsible for paying an equal amount of all costs of maintenance, repair, and replacement of equipment and other items necessary for onsite water storage. Tank maintenance and or improvements will be undertaken and made whenever necessary to maintain the tank in good operating condition.

c. Assessments - Procedure.

- (i) Written Estimate of Upcoming Year's Costs. Before August 1st of each year, the Association shall estimate the maintenance, repair, and replacement costs for both the Private Roads and the onsite water storage for the upcoming year and shall provide written notice of such estimated annual costs to the Lot owners. The required notice shall:
- (A) Include the itemized estimated costs for the upcoming year's maintenance, repair, and replacement for each of the Private Road and the onsite water storage;
- (B) Include the actual costs for the prior year's maintenance, repair, and replacement for each of the Private Roads and the onsite water storage;
- (C) Include the balance, if any, remaining in the Association's account(s) for maintenance and repair; and
- (D) Estimate the amount of the per-Lot assessment, for each of the Private Roads and the onsite water storage, necessary to cover the costs for the upcoming year.

- September 1st of each year, approve an estimated upcoming annual maintenance, repair, and replacement costs for each of the Private Roads and the onsite water storage. The Association's approval of the estimated upcoming annual maintenance, repair, and replacement costs shall constitute approval of the amount of the "Annual Assessment."
- (iii) Payment Due Date. Before October 1st of each year, the owner(s) of every Lot shall make payment in full of the amount of the Annual Assessment, which shall include the estimated costs for each of (A) maintenance, repairs, and replacement of the Private Roads, and (B) maintenance, repairs, and replacement, of the onsite water storage.
- year, the Association reasonably determines that the balance of funds remaining in the Association's accounts is unlikely to be sufficient to get through the costs for rest of the year, then the Association shall notify all owners of Lots. Such notice shall include all information required in subsection (c)(ii), above. Within ten (10) business days of receiving notice from the Association, the owners shall vote on the question of whether to authorize a "Supplemental Assessment" for the purpose of ensuring that the Association has sufficient funds for the remainder of the then-current year. The vote of owners owning a majority of the Lots shall be determinative of the question. Unless the Association determines, by majority vote, a different schedule for payment of a Supplemental Assessment, within thirty (30) days of an affirmative vote, the owner(s) of every Lot shall make payment in full of the amount of the Supplemental Assessment chargeable to such owner's Lots.

(v) Enforcement and Collection of Assessments.

- (A) Covenant to Pay Assessments. By accepting conveyance of a Lot that is subject to this Declaration, each owner covenants and agrees to make payment to the Association of all assessments validly levied pursuant to this Declaration promptly when due, and further covenants and agrees to enforcement of such payment, in the event of non-payment, by the remedies provided herein.
- (B) Overdue Assessments. Any Annual Assessment or Supplemental Assessment not paid-in-full within thirty (30) days after the due date shall accrue interest at the rate of two percent (2%) per month (twenty-four percent (24%) per annum), or at such other rate as may be established annually by the Board, until cured and paid-in-full. If the interest rate prescribed herein or by the Board is deemed excessive by a court of competent jurisdiction, then the interest rate shall default to Idaho's statutory rate of interest.
- (C) Enforcement by Suit. The Association may enforce and collect payment of any Annual Assessment or Supplemental Assessment by commencement and

maintenance of an action at law or in equity against the owner(s) of any Lot for the collection of any delinquent Assessments for which such Owner(s) are obligated. Any judgment rendered hereunder shall include interest and reasonable attorneys' fees and court costs against such owner(s). Suit to recover judgment for unpaid assessments may be maintained without foreclosing or waiving the lien created hereby.

- (D) Creation of Liens; Personal Obligation; Delinquency.
- (1) Continuing Lien. All assessments, together with interest, costs, charges, and reasonable attorneys' fees that may be incurred in collecting the same, shall be a charge on the land comprising the subject Lot and shall be a continuing lien upon the Lot against which each such assessment is made.
- (2) Personal Obligation. All assessments, together with interest thereon at the legal rate, and together with the amount of reasonable collection fees, costs, and attorney fees, shall also be the personal obligation of the owner whose Lot received the assessment(s), determined as of the date when the assessment was levied.
- obligation for delinquent assessments shall not pass to an owner's successor and shall not relieve the owner of the duty to pay the assessment(s). However, unpaid assessments, including fees, costs, and attorney fees, shall constitute a continuing lien against the subject Lot, until paid, and shall be subject to foreclosure in accordance with Idaho law.
 - (E) Enforcement by Foreclosure of Lien.
- (1) Each Annual Assessment and Supplemental Assessment, when levied, shall automatically constitute a lien on and against the Lot to which such assessment pertains, without any requirement of filing any documentation of such lien.
- payment of any and all such assessments, together with accrued interest, reasonable attorneys' fees, and costs.
- (3) Enforcement of said lien shall be in accordance with the following procedures and the laws of the state of Idaho:
- (a) The lien shall attach to a Lot upon recordation in the Office of the Adams County Recorder of the notice of default and claim of lien, which shall be executed and acknowledged by the Association.

(b) The notice of default and claim of lien shall include the name of the defaulting Owner(s), the amount of the assessment and other charges properly levied under this Declaration, the description of the Lot assessed, that the notice of default and claim of lien is made by the Association pursuant to this Declaration; and that a lien is claimed and will be foreclosed against the Lot in an amount equal to the amount stated.

(c) The lien shall attach and be effective immediately upon recordation of a duly executed original or copy of each notice of default and claim of lien and mailing a copy thereof to the defaulting Lot owner by First Class Mail, postage prepaid.

(d) Any lien under this Declaration may be foreclosed by appropriate legal action or in the manner provide by law for the foreclosure of a deed of trust by exercise of a power of sale contained therein, or in the manner provided by law for the enforcement of a judgment; provided, however, that initiation of such foreclosure shall not be commenced prior to fifteen days following the mailing of a copy of the notice of default and claim of lien to the owner, as provided herein.

(e) Any action brought to foreclose a lien recorded hereunder shall be commenced within one (1) year following such recordation, unless the Association, by majority vote of owners, extends such deadline for an additional period not to exceed one additional year by recording a written extension thereof.

any foreclosure sale, trustee's sale, or judgment sale and to purchase, lease, acquire, hold, mortgage, and convey any interest acquired at such sale, subject to this Declaration. Reasonable attorneys' fees, court costs, title search fees, interest, and all other costs and expenses shall be allowed, to the extent permitted by law.

trustee's sale, or judgment sale pursuant to this Declaration shall first be paid to discharge court costs, transcript fees or charges, reasonable attorneys' fees, title costs, and costs of the sale, and all other expenses of the proceedings and the sale. The balance of proceeds from such sale, after satisfaction of such fees and charges and unpaid assessments and liens, shall be paid to the defaulting owner.

(h) The purchaser at any such sale shall obtain title to the Lot free from the sums claimed, but otherwise subject to the provisions of this Declaration and all other instruments governing such Lot. No foreclosure sale, trustee's sale, or judgment sale shall relieve such Lot or the purchaser thereof at such sale from liability for any

assessments, other payments, or performances thereafter becoming due, or from the lien therefore, as provided herein.

- (i) Upon the timely curing of any default or failure to pay any assessment(s) for which a notice of claim of lien was filed by the Association, the Association is authorized to, and shall, record an appropriate release of such lien in the Office of the Adams County Recorder.
- (j) The Association's rights of enforcement and collection shall be cumulative and non-exclusive.
- of a Lot performs maintenance, repairs, or replacement without obtaining the prior approval of the other Lot owners, as provided herein, prior to performing such work, then the Lot owner performing such work shall be responsible for paying the entire cost thereof, unless such work is deemed reasonably necessary in the event of an emergency, in which case neither a majority vote nor prior approval shall be necessary before making such improvements or undertaking such maintenance.
- e. Lots Owned by Declarant. All Lots owned by Declarants, or by Declarants' designated successors or assigns, on which no residence has been constructed, for purposes of the responsibilities and duties contained herein, including (without limitations) the computation and levying of assessments, shall be deemed to be one (1) Lot.
- 5. <u>AMENDMENT</u>. To be effective, amendments to this Declaration must be approved by owners of a two-thirds (2/3) majority of Lots; notwithstanding the foregoing, Declarant, for so long as it owns any Lot(s), may, at any time and for any reason, in its sole and unfettered discretion, amend this Declaration to conform to its intent in making, executing, and recording this Declaration.
- 6. <u>BINDING</u>; <u>RUNS WITH LAND</u>. This Declaration shall be recorded in the official records of Valley County, Idaho and shall run with the land and be binding on Declarant and all owners of any one or more Lot, and upon their respective heirs, successors, administrators, executors, and assigns, and shall run with the land.
- 7. Nothing in this Declaration is intended, and it shall not be interpreted or deemed, to constitute a gift or dedication of any portion of the Private Roads to the general public or for the benefit of the general public or for any public purpose whatsoever, other than those expressly contained herein, it being the intention that this Declaration shall be strictly limited to and for the purposes expressed herein; notwithstanding the foregoing, any and all additional lots and/or property to/from/for which Declarant authorizes

access via the Private Roads shall have the rights ascribed in whatsoever instrument used to grant, reserve, or convey such rights of ingress/egress via the Private Roads.

8. MISCELLANEOUS PROVISIONS.

- a. **Perpetual Duration.** This Declaration shall be perpetual and shall encumber and run with the land.
- b. Disputes. If a dispute arises over any aspect of the improvements, maintenance, repair or replacement, then a neutral third party arbitrator shall be appointed to resolve the dispute. The decision of the arbitrator shall be final and binding on all owners of Lots. Contact information for local arbitrators can be obtained through the American Arbitration Association. In selecting a neutral third party arbitrator (as with all votes of Lot owners, except as otherwise expressly provided herein), each Lot shall be entitled to one vote, and the arbitrator nominee receiving a majority of the votes shall be the arbitrator. All parties shall share in the cost of any arbitration.
- c. Headings. The headings of the several paragraphs contained herein are for convenience only, and do not explain, define, limit, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Declaration.
- d. Severability. If any term or provision of this Declaration is deemed invalid or unenforceable, such term or provision shall be stricken, but all other terms and provisions of this Declaration shall remain intact, in full force and effect, unaffected by the striking of the offending term or provision.
- e. Amendment. Declarant expressly reserves unto itself, and to its designated successors and assigns, the right to unilaterally amend this Declaration at any time and for any purpose, regardless of whether Declarant then owns any Lot or other part or portion of the Property. Without limiting the foregoing, and for the sole purpose of providing an example, Declarant may amend this Declaration to annex and incorporate other real property and make such other real property subject to the rights and obligations contained in this Declaration, regardless of whether such other real property is within Saddle Rock Subdivision.
- f. No Merger. There shall be no merger or extinguishment of this Declaration created hereby with the fee simple estate of either property or any portion thereof or any interest therein by reason of the fact that the same person or other entity may acquire, own or hold, directly or indirectly, the entire fee simple estate of both properties.

DECLARANTS SO DECLARE, effective from and after the date on which this Declaration is recorded in the Official Records of Valley County, Idaho.