DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION

WHEREAS, the undersigned Apex Land Group, LLC, an Idaho limited liability company (hereafter referred to as the "Grantor") is the owner of certain land, located in Emmett, Gem County, Idaho, more particularly described as Dagger Falls Subdivision, (hereinafter referred to interchangeably as "Dagger Falls Subdivision" or the "Property", as set forth in Exhibit "A", attached hereto and incorporated herein by reference);

WHEREAS, the Property shall be developed as defined in the ordinances of the City of Emmett, Idaho, for residential uses, and public uses; Lot 51 Block 1 will be deeded to the City of Emmett after plat recording;

WHEREAS, the Grantor desires to subject the Property to the covenants, conditions, restrictions, easements, reservations, limitations, and equitable servitudes herein set forth to ensure the property design, development, improvement, and use of the Property by the Grantor and all other persons or entities who may subsequently acquire an interest in the Property. It is the intent of the grantor to develop the subdivision in phases.

NOW THEREFORE, THE GRANTOR DECLARES AS FOLLOWS:

ARTICLE I DECLARATIONS: The Grantor hereby declares that the Property, and each lot, tract or parcel thereof (hereafter DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 1

referred to as a "Lot" unless specified to the contrary), is and shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following covenants, conditions, restrictions, easements, reservations, limitations and equitable servitude (hereinafter collectively referred to as the "CC&Rs"), all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of DAGGER FALLS SUBDIVISION and each Lot therein, and to enhance the value, desirability and attractiveness thereof. The conditions set forth herein shall run with the land and each Lot therein, and shall be binding upon all persons having or acquiring any right, title or interest in DAGGER FALLS SUBDIVISION or any Lot therein, and shall inure to the benefit of and be binding upon the Grantor and each Owner (as defined hereinafter), and each successor in interest of each, and may be enforced by the Grantor and by any Owner, and each successor in interest of each, and may be enforced by the grantor and by any owner, as hereafter provided. No development or construction activities shall be deemed to constitute a nuisance or violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, erection of temporary structure and posting of signs or similar activities, provided the same are actively, efficiently and expeditiously pursued to completion; nor prevent normal DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 2

construction activities during the construction of improvements upon any Lot in DAGGER FALLS SUBDIVISION.

ARTICLE II DEFINITIONS:

As used in this declaration, unless the context otherwise specifies or requires, the following words and phrases shall be defined as follows:

- 1. ACC: The Architectural Control Committee for Dagger Falls Subdivision.
- 2. <u>Building:</u> A structure constructed on a Lot, on a temporary or permanent basis, and which unless specified to the contrary, shall include all other appurtenances and improvements thereto or used in connection therewith.
- 3. <u>Declaration:</u> This instrument as it may be amended from time to time.
- 4. <u>Development:</u> The project to be undertaken by the Grantor resulting in the improvement of Dagger Falls Subdivision, including landscaping, amenities, roads and pathways, utility services and other improvements, as elected by the Grantor.
- 5. <u>Grantor:</u> Apex Land Group, LLC, an Idaho limited liability company.
- 6. <u>Homeowner's Association</u>: An organization formed by the Owners of the Lots within Dagger Falls Subdivision, to provide for the maintenance of the irrigation system,

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- mailboxes and keys, and any common areas which lie within the boundaries of Dagger Falls Subdivision.
- 7. Improvements: All structures and appurtenances therein of all kinds and types, including but not limited to:

 Buildings, roads, driveways, sidewalks, walkways, walls, fences, screens, landscaping, poles, signs, and lighting.

 Improvements shall not include those items which are located totally on the interior of a building and cannot be readily observed when outside thereof.
- 8. Lot: A portion of Dagger Falls Subdivision/the Property,
 which is a legally described tract or parcel of land within
 Dagger Falls Subdivision or which is designated as a lot on
 any recorded subdivision plat relating to the Property.
- 9. Mortgage: Any mortgage or deed of trust or other hypothecation of land located in the Property, to secure performance of an obligation.
- 10. Occupant: A person or other entity, including their heirs, personal representatives, successors and assigns, who or which is an Owner, or has leased, rented, been licensed or is otherwise legally entitled to occupy and use any building or improvement on a Lot, whether or not such right is exercised.
- 11. Plat: A final subdivision plat or plats covering any real property in Dagger Falls Subdivision, as recorded from time DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 4

- to time in the office of the County Recorder, Gem County, Idaho, as the same may be amended by duly recorded amendments thereto.
- 12. Property: Land located in Gem County, Idaho, and more particularly described upon Exhibit "A", attached hereto and incorporated herein by reference. The Property may also be interchangeably described herein as "Dagger Falls Subdivision".
- 13. Residence: A building used for Residential purposes.
- 14. Residential Lot: A Lot used for single-family residential purposes and uses incidental thereto, as limited by this Declaration.
- 15. <u>Subdivision:</u> The Property as described upon Exhibit "A".

 Any reference in this declaration to Dagger Falls

 Subdivision shall include the Property and all lots shown on the plat for Dagger Falls Subdivision.

ARTICLE III PURPOSE:

The Property is hereby made subject to the covenants and restrictions contained in this declaration, all of which shall be deemed to be imposed upon and run with the land and each and every lot and parcel thereof, and shall apply to each and every owner and occupant thereof and their respective successors in interest, except as otherwise exempted herein, to insure

proper design, development, improvement, use and maintenance of Dagger Falls Subdivision for the purpose of:

- A. Ensuring Owners and Occupants of buildings, of such quality in design, development, improvement, use and maintenance as shall protect and enhance the investment and use of all lots and improvements.
- B. Prevention of the erection within Dagger Falls Subdivision of Improvements of improper design or construction with improper or unsuitable materials or with improper quality and method of construction.
- C. Encouraging and assuring the erection of high-quality and attractive Improvements, appropriately located within Dagger Falls Subdivision.
- D. Securing and maintaining proper set-backs from streets and adequate free spaces between Improvements.

ARTICLE IV PERMITTED USES:

- 1. <u>USE:</u> The Lots within Dagger Falls Subdivision shall be used for the following purposes:
 - A. All non-common lots shall be used exclusively for single family residential purposes and such uses as are customarily incidental thereto, as identified in Dagger Falls Subdivision according to the Plat thereof.
 - B. Long-term and short-term leasing/renting of a Residential

 Lot shall be allowed, so long as such leasing is for

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single family residential purposes and any such lease between an Owner and a tenant shall provide that the terms of lease shall be subject to these CCRs.

- C. All common lots shall be used exclusively as common areas and maintained by the Homeowner's Association.
- 2. ACC APPROVAL REQUIRED: No Improvements shall be built, constructed, erected, placed or materially altered within Dagger Falls Subdivision after the date of this Declaration, unless and until the plans, specifications and site plan therefore have been reviewed in advance and approved by the ACC in accordance with the provisions of Article VI, hereinbelow.
- 3. <u>SETBACKS:</u> Any building constructed on a Lot shall comply with the City of Emmett codes and ordinances.
- 4. <u>EASEMENTS:</u> There is hereby reserved for the use and benefit of the Grantor, for the use and benefit of each Lot, and for the benefit of each Owner and Occupant and their successors and assigns, for the purposes incident to such use, development and maintenance of Dagger Falls Subdivision, an easement(s) for the installation and maintenance of public utility facilities of all kinds, including the irrigation system, telephone, television, and transmission cables, and the easements designated on the recorded Plat. Any variance to

setbacks must be approved by the City of Emmett. As used DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 7

herein and elsewhere in this declaration, "Front Yard" shall mean that area on a Residential Lot from the right-of-way line, as shown on the Plat to the closest line created by the front of the Residence on the Lot, extended to each side Lot line.

- 5. COMMERCIAL USE: No Lot, except for Lot 51 Block, a public use, shall be used at any time for commercial or business purposes except for such activity as may be conducted and maintained solely within a residential Building located on a Lot without the burden of additional vehicular traffic to the Property, provided that no signs relating to said business activity shall be displayed where visible from any public or private road within Dagger Falls Subdivision, and provided further, that the principal use of each Lot shall be as provided for in Article IV(1) above. Notwithstanding the foregoing, the Grantor, or persons authorized by the Grantor, may use a Residential Lot(s) for development and sales activities relating to Dagger Falls Subdivision, model homes or real estate marketing and sales.
- 6. <u>LIGHTING:</u> Exterior lighting and interior lighting reflecting outside shall be placed in such a manner which will minimize glare and excessive light spillage onto neighboring Lots.
- 7. ANIMALS/PETS: No animals, livestock or poultry of any kind shall be raised, bred or kept on a Lot, however dogs, cats and DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 8

other household pets are allowed provided they are not kept, bred or maintained for commercial purposes and provided that the keeper of such pets complies with all city and county laws, rules and regulations. No dog runs or kennels shall be permitted to be kept or placed withing five (5) feet of a setback line where applicable. Dog runs or kennels shall only be placed where screened from view by a privacy fence. Consistent or chronic barking by dogs shall be considered a nuisance.

8. FENCES: No fence or hedge located on a Lot shall have a height greater than six (6) feet above the surface of the ground upon which it is located. The construction or maintenance of spite fences or spite trees or shrubs shall be prohibited on all Lots. All fences shall be constructed in a substantial manner and shall be maintained at all times in good repair. All fences constructed along the boundaries of any Lot shall be of white vinyl material, as determined by the ACC, it being the intent of the ACC to require uniformity in the new boundary fencing to the extent reasonably possible. No fences shall be allowed in the front yard setback of a Residential Lot. It is the intent of the Grantor that the ACC shall have the authority to regulate all new fences within the Property, and to that end, the location, type and size of each fence, and the material used therein, shall, to the extent possible, present a

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- reasonably well-coordinated, appropriate appearance.
- The Grantor shall provide facilities to 9. IRRIGATION WATER: deliver irrigation water to each Lot via pumps and distribution lines from a central pump station, utilizing water rights obtained from the Last Chance Ditch Co. Maintenance, taxes, insurance, water-right share costs/assessments, and general operation of the pumps and pressurized irrigation systems shall be the responsibility and cost of the Homeowner's Association, along with maintenance and care of the mailboxes, common areas, and surface irrigation. Distribution systems within each Lot shall be the responsibility of the Owner of such Lot. costs and expenses incurred for the operation and maintenance of such irrigation system shall be paid as provided in Article VIII.
- 10. <u>SEWAGE DISPOSAL:</u> Public sewer serves Dagger Falls Subdivision.

 Each Lot shall be connected to this public system on or before occupancy of the Residence constructed thereon.
- 11. MAINTAINENCE: The following provisions shall govern the maintenance of Lots and all Improvements thereon:
 - A. Each Owner of a Lot shall maintain all Improvements located thereon in good and sufficient repair and shall keep the improvements thereon painted or stained, lawns cut, shrubbery trimmed, rubbish and debris removed, weeds

cut, and otherwise maintain the same in a neat and DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 10

aesthetically pleasing condition. Pending the construction of Improvements, each Owner shall keep the Lot in a neat condition and shall not permit an unreasonable accumulation of rubbish and debris and shall keep all weeds and other vegetative growth cut.

- B. In the event that all or any portion of the Improvements on a Lot are damaged or destroyed by fire or other casualty, the Owner shall reconstruct or cause to reconstruct Lot Improvements to an architectural whole in accordance with the requirements of this Declaration.
- C. A Building which is vacant for any reason shall be kept locked and all windows glazed in order to prevent or discourage entrance by vandals.
- D. All structures, facilities, equipment, objects, and conditions, as determined by the ACC in its sole discretion, reasonably exercised to be offence, or which creates a visual blight within the Property shall be removed or enclosed with an ACC-approved structure, or appropriately screened from public view.
- 12. <u>NUISANCES:</u> No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Lot within the Property, and no odor shall be permitted to arise therefrom so as to render any Lot unsanitary, unsightly, offensive or detrimental

to any other Lot therein or in the vicinity thereof, or to its DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 11

Occupants. No noise or other nuisance shall be permitted to exist, operate upon, or originate from any Lot so as to be offensive or detrimental to any other Lot within the Property, or in the vicinity thereof, or to its occupants. Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells, or other sound devices (other than security devise used exclusively for security purposes) shall be located, used, or place on any Lot within the Property, except for external speakers in outside living areas such as patios or gazebos.

- 13. BOATS, CAMPERS, AND OTHER VEHICLES: Any trailer, or truck larger than a standard pickup, motor-home, boat, tractor, vehicle other than automobiles, camper and garden or other maintenance equipment, when not in actual use, shall be kept at all times in an enclosed structure or parked behind a privacy fence and not within public view.
- 14. EXTERIOR ENERGY DEVICES/ANTENNAE: NO energy production device including but not limited generators of any kind and solar energy devices, or other exterior antenna or satellite dishes for the reception of radio, television, or other signals, shall be constructed or maintained on any Lot without prior written approval of the ACC, except for heat pumps, air-conditioning units and similar equipment shown on the plans approved by the

ACC. Nothing in this section shall be construed to prohibit DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 12

the installation of a solar energy device; however, prior to installation of any solar energy device, the location of such solar energy device shall first be approved in writing by the ACC.

- 15. MINIMUM LIVING AREA REQUIREMENTS WITHIN DAGGER FALLS

 SUBDIVISION: The square footage of the living area of a

 Residence shall be based on the interior living space at or

 above the grade of the Lot, exclusive of basements, porches,

 patios and garage. Minimum living area requirements are as

 follows:
 - A. For single story Residences, 1,100 square feet of living area is required.
 - B. For two story Residences, 1,100 square feet of living area is required.
 - C. Minimum garage area shall be a 20 feet x 20 feet two car garage. The garage area is not to be converted into other uses without an additional garage addition.

ARTICLE V CONSTRUCTION STANDARDS: The following standards and requirements shall apply to the construction and/or installation of any Improvements on a Residential Lot within the Property:

A. Commencement of Construction: Except for Lots owned by the Grantor or assigns, all Lot Improvements shall be constructed within twelve (12) months after the date of the closing of the purchase of such Lot, as evidenced by a DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND

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certificate of occupancy issued by the City of Emmett.

- Any excavation shall be performed in a B. Excavation: workmanlike manner and the Lot kept free from debris. Each Owner shall be responsible for the repair of any damage which may occur during the construction period any road, curb and gutter, sidewalk, mailbox and/or standard, street tree, signage, utility facility or other on-site or off-site Improvement, where such damage is caused by the Owner or contractors employed by the Owner. Unless an Owner otherwise notifies the ACC in writing prior to the Owner's commencement of construction on a Lot, all existing on-site Improvements shall be conclusively deemed to be in good working order and condition, and any damages occurring thereto during construction shall be the responsibility of the Owner. All such repairs required hereunder shall be made immediately following the occurrence of such damage.
- C. <u>Landscaping</u>: The front yard area of each Lot shall be serviced by an underground sprinkler system and landscaped with sod, trees, shrubs, and ground cover, or utilized as entryways. A minimum of one tree and (5) bushes is required. Once installed, front yard landscaping must be continuously maintained and watered by the Owner subject to seasonal limitations.
- D. <u>Exterior Siding and Exterior Colors:</u> The exterior of any DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 14

Improvement will not be vinyl siding or metal siding. Metal may be allowed for accent purposes if approved by the ACC. All Improvements constructed on a Lot must be approved by the ACC in writing, prior to commencement of construction.

- E. <u>Driveways:</u> All Driveways must be of concrete construction.

 RV approaches must also be of concrete construction.
- F. Roofs: Roofs must be black or dark grey, with a minimum 4/12th pitch, architectural composition shingles and must be approved by the ACC in writing, prior to the commencement of construction. Metal roofing accents are allowed with ACC approval.
- G. Shops/Sheds: The exterior of all detached shops and/or sheds shall be constructed in the same manner as the home. Metal roofing or siding on detached shops or sheds is not allowed. All detached shops or sheds must be approved by the ACC prior to construction. All detached shops or sheds must obtain a permit from the City of Emmett prior to construction.

ARTICLE VI ARCHITECTURAL CONTROL COMMITTEE:

1. Members of the Committee: The Architectural Control
Committee (ACC) shall be comprised of at least three (3)
persons, all of whom shall be appointed as herein provided.

A member of the ACC shall hold office until he or she has
resigned or has been removed, but in any event until said
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Member's successor has been appointed. Members of the ACC, after the Grantor no long owns any Lot within the Property, may be removed at any time by the Board of Directors of the Homeowner's Association, with or without cause.

2. <u>Appointment and Removal</u>: The initial members of the ACC shall be:

RAIG SMITH	
IKE SMITH	
RTAN MOTTHEN	

As long as the Grantor owns any Lot within the Property, the above-named persons shall be empowered to appoint all members of the ACC. When the Grantor no longer owns any Lot within the Property, the officers of the Homeowner's Association shall serve as the members of the ACC. The act of the majority of the members of the ACC shall constitute an act of the ACC.

3. Non-Liability: Neither the ACC nor any member thereof, no the Grantor, shall be liable to any Owner or any other person for any loss, damage, or injury arising out of or connected with the performance by the ACC of its duties and responsibilities by reason of a mistake in judgment, negligence, or non-feasance in connection with the approval or disapproval or failure to approve an application. Every

person who submits an application to the ACC for approval DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 16

of plans and specifications agrees by submission of such application, and every Owner or Occupant of any Lot agrees, by acquiring title thereto or an interest therein, not to bring any action or suit against the ACC or any member thereof, or the Grantor, to recover such damages.

- 4. Approval Required: No construction, alteration, modification, removal, or destruction of any Improvements of any nature whatsoever, which materially alters the exterior appearance of the Improvements on a Lot, shall be initiated or permitted to continue or exist within the Property without the prior express written of approval of the ACC.
- approval for the construction, alteration, modification, removal or demolition of any Improvements within the Property, the Owner shall submit a written application in a form required by the ACC, which must be signed by the Owner and contain all information requested. The ACC shall have the right to require an Owner to pay a fee, to be determined from time to time by the ACC, to reimburse the ACC for any actual out-of-pocket expenses incurred by the ACC with respect to the review of any application, plans and specifications, and/or its decision thereon. All

applications must contain a relevant site plan, building DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 17

plan, and/or landscaping plan detailing such planned Improvement. Unless extended by mutual consent of the Owner and the ACC, the ACC shall render its decision with respect to an application within thirty (30) days after receipt of a properly submitted application, either in the form of an approval, conditional approval, or a denial. The ACC may also authorize variances from compliance with the requirements of any conditions and restrictions contained in this Declaration, when in the sole discretion of the ACC the circumstances or hardship require the issuance of a variance.

ARTICLE VII ENFORCEMENT: Pursuant to Idaho Code 55-115, the Homeowner's Association shall have the authority to impose a monetary fine for any violation of the covenants and restrictions contained in this Declaration.

- 1. A majority vote by the board of directors of the Homeowner's Association shall be required prior to imposing any fine on an Owner for a violation of any covenants and restrictions contained in this Declaration.
- 2. Written notice by personal service or certified mail of the meeting during which such vote is to be taken shall be made to the Owner at least thirty (30) days prior to the meeting.
- 3. In the event the Owner begins resolving the DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 18

violation prior to the meeting, no fine shall be imposed as long as the Owner continues to address the violation in good faith until fully resolved.

- 4. No portion of any fine may be used to increase the remuneration of any board member or agent of the board of directors.
- 5. No part of this section shall affect any statute, rule, covenant, bylaw, provision or clause that may allow for the recovery of attorney's fees. Any such attorney's fees shall be accrued and assessed or collected pursuant to Idaho Code 55-115.

ARTICLE VIII ASSESSMENTS:

- 1. <u>LOTS SUBJECT TO ASSESSMENTS:</u> All Residential Lots shall be subject to assessments under this Article.
- 2. <u>COVENANT TO PAY ASSESSMENTS:</u> Each Owner, by acceptance of the deed to a Lot and covenants; agrees to pay when due, the assessments provided for in this article.
- ASSESSMENT OF LIEN: All assessments levied and assessed hereunder, together with interest, costs and reasonable attorney fees, which may be incurred in collecting the same, shall be a charge on the land and shall be a continuing lien upon each applicable Lot within Dagger Falls Subdivision, and shall also be the personal obligation of the Owner of such

Lot at the date the assessment becomes due and payable. The DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 19

personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them. The assessment lien created hereunder may be enforced in the same manner as provided in the statutes of the State of Idaho for the enforcement of liens and mortgages. The lien herein created shall always be junior and subordinate to the lien of the first Mortgage or Deed of Trust encumbering the Lot.

- 4. <u>INITIAL AND ANNUAL ASSESSMENTS:</u> Certain dues and assessments payable by Lot Owners to the Homeowner's Association, are provided for in this section.
 - i. Setup Fee: Commencing in the calendar year of escrow closing of a Lot purchase, whether with or without Improvements, each Residential Lot in Dagger Falls Subdivision shall be assessed a setup fee of TWO HUNDRED FIFTY AND 00/100 DOLLARS (\$250.00) payable to the Homeowner's Association.
 - ii. Transfer Fee: A transfer fee of TWO HUNDRED FIFTY AND 00/100 DOLLARS (\$250.00) payable to the Homeowner's Association shall be assessed on any Lot that changes ownership following the initial transfer of ownership as contemplated in section (i.) hereinabove, payable by the new Owner of such Lot.

- 5. Homeowner's Association Dues: Further, periodic Homeowner's Association dues shall be paid by all Owners, as follows:
 - i. In any year that any Lot changes ownership, an amount representing the full annual dues for said lot shall be payable by the new Owner, from the closing of escrow for any lot purchased or otherwise acquired, as prorated from the date of closing through the end of that year.
 - ii. All Lots shall be assessed annual Homeowner's

 Association dues in the amount of \$350.00 to cover
 the costs to maintain the Dagger Falls Subdivision

 Entrance signage, common areas and electrical power
 cost. This fee is also to cover the maintenance
 cost of the irrigation distribution system, in
 addition to the maintenance of the USPS cluster

 mailboxes and locks.
 - iii. Provided however, and in contemplation of the fact that lots owned by the Grantor of Dagger Falls
 Subdivision will not materially benefit from the maintenance, amenities and services paid from
 Homeowner's Association dues collected, and any Lot owned by the grantor or its assigns shall not be assessed Homeowner's Association dues otherwise attributable to any Lot owned by the Grantor,

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- unless the Grantor constructs housing structures, in which case the Grantor would be assessed the normal assessment fee.
- iv. It is additionally provided that if the Grantor directly pays all or any portion of the expenses for which the Homeowner's Association dues and assessments are to be levied against or in excess of the amount assessed to Lots owned by the Grantor, such excess amount to be paid shall constitute a reduction of current dues payable, or as a prepayment of future assessments, if in excess of current assessment payable by the Grantor within Dagger Falls Subdivision. Any such assessment credit shall not inure to a subsequent Owner purchasing a Lot from the Grantor unless such person is the successor to substantially all of the interest of the Grantor in Dagger Falls
- v. Each assessment shall be payable by an Owner to the Homeowner's Association, or to such other party as the Homeowner's Association shall direct, in advance.

- vi. The Grantor shall set up the Homeowner's

 Association at the outset in order to establish a

 bank account to hold the funds.
- 6. INTEREST AND COST: Any assessment against a Lot, if not paid when due, shall bear interest at an annual rate of fifteen percent (15%) per annum. Such interest shall commence on the date the assessment becomes due and payable. In addition to the interest charge, if an assessment is collected with the assistance of an attorney or collection agency, whether or not suit or action is filed, the owner shall pay to the Homeowner's Association, such fees or charges that could be awarded in a judgement against the Owner.
- 7. <u>PURPOSE OF ASSESSMENTS:</u> The Homeowner's Association shall use all funds from the assessments paid by the owners for the purpose of:
 - i. Maintaining, repairing, replacing and otherwise in all respects caring for the mailboxes (including the locks thereof), common landscaped areas and related improvements, including, but not limited to: the payment of taxes, assessments and other costs with respect thereto and the signage, lighting and the sprinkler system located within the landscaping easements as shown on the Plat for the Dagger Falls Subdivision. The HOA

- may assess a reasonable lost key fee to reimburse costs related to created additional mailbox keys.
- ii. Maintaining, repairing, replacing, operating, ensuring, and otherwise in all respects caring for the irrigation water delivery system, and any related improvements thereto, and pertinent wastewater courses within the Property, including, but not limited to, the pumps, pump house, control panels, electrical systems, and pressurized distribution lines, valves, and fittings, except where the obligation to main the line is imposed upon an Owner by this Declaration.
- 8. ADJUSTMENT OF ASSESSMENTS: The Homeowner's Association, or the Grantor if no Homeowner's Association yet exists, shall have the right to increase or decrease the amount of the annual assessment levied against the Lots within the Property, based on the actual and anticipated expenses of the Homeowner's Association performing its obligations contained herein, including reasonable reserves for repairs and replacements.
- 9. <u>LIMITED ASSESSMENTS</u>: The Homeowner's Association shall have the right and authority to incur costs and expenses for the maintenance and repair of any Lot, including the Improvements upon such Lot, if deemed necessary, in the sole and absolute discretion of the Homeowner's Association, to bring such Lot

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into compliance with the requirements of this Declaration, and if the Owner of said Lot has refused to perform the same within a reasonable time after written notice of the necessity thereof has been delivered to said Owner, the Homeowner's Association shall have the right to perform or cause performance of the same and to levy a limited assessment against such Lot, for the amount of the costs and expenses incurred by the Homeowner's Association in connection therewith. This right shall not be deemed the exclusive remedy of the Homeowner's Association and nothing in this Declaration shall prohibit or limit the Homeowner's Association or an Owner from pursuing any legal or equitable remedy for a violation of this Declaration.

ARTICLE VII MISCELLANEOUS:

- I. <u>TERMS:</u> This Declaration and all covenants, conditions, restrictions, and easements contained herein shall run in perpetuity, unless amended as hereafter provided or extinguished by a written instrument executed by the Owners of at least sixty-six percent (66%) of the Residential Lots within Dagger Falls Subdivision, and such written instrument is duly recorded with the Gem County Recorder.
- II. AMENDMENT: This Declaration may be amended as follows:
 - 1. By the Grantor: Until title to a Lot within Dagger Falls

 Subdivision is conveyed by the Grantor to an Owner, this

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Declaration may be amended or terminated by the Grantor, by recordation of a written instrument signed by the Grantor, and acknowledged, setting forth such amendment or termination as to such lot not conveyed.

- 2. By Owners: Except where a greater percentage is required herein, the provisions, of this declaration, other than this section, may be amended by an instrument in writing, signed and acknowledged by the Owners, including the Grantor if the Grantor still owns any Residential Lots within the Property, owning at least sixty-six percent (66%) of the Residential Lots within Dagger Falls Subdivision, and such amendment shall be effective upon its recordation with the Gem County Recorder. Owners/grantors to have (3) votes for all lots owned by Owner/grantor. Any amendment to this Section shall require the vote or written consent of all Residential Lot Owners, including the Grantor.
- 3. <u>NON WAIVER:</u> The failure of the Grantor or any Owner in any one of more instances to insist upon the strict performance of any of the covenants, conditions,

restrictions, easements, or other provisions of this DECLARATIONS ESTABLISHING COVENANTS, CONDITIONS, AND RESTRICTIONS FOR DAGGER FALLS SUBDIVISION 26

declaration, or to exercise any right or option contained herein, or to serve any notice, or to institute any action shall not be construed as a waiver or relinquishment for the future of such covenant, condition, restriction, easement or other provision, but the same shall remain in full force and effect.

- 4. ENFORCEMENT COSTS: This Declaration may be enforced by the Homeowner's Association [or by any Owner] including the Grantor, of a lot. If suit or other action is filed to interpret or enforce this Declaration, or any provision thereof, the prevailing party shall be awarded reasonable attorney fees, in addition to the costs and disbursements allowed by law, including the same with respect to an appeal.
- 5. ACCEPTANCE: Each Owner of a Lot, each purchaser of a Lot under a contract or agreement of sale and each holder of an option to purchase a Lot, by accepting a deed, contract of sale or agreement, or option, accepts the same subject to all the covenants, conditions, restrictions, easements and other provisions set forth in this Declaration, and agrees to be bound by the same.
- 6. <u>SEVERABILITY:</u> Each of the provisions hereof shall be deemed independent and severable of any provision or

portion thereof and shall not affect the validity of enforceability of any other provision.

7. INTERPRETATION: The provisions of this Declaration shall be liberally construed to affect the purposes hereof and shall be construed and governed in accordance with the laws of the State of Idaho. The singular shall include the plural and the plural shall include the singular, and the masculine shall include the feminine or neuter shall include the feminine, masculine and neuter. All captions and titles are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

IN WITNESS WHEREOF the Grantor has executed this Declaration

this	day of, 2024.	
APEX	K LAND GROUP, LLC:	
3Y:		
	CRAIG SMITH, Member	
3Y:		
	MICHARI, SMITH Member	

STATE (ΟF	IDAHO)	
			:	ss.
County	of	Gem)	

On this, the _____ day of ______, 2024, before me, the undersigned, a Notary Public in and for said State, personally appeared CRAIG SMITH, and MICHAEL SMITH, Members, of APEX LAND GROUP, LLC, a limited liability company duly organized and existing under the laws of the State of Idaho, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of said limited liability company, and acknowledged to me that said limited liability company executed the same.

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

Notary Public for said State Residing at: Commission expires:

EXHIBIT "A"

Land in Gem County, Idaho, as follows:

PARCEL I

Dagger Falls Subdivision, Phase 1A, Per Recorded Instrument #349315, Gem County

Additional parcels will be added via a Supplemental Declaration as additional subdivision phases are developed.

Together with all water and water rights, ditches and ditch rights, minerals and mineral leases, tenements and hereditaments, appurtenances and fixtures, easements, rights, privileges, permits and licenses thereunto belonging, in anywise appertaining or used in connection therewith, and the reversions, remainders, rents, issues and profits thereof.