

**DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS
THE GLADES SUBDIVISION
KOOTENAI COUNTY, IDAHO**

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS ("Declaration"), is made effective as of the Effective Date, by McCARNEY CAPITAL, INC., an Idaho corporation ("Declarant"), with reference to the following facts:

(A) Declarant is the owner of certain real property consisting of approximately ^{136.69}~~400~~ acres, known as The Glades, instrument number 2748368000, records of Kootenai County, Idaho and more accurately described as follows (the "Property"):

Lots 1-10, Block 1 and Lots 1-3, Block 2 according to the Plat For The Glades recorded in Book L of Plats, Page 448, 448A, records of Kootenai County, Idaho.
448 B, 448 C, 448 D

(B) Declarant has subdivided the Property into 16 residential lots as shown on the Plat, which Lots will be sold to members of the general public.

(C) Declarant intends by this document to impose upon the entire Property mutually beneficial restrictions under a general plan of improvement for the benefit of all of the Lots and the Owners thereof.

(D) Each Owner has certain additional rights appurtenant to each Lot, including rights of membership in the Association.

Declarant hereby declares that the entire Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the following declarations, limitations, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property, and every part thereof, in accordance with the plan for the subdivision and sale of the Property as a residential, recreational, and/or agricultural community. All of the limitations, covenants, conditions, restrictions, and easements shall constitute covenants and encumbrances which shall run with the land and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and

all parties having or acquiring any right, title, or interest in or to any part of the Property.

ARTICLE I. DEFINITIONS

1.1 "Architectural and Construction Guidelines" shall mean guidelines adopted by the Architectural Control Committee (as amended from time to time), regulating the development and improvement of Lots within the Cottages development.

1.2 "Architectural Control Committee" shall mean the Committee created pursuant to Article 4 of this Declaration. Throughout these covenants it may be abbreviated as A.C.C.

1.3 "Assessment" means a portion of the cost of maintaining, improving, repairing, operating, insuring and managing the Property which is to be paid by the Owners as determined by the Association under this Declaration.

1.4 "Association" means The Glades Homeowners Association, a nonprofit unincorporated association formed pursuant to Idaho Code § 30-27-101 et seq., the Members of which will be the Owners of Lots in the Property as provided herein.

1.5 "Board" or "Board of Directors" means the governing body of the Association.

1.6 "Bylaws" means the Bylaws of the Association as restated or amended from time to time. The initial Bylaws have been adopted by the initial members of the Board of Directors, and a copy of such initial Bylaws is on file with the Association.

1.7 "Common Expenses" means the actual and estimated expenses of maintenance, improvement, repair, operation, insurance and management of the Property, the providing of utility services which are not metered to separate Lots, and of administration of the Association, and any reasonable reserve for such purposes as determined by the Board, and all sums designated as Common Expenses pursuant to the Property Documents.

1.8 "Declarant" means McCARTHY CAPITAL, INC., an Idaho corporation, and its successors-in-interest and assigns with respect to the Property, but shall not include members of the public buying individual Lots.

1.9 "Declaration" means this Declaration of Protective Covenants, Conditions and Restrictions, as it may be amended from time to time.

1.10 "Effective Date" means the date of the recordation of this Declaration.

1.11 "Extraordinary Assessment" is defined in Section 5.

1.12 "Front Yard" That area between the front property line and the plane of the face of the residence upon each Lot, or intercepting side yard fence or wall.

1.13 "Lot" means any portion of the Property conveyed by Declarant to a purchaser as a separate lot. Each Lot will be designated as a separate lot on the Plat.

1.14 "Member" means a person entitled to membership in the Association as provided herein and in the Bylaws.

1.15 "Mortgage" means a recorded mortgage, deed of trust, real estate contract, or other instrument creating a security interest in any Lot.

1.16 "Mortgagee" means a mortgagee, beneficiary or holder of a deed of trust, real estate contract vendor, or other holder of a mortgage (including Declarant or Declarant's assignee with respect to any purchase-money security interests retained by Declarant on sale of any Lot).

1.15 "Mortgagor" means a mortgagor, the trustor of a deed of trust, real estate contract vendee or other Person granting a security interest in any Lot.

1.16 "Owner" or "Owners" means the record title holder(s) of a Lot, including any Person having a fee simple title to any Lot, but excluding Persons having any interest merely as security for the performance of an obligation.

1.17 "Person" means any natural person, corporation, limited liability company, partnership, association, trustee, or other legal entity.

1.18 "Plat" means the Plat of Record described in the recitals above, and any recorded amendment thereto.

1.19 "Property" is defined in clause A of the recitals.

1.20 "Property Documents" means the Plat, this Declaration, the Bylaws, the Architectural and Construction Guidelines and the rules and regulations of the Association.

1.21 "Rear Yard" That area beginning at the plane of the face of the residence and extending to the rear of each Lot.

1.22 "Regular Assessment" is defined in Section 5.

1.23 "Special Assessment" is defined in Section 5.

1.24 "Structure" means certain improvements that are or will be built or constructed.

1.25 "Utilities" is defined in Section 3.6.

1.26 "Utility Easement" is defined in Section 3.6.

ARTICLE II.
ASSOCIATION ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

DECLARATIONS OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS

2.1 Organization of Association. The Association shall be organized as a nonprofit incorporated Association under the laws of Idaho.

2.2 Duties and Powers. The duties and powers of the Association are those set forth in this Declaration and Bylaws, together with its general and implied powers as a nonprofit unincorporated corporation, generally to do any and all things that a nonprofit corporation organized under the laws of the State of Idaho may lawfully do, including, but not limited to, the performance of, and compliance with, all duties, responsibilities, terms and conditions set forth herein.

2.3 Membership. The Owner of a Lot shall automatically, upon becoming the record title holder of a Lot, be a Member of the Association, and shall remain a Member thereof until such time as its ownership ceases for any reason, at which time its membership in the Association shall automatically terminate. Membership shall be in accordance with this Declaration and the Bylaws of the Association.

ARTICLE III. UTILITY EASEMENTS AND MAINTENANCE OF COMMON AREAS

3.1 Establishment of Utility Easements. Declarant hereby reserves, for the benefit of all Lots within the Property the following easements:

- i) **Over Roadways.** A common easement for utilities over that portion of Amulet Way and Dolan Road that are constructed upon and located within the Property. The purpose of the easement is for the construction, maintenance, operation and use of utilities (including, without limitation, sanitary sewer, water, electric, gas, television receiving, telephone, and other utility lines and connections); and
- ii) **Ten Foot Drainage and Utility Easement.** A common easement for drainage and utilities marked as "10' Wide Roadway Slope, Drainage and Utility Easement" as shown on the Plat. Such easement is ten feet in width and located on both sides of Amulet Way and both sides of Dolan Road. The purpose of this easement is for the construction, maintenance, operation and use of utilities (including, without limitation, sanitary sewer, water, electric, gas, television receiving, telephone, and other utility lines and connections). The other purpose of this easement is for drainage and stormwater.

3.2 Dedication of Public Roadways. All roadways constructed upon and located within the Property shall be dedicated to the public. The roadways are designated on the Plat as Amulet Way and Dolan Road. All driveways located and constructed upon a Lot shall remain private roads maintained solely by the owner thereof.

3.3 Association's Maintenance Obligations. Beginning on the Effective Date, the Association shall be responsible for the following:

- i) **Common Signage.** The Association shall maintain common signage, if any, for the development.

3.4 Owners' Obligations to Maintain Right-of-Way Area of Lots. The Owner of each Lot shall have the sole responsibility and obligation to maintain the landscaping located within the right-of-way area as defined on the Plat for their respective Lot. Each owner have the responsibility to provide routine weeding, mowing, watering, trimming, planting and all normal activities required to

keep the landscaped areas attractive and healthy. In the event that an Owner fails to meet their obligation under this provision, the Association is authorized to enter that Lot and provide any necessary landscaping or maintenance and to assess the costs of such services to the Owner of the Lot.

3.5 Owners' Rights and Duties Regarding Utilities. Following the Effective Date, Declarant shall have no responsibility for the installation or maintenance of any service utilities within the Property. All decisions with respect to installation and maintenance of utilities which affect the entire Property shall be made by the Declarant until such time as the Declarant no longer owns any interest in any Lot or otherwise delegates such responsibility. In the event that Declarant terminates its interest in the Property or wishes to delegate its responsibilities, the Board shall make all decisions with respect to utilities which affect the entire Property.

3.6 Utilities. The rights and duties of the Owners of Lots within the Property with respect to utilities shall be as follows:

i) Whenever sanitary sewer, water, electric, gas, television internet, telephone or other utility lines or connections ("Utilities") are located or installed on the Property, which connections, or any portion thereof, lie within Lots owned by other than the Owner of a Lot served by said connections, the Owners of any Lots served by said Utilities shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Lots or to have the utility companies enter upon the Lots in or upon which said Utilities are located to repair, replace and generally maintain said Utilities ("Utility Easement"). The Owner exercising its repair rights pursuant to the Utility Easement shall cause such work to be done (i) at the sole expense of such Owner; (ii) in such a manner as to cause as little disturbance as reasonably possible to the Lot over which such Utilities may run; and (iii) in conformity with all applicable rules and regulations. All damage caused by such installation, maintenance or repair shall be promptly repaired in a good and workmanlike manner at the sole cost of the Owner of the Lot serviced by such Utilities.

ii) Whenever Utilities serving more than one Lot are located or installed on the Property, the Owner of each Lot served by said Utilities will be entitled to the full use and enjoyment of such portions of said Utilities.

ARTICLE IV. ARCHITECTURAL CONTROL AND CONSTRUCTION

4.1 Prohibition of Alteration and Improvement. Subject to the exemption of Declarant hereunder, no building or structure shall be erected, placed or altered on any Lot until two (2) sets of finished construction plans, including elevations, specifications, and a site plan have been approved and signed by the Architectural Control Committee (A.C.C.) appointed by the Declarant as provided in this Article, as to compliance with this Declaration, quality of workmanship and materials, compatibility with other homes within the area, harmony of external design with existing structures and as to location with respect to topography, finish grade elevation, and adjoining property. If the plans are approved, the A.C.C. shall sign one set of plans and return them to the applicant. If plans are not approved, the A.C.C. shall return plans to applicant with

recommendations. All development is subject to building permits from Kootenai County.

If the Board or Committee shall fail to approve or disapprove of said plans and specification within one (1) month after the same have been submitted to them, or in any event, if no notice of a noncompliance has been filed, or no suit to enjoin the construction has been commenced within sixty (60) days after completion thereof; such approval will not be required and the same shall be deemed to be in compliance with the building construction provisions of the Declaration. The recording of a notice of a noncompliance by the Board or Committee shall preserve the right of the Board or Committee to bring an action to enforce this Declaration, or to seek damages.

4.2 Architectural Control Committee. The A.C.C. consists of two individuals appointed by the Declarant and will be until the Declarant is no longer willing or able to control all architecture in the Property. In the future, when a committee is to be appointed, the Board shall appoint all members. There shall not be less than two (2) nor more than five (5) members of the A.C.C., as determined by the Board. Unless and until a Committee is appointed, the functions of the A.C.C. shall be undertaken by the Board, and all references to the A.C.C. shall be deemed to refer to the Board. If a conflict of issue should arise between the A.C.C. and the Board, the Board should have the final decision on such issue. Each Committee member shall be a Lot Owner or an agent of the Declarant (for so long as the Declarant retains the power to appoint the Managers of the Board).

The A.C.C. shall consider and act upon any and all plans and specifications submitted for its approval under this Article and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with approved plans. All construction plans submitted to the AC.C. shall include details showing compliance of the proposed work any stormwater management plan.

The members of the A.C.C. shall receive no compensation for services rendered, other than reimbursement for approved expenses incurred by them in the performance of their duties hereunder, and other than pursuant to rights of indemnity established herein or elsewhere in the Project Documents. However, a member of the A.C.C. who is appointed to the A.C.C. as an agent of the Declarant may be compensated for professional services rendered in accordance with such retainer arrangement as may be negotiated by the Board. Neither the A.C.C. nor any member of the A.C.C. shall be liable in damages or otherwise for decisions made in good faith pursuant to the authority granted in this Article.

4.3 A.C.C. Administrative Procedures. The Board or A.C.C. shall adopt and make available to all Lot Owners, a set of administrative procedures regulating the submittal, review, approval, appeal, inspection, and enforcement process of the Board or A.C.C. Such administrative procedures, as amended from time to time, shall be binding on each Lot Owner and may be enforced using the same methods and procedures specified in this Declaration.

4.4 A.C.C. Architectural and Construction Guidelines. The Board or AC.C. shall have the authority to adopt Architectural and Construction Guidelines, and to augment, amend, or otherwise modify such Guidelines from time to time; provided that they shall, at all times, be consistent with the Bylaws, this Declaration, and building restrictions imposed by law. Such Architectural and Construction Guidelines, as amended from time to time, shall be binding on each Lot Owner and may be enforced using the same methods and procedures specified in this Declaration.

ARTICLE V.
ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

5.1 Account Establishment Fee. Each Owner shall be responsible for paying the Association the sum of \$375.00 immediately upon taking title to any Lot. This obligation shall attach immediately upon the initial transfer of ownership of a Lot by Declarant to a third-party Owner, and each subsequent conveyance thereof. The fee shall be used to offset the Association's administrative costs incurred as a result of the membership change in the Association occasioned by the change in ownership.

5.2 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following Assessments, which shall be established and collected as provided herein:

- i) Regular Assessments;
- ii) Extraordinary Assessments; and
- iii) Special Assessments.

All Assessments, together with interest, costs, penalties and actual attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each Assessment is made, the lien to become effective upon recordation of a Notice of Assessment Lien by the Board as required by law (and limited in duration as provided by law). Each Assessment, together with interest, costs, penalties and actual attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. No Owner of a Lot may exempt himself or herself from liability for his or her contribution toward the Common Expenses by waiver of the use or enjoyment of any part of the Property, or by the abandonment of his or her Lot.

5.3 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of all the Owners of Lots in the entire Property, and/or maintenance of the Property in accordance with this Declaration. The Regular Assessments shall include an adequate reserve fund as determined by the Board. The reserve fund (including funds placed in the working capital fund) shall be maintained as a segregated fund, separate from the other funds of the Association.

5.4 Regular Assessments. Immediately following the closing of the sale of the first Lot in the Property, the annual Regular Assessment per Lot shall be \$750.00, payable annually or as otherwise determined by the Declarant. Each Lot's share for the first year shall be prorated based on the number of months remaining in that fiscal year after the sale by the Declarant. Thereafter, the Association shall determine and fix the amount of the maximum annual Regular Assessment against each Lot, on a yearly basis, at least 60 days in advance of the effective date of the new assessment; provided, however, that the maximum annual Regular Assessment may not be increased by more than 25% above the maximum annual Regular Assessment for the immediately preceding year, without the vote or written consent of the Board.

5.5 Extraordinary Assessments. In addition to the Regular Assessments authorized above, the Association may levy, in any fiscal year, an Extraordinary Assessment applicable to that year only for the purpose of defraying, in whole or in part, any unanticipated or underestimated Regular Assessment; provided, however, that the aggregate Extraordinary Assessments for any fiscal year shall not exceed 20% of the budgeted gross expenses of the Association (excluding reserves) for that fiscal year, without the vote or written consent of the Board.

5.6 Special Assessments. In addition to the Regular and Extraordinary Assessments authorized above, the Association may levy Special Assessments (without limitation as to amount or frequency) against an individual Lot and its Owner to reimburse the Association for costs incurred in bringing that Owner and his or her Lot into compliance with the provisions of the Property Documents, including interest, penalties, actual attorneys' fees and costs. Special Assessments specifically include any fines levied against a Lot Owner by the Association. The Board may adopt a Fine Policy describing the fines and procedures in more detail. The initial Fine Policy and Procedure is attached here as Exhibit 3.

5.7 Allocation of Assessments and Declarant Deferral. Each Lot shall pay an equal Regular and Extraordinary Assessment. Declarant shall have the right to defer the payment of Regular Assessments against any Lot owned by the Declarant but any deferred amounts shall be paid on the sale or transfer of the Lot to a third party or purchaser.

5.8 Date of Commencement of Assessment; Due Dates. The Regular Assessments provided for herein shall commence as to all Lots in the Property on the first day of the month following closing of the sale of the first Lot in the Property. Due dates of Assessments shall be the first day of every calendar month, or otherwise as determined by the Declarant. No notice of any Assessment shall be required other than an annual notice setting forth the amount and frequency of the Assessment for the following year.

5.9 Transfer of Lot by Sale or Foreclosure. The sale or transfer of any Lot shall not affect any Assessment lien, or relieve the Lot from any liability therefore, whether the lien pertains to payments becoming due prior or subsequent to such sale or transfer. Notwithstanding the foregoing, the sale or transfer of any Lot pursuant to foreclosure, judicial and non-judicial, of a recorded bona fide first priority mortgage or deed of trust given in good faith and for value shall extinguish the lien of all such Assessments as to payments which became due prior to such sale. Sale or transfer pursuant to mortgage foreclosure shall not, however, affect the personal liability of the Owner for unpaid Assessments. Furthermore, any Assessments for which the liens are extinguished pursuant to this Paragraph shall be deemed to be Common Expenses collectible from all of the Lots, including the Lot for which the lien was extinguished.

In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid Assessments by the Association against the latter for its share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Board, setting forth the amount of the unpaid

Assessments due the Association, and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid Assessments made by the Association against the grantor in excess of the amount set forth in the statement; provided however, the grantee shall be liable for any such Assessment becoming due after the date of any such statement.

5.10 **Adoption of Fine Policies and Schedule.** The Board may adopt and make available to all Lot Owners, a Fine Policy and Fine Schedule. Such fine policy and fine schedule, as amended from time to time, shall be binding on each Lot Owner and may be enforced using the same methods and procedures specified in this Declaration.

5.11 **Notice of Non-Compliance.** After proper notice and hearing, the Board is hereby authorized to record a notice of non-compliance affecting the title of any Lot within the Property. Such notice shall state the violation and action necessary to cure. A recorded notice may be used for violations of this Declaration, the Bylaws, or any policies and procedures adopted by the Board. A copy of the recorded notice of non-compliance shall be mailed to the lot owner. Upon cure and after request by the Low Owner, the Board shall cause a release to be recorded removing the notice of non-compliance.

5.12 **Enforcement of Assessment Obligation; Priorities; Discipline.** If any part of any Assessment is not paid and received by the Association or its designated agent within 10 days after the due date, an automatic late charge equal to 10% of the Assessment (but not less than \$10.00) shall be added to and collected with the Assessment. Additionally, if any part of any Assessment is not paid and received by the Association or its designated agent within 30 days after the due date, the total unpaid Assessment (including the late charge) shall thereafter bear interest at the rate of 18% per annum until paid. Each unpaid Assessment, whether Regular, Extraordinary, or Special, shall constitute a lien on each respective Lot prior and superior to all other liens recorded subsequent to the recordation of the Notice of Assessment Lien, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; and (2) labor or materialmen's liens arising under Idaho law (timely and duly filed) if the legal effective date is prior to the recording of the Notice of Assessment Lien. Such lien, when delinquent, may be enforced by sale by the Association (acting through the Board), its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the Owner to pay such Assessment, in accordance with the provisions of Idaho law applicable to the exercise of powers of sale in deeds of trust (with the Declarant hereby granting the Board an irrevocable power of attorney and the authority to appoint an independent trustee for such purpose), or by judicial foreclosure as a mortgage, or in any other manner permitted by law. The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale, and to acquire and hold, lease, encumber and convey the same. The foreclosing party shall have the right to reduce or eliminate any redemption rights of the defaulting Owner as allowed by law. Suit to recover a money judgment for unpaid Assessments, rent, interest, costs, penalties, and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties including actual attorneys' fees and costs and may suspend the Association membership rights of an Owner who is in default in payment of any Assessment, after notice and hearing according to the Bylaws.

ARTICLE VI. MORTGAGEE PROTECTIONS

In order to induce various lenders and lending agencies to participate in the financing of any sale of Lots within the Property, this Article V is included in this Declaration. To the extent these added provisions pertaining to the rights of such lenders and lending agencies conflict with any other provisions of this Declaration or any other of the Property Documents, these added restrictions shall control.

6.1 No Impairment. The following rights of a Mortgagee shall not be impaired:

- i) To foreclose or take title to a Lot pursuant to the remedies provided in the Mortgage;
- ii) To sell or lease a Lot so acquired by the Mortgagee without interference.

6.2 Subordination. Any lien created or claimed in the provisions of this Declaration is expressly made subject and subordinate to the rights of any first Mortgage which encumbers all or any interest in a Lot, made in good faith and for value; and no such lien shall in any way defeat, invalidate, or impair the obligation or priority of such Mortgage unless the Mortgagee expressly subordinates its interest, in writing, to such lien. If any Lot and/or interest therein is encumbered by a first Mortgage made in good faith and for value, the foreclosure of any lien created by any provision set forth in this Declaration for Assessments, or installments of Assessments, shall not operate to affect or impair the lien of the Mortgage. On foreclosure of the Mortgage, the lien for Assessments or the installments that have accrued up to the time of foreclosure shall be subordinate to the lien of the Mortgage, with the foreclosure-purchaser taking title to the Lot or interest therein free of the lien for Assessments or installments that have accrued up to the time of the foreclosure sale. On taking title to the Lot and/or interest therein, the foreclosure purchaser shall be obligated to pay only Assessments or other charges levied or assessed by the Association that become due or payable on or after the foreclosure purchaser acquired title to the Lot and/or interest therein. The subsequently levied assessment or other charges may include previously unpaid Assessments, provided all Lot Owners, including the foreclosure-purchaser and its successors and assigns, and are required to pay their proportionate share of such assessment as provided herein. As used herein, the term "foreclosure" shall include both judicial and nonjudicial (i.e., trustee's sales) foreclosure.

6.3 Amendment of Declaration. No amendment to this Declaration will affect the rights of the holder of any first Mortgage recorded prior to recordation of such amendment who does not join in the execution thereof.

6.4 Mortgagee Protection Clause. No breach of any covenants, conditions and restrictions in this Declaration, nor the enforcement of any of the lien provisions herein, shall defeat or render invalid the rights under any Mortgage on any Lot made in good faith and for value, but all of the covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or otherwise.

ARTICLE VII. USE RESTRICTIONS

7.1 Use of Individual Lots. Lots shall be used only for single family residences. Home-

based businesses are permitted provided that the business is operated within the structure and is not open to the public.

7.2 Animals. Owners may keep horses and cattle for their own use, but no more than a combined total of 4 per lot. Ordinary domestic animals, such as a dogs or cats may not, in any combination, exceed 4 per lot. Extra animals, e.g. 4H projects, must be approved in writing by the ACC. Animals shall not be permitted to roam nor disturb the peace of the neighborhood. Animals that consistently roam or make loud noises, e.g. barking, are considered a nuisance.

7.3 Lot Maintenance. Each Lot, and the exterior appearance of improvements thereon, including the landscaping, shall be maintained in a clean, neat, and orderly condition and in good repair at all times. All rubbish, trash, and garbage shall be regularly removed from all Lots, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers which shall be kept screened and concealed from the view of other Lots and the public roadways located within the Property. Owner is responsible for all animal waste on their lot. All animal pens and enclosures must be kept clean at all times.

7.4 Temporary Residences. Within the subdivision and on any Lot, occupation of a mobile home, modular home, recreational vehicle, tent, camper or trailer is not permitted for a period longer than one (1) week during any calendar year.

7.5 Prohibition on Parking Vehicles Long-Term In Front. No utility trailer, boat trailer, camper or other trailer, mobile home, commercial vehicle, recreational vehicle, ATV, motorcycle, farming implement, tractor, bus, inoperable automobile, boat or similar equipment, and no vehicle which is in an extreme state of disrepair, shall be visible from the front of any Lot. Temporary parking of a boat, trailer or recreational vehicles is permitted for a period of less than one (1) week per calendar year. The purpose of this provision is to prevent vehicles and trailers from disrupting the look and feel of the neighborhood by storing items in places visible to other property owners and the public.

7.6 No Further Subdivision. Lots may not be further subdivided, except by Declarant according to applicable subdivision regulations.

7.7 Maintenance of Stormwater Features. It shall be the responsibility of each lot owner to maintain and keep weed free, the drainage swale and drainage structures located on their respective lots. Each lot owner may not change or alter a drainage swale and/or drainage structure without the approval of the ACC and the applicable regulating agency.

7.8 Vegetative Buffer. Each lot will maintain a natural, vegetative buffer for the purposes of creating privacy and protecting the natural aspect of the subdivision. The vegetative buffer shall be at twenty-five feet along each side property line and the rear property line. Within the vegetative buffer, the owners shall not remove trees or vegetation unless dead, diseased, fallen or unless approved by the ACC. Debris shall not be stored within the vegetative buffer. The ACC may approve parking out the timber buffer and/or clearing a portion of the side yard timber buffer near the front of each lot.

7.9 Timber Management. Each Lot Owner shall care and maintain for the timber on his/her Lot. Trees over 8 inches in diameter on each property shall not be removed, excepting trees that are diseased, fallen, or dead, or as approved by the ACC. After the clearing of any vegetation from

a Lot, the debris shall be cleared and removed from the lot. Any debris or clearing debris may NOT be disposed of on neighboring lots.

7.10 **Nuisances.** No noxious, illegal, or offensive activities shall be carried on within any Lot; nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the other Owners of their respective Lots. The determination as to whether certain conduct is a nuisance shall be made by the Declarant until such time as the Declarant no longer owns any interest in any Lot or otherwise delegates such responsibility. In the event that Declarant terminates its interest in the Property or wishes to delegate its responsibilities, the Board shall make all decisions with respect to nuisances.

ARTICLE VIII. DECLARANT'S RIGHTS

8.1 Limitation of Restrictions on Declarant. Declarant is undertaking the work of subdivision of the Property. The completion of that work and the sale, rental, and other disposal of the Lots is essential to the establishment and welfare of the Property as a community. In order that said work may be completed and said Property established as a fully occupied community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

- i) Prevent Declarant, its contractors, or subcontractors from doing on the Property or any Lot, whatever is reasonably necessary or advisable in connection with the completion of the work; or
- ii) Prevent Declarant or its representatives from erecting, constructing and maintaining on any part or parts of the Property, such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Property as a community and disposing of the same in parcels by sale, lease or otherwise; or
- iii) Prevent Declarant from maintaining such sign or signs on any of the Property as may be necessary for the sale, lease, or disposition thereof.
- iv) Prevent Declarant from assigning its Declarant rights.

So long as Declarant, its successors-in-interest and assigns, owns one or more of the Lots established and described in this Declaration and except as otherwise specifically provided herein, Declarant and its successors and assigns, shall be subject to the provisions of this Declaration.

8.2 Termination of Any Responsibility of Declarant. In the event Declarant conveys all of its right, title and interest in and to the Property to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall assume all of the rights and be obligated to perform all such duties

and obligations of the Declarant.

**ARTICLE IX.
GENERAL PROVISIONS**

9.1 Enforcement. Any Owner, the Association, and any governmental or quasi-governmental agency or municipality having jurisdiction over the Property shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by this Declaration, and in such action shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

9.2 Invalidity of Any Provision. Should any provision of this Declaration be declared invalid or in conflict with any law of the jurisdiction where the Property is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

9.3 Conflict of Property Documents. If there is any conflict among or between the Property Documents, priority shall be given to Property Documents in the following order: the Plat, this Declaration, the Bylaws, and the rules and regulations of the Association.

9.4 Revocation and Amendment of Declaration. This Declaration may be amended or revoked at any time by the recordation of an instrument signed and acknowledged by the Declarant until such time as the Declarant no longer owns any interest in any Lot or otherwise delegates such responsibility. In the event that Declarant terminates its interest in the Property or wishes to delegate its responsibilities, the Board shall make all decisions with respect to any amendments or revocation of this Declaration. If the Board is to make decisions with respect to any amendments or revocation of this Declaration, then such amendments and revocation must be approved by 2/3 of the Board's voting power.

9.5 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenant. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot agrees to hold Declarant harmless therefrom.

**ARTICLE X.
WILDFIRE
MITIGATION PLAN**

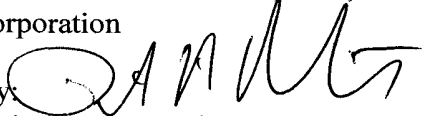
The owners within this development will be subject to the recommendations and guidelines of the wildfire mitigation plan prepared by North Idaho Forestry dated November 15, 2019 Attached as Exhibit "A".

**[signature page &
acknowledgment follows]**

The undersigned, being the Declarant herein, has executed this Declaration on April 16, 2020.

DECLARANT:

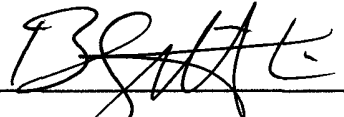
McCARTHY CAPITAL, INC., an Idaho corporation

By: 
Robert A. McCarthy
President

STATE OF IDAHO

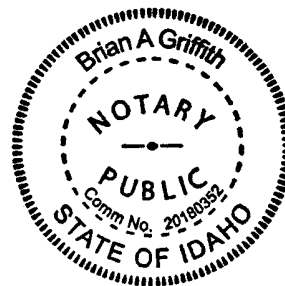
County of Kootenai

This record was acknowledged before me on April _____, 2020 by Robert A. McCarthy as President of McCarthy Capital, Inc.



Notary Public for State of Idaho

My commission expires: 01/09/2024



**THE FIRST AMENDMENT TO THE
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS,
ON THIS 12TH DAY OF MARCH 2026
THE GLADES SUBDIVISION
KOOTENAI COUNTY, IDAHO**

**ARTICLE VII.
USE RESTRICTIONS**

7.11 **Short Term Rentals.** Pursuant to Idaho Code 55-3211, no Lot or Dwelling shall be used for short term rentals, defined as the rental or lease of a unit for a period of less than thirty (30) consecutive days to maintain the residential character of the community and to protect the safety and peace and quiet of the neighborhood. Any and all rentals must be for a minimum of thirty (30) consecutive days This restriction applies to all rentals, including but not limited to: Airbnb, VRBO, or other vacation rental platforms.

We executed this Amendment on March 12, 2026.

We approve this Amendment to The Glades Homeowners Association, Inc CCRs.



Vinnie Verdi, President, The Glades Homeowners Association, Inc.



Jaycie Marich, Secretary, The Glades Homeowners Association, Inc.



Christle Wood, Treasurer, The Glades Homeowners Association, Inc.

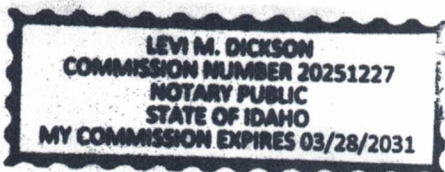
State of Idaho

County of Kootenai

On this day, March 12, 2026, before me Levi M Dickson, a notary public, personally appeared Vinnie Verdi, as President, Jaycie Marich, as Secretary, and Christle Wood, as Treasurer of The Glades Association, Inc known to me (or proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same as a free act and deed, for the uses and purposes therein mentioned.

In Witness Whereof, I have hereunto set my hand and affixed my notarial seal the day and year in the certificate first above written.

[Seal]



My commission expires: 03/28/31