

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LEISURETIME R.V. PARK SUBDIVISION NO. 1 AND NO. 2
(Amended and Restated)

THIS AMENDED AND RESTATED DECLARATION is made effective on the 24 day of October, 1997, by BURNETT INVESTMENTS, INC., an Idaho corporation, hereinafter referred to as "Declarant", as follows:

A. SUBDIVISIONS COVERED BY THE COVENANTS:

The subdivisions covered by these Covenants, Conditions and Restrictions are the following (hereinafter referred to as "the Property"):

Leisuretime R.V. Park Subdivision No. 1, as platted and of record in the office of the Recorder of Valley County, Idaho, on May 9, 1995, as Instrument No. 210892, records of Valley County, Idaho.

Leisuretime R.V. Park Subdivision No. 2, located in Section 25, T. 14N., R.3E., B.M., City of Cascade, Valley County, Idaho, according to the official plat thereof, recorded as Instrument No. 224179, in Book 8 of Plats, at Page 83, records of Valley County, Idaho.

B. PREVIOUSLY RECORDED DOCUMENTS SUPERSEDED:

The following recorded documents are hereby superseded by this Declaration and shall have no further force and effect:

(1) Declaration of Covenants, Conditions and Restrictions for Leisuretime R.V. Park Subdivision, on the 9th day of May, 1995, as Instrument No. 210894, records of Valley County, Idaho.

(2) Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime R.V. Park Subdivision, recorded on April 18, 1996, as Instrument No. 217579, records of Valley County, Idaho.

(3) Supplemental Declaration of Covenants, Conditions and Restrictions, and Notice of Annexation, Leisuretime R.V. Park Subdivision No. 1 and Leisuretime R.V. Park Subdivision No. 2, recorded on February 26, 1997, as Instrument No. 224180, records of Valley County, Idaho.

(4) Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime R.V. Park Subdivision No. 1 and Leisuretime R.V. Park Subdivision No. 2, recorded on May 30, 1997, as Instrument No. 225815, records of Valley County, Idaho.

(5) Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime R.V. Park Subdivision No. 1 and Leisuretime R.V. Subdivision No. 2, recorded October 8, 1997, as Instrument No. 228669, records of Valley County, Idaho.

C. STATEMENT OF COVENANTS, CONDITIONS AND RESTRICTIONS:

Declarant hereby declares that the Property and each lot, parcel or portion thereof, is and/or shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following terms, covenants, conditions, reservations, easements and restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and attractiveness of the Property. The terms, covenants, conditions, reservations, easements and restrictions set forth herein shall run with the land constituting the Property, and with each estate therein and shall be binding upon all persons having, or acquiring any right, title or interest in the Property or any lot, parcel or portion thereof; and shall inure to the benefit of every lot, parcel or portion of the Property and any interest therein, and shall inure to the benefit of and be binding upon Declarant, its successors in interest and each grantee or owner and their respective successors in interest, any may be enforced by Declarant, by any owner or successor in interest, or by the Association.

Article I

Definitions

1.1 "Articles" shall mean the Articles of Incorporation of the Association.

1.2 "Assessments" shall mean those payments required of owners and Association members including regular, special and other assessments of the Association as further defined in this Declaration.

1.3 "Association" shall mean and refer to Leisuretime R.V. Park Subdivision Homeowners Association, Inc., an Idaho non-profit corporation, its successors and assigns.

1.4 "Association Rules" shall mean those rules and regulations promulgated by the Association governing conduct and use of the Property under the jurisdiction or control of the Association, the imposition of fines and forfeitures for violation of Association Rules and Regulations, and procedural matters for use in the conduct of business of the Association.

1.5 **"Board"** shall mean the Board of Directors or other governing board of individual, if applicable, of the Association.

1.6 **"By-Laws"** shall mean the By-Laws of the Association.

1.7 **"Common Area"** shall mean and refer to those lots and other portions of the Property which are designated on the plat as Common Area, and shall include the open spaces, parks, swimming pool, and other improvements shown on the plat as Common Area. In addition to any designated Common Area as shown on the plat, the Common Area shall specifically include Lot 1, Block 5, and Lot 8, Block 6, **Leisuretime R.V. Park Subdivision No. 1** and Common Areas 1, 2, 3, 4, and 5, **Leisuretime R.V. Park Subdivision No. 2**.

Common Area shall also include all of the private roads and streets as shown on the subdivision plats for **Leisuretime R.V. Park Subdivision No. 1**, **Leisuretime R.V. Park Subdivision No. 2**, and the plats of any additional land which is added to the property covered by this Declaration, any Supplemental Declaration, and any amendment hereto, by further annexation.

1.8 **"Declaration"** shall refer to this Declaration as hereafter amended and supplemented from time to time.

1.9 **"Declarant"** shall mean and refer to **Burnett Investments, Inc.**, an Idaho corporation, its successors and assigns, if such successors and assigns should acquire more than one lot from the Declarant for the purpose of development and is a part of such conveyance, the Declarant assigns and transfers to such transferee the Declarant's rights with respect to such lots.

1.10 **"Grantor"** shall mean and refer to the Declarant.

1.11 **"Improvement"** shall mean any structure, facility or system, or other improvement, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Property, including but not limited to, buildings, fences, streets, drives, driveways, sidewalks, curbs, landscaping, signs, lights, mailboxes, utility systems, pipes, pumps, ditches, waterways, swimming pools and other recreational facilities, and fixtures of any kind whatsoever.

1.12 **"Lot"** shall mean and refer to any lot showing upon any recorded plat of the Property.

1.13 **"Member"** shall mean each person or entity holding membership in the Association.

1.14 **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the Property, but

excluding those having such interests merely as security for the performance of an obligation.

1.15 "Plat" shall mean the recorded plat of Leisuretime R.V. Park Subdivision No. 1 and Leisuretime R.V. Park Subdivision No. 2, and the recorded plat of any other properties annexed hereto.

Article II

General Covenants, Conditions and Property Use Restrictions

2.1 Land Use. No lot shall be used except for purposes of parking recreational vehicles, and related structures or improvements, and no lot shall be used for the conduct of any trade or business or professional activity. "Garage sales" may be conducted upon a lot only with the specific approval of the Board, and upon such terms and conditions as the Board may, in its discretion, require, provided, however, that the Board may elect, in its discretion, to entirely prohibit "garage sales" on individual lots within the Subdivision. Neither the Declarant, nor the Association, shall be responsible for year-round maintenance of the streets and roads in Leisuretime R.V. Park Subdivision No. 2, which may restrict access to said lots during the winter months when the snow is not plowed and access to said lots is therefore restricted. At such time as the Association may determine to assume responsibility for year-round maintenance of the roads and streets in Leisuretime R.V. Park Subdivision No. 2, the occupancy restrictions of the Declaration shall then be applicable to the lots in Leisuretime R.V. Park Subdivision No. 2.

2.2 Recreational Vehicles Subdivision. The subdivisions are designed exclusively for recreational vehicles.

2.3 Leasing or Renting of Lots. An owner shall be allowed to lease or rent a lot, subject to the rules and regulations regarding leasing or renting which may be adopted from time to time. Management shall specifically be empowered to restrict the scope of leasing or renting in order to prevent the existence of excessive short term rentals or leases which may be disruptive to the subdivision.

2.4 Uses Allowed. No lot shall be used except in conjunction with a recreational vehicle. Recreational vehicles shall include vehicular type units primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. Recreational vehicles shall include travel trailers, park model trailers, or 5th-wheel campers, designed to provide temporary living quarters for recreational, camping, travel use and of such size or weight as not to require special highway moving permits and drawn by a motorized vehicle and with a living area of 500 square feet or less, excluding built-in equipment, such as wardrobes, closets, cabinets, kitchen units or fixtures, and bath and toilet rooms. Recreational vehicles shall also include a motorhome, which shall be a vehicular unit designed to provide temporary living quarters for recreational, camping or travel use built

on or permanently attached to a self-propelled motor vehicle chassis or on a chassis cab or van which is an integral part of the completed vehicle. Recreational vehicles must have a Recreational Vehicle Industry Association tag. Recreational vehicles shall be no more than ten (10) years old at the time such vehicles are placed on a lot, except that the Board of Directors may grant variances for older vehicles upon such terms and conditions as the Board may determine in the Board's discretion. Awnings and dining canopies may be used in conjunction with a recreational vehicle. No converted school buses or similar vehicles shall be allowed which were not originally designed and constructed for use as recreational vehicles. The use of recreational vehicles which fold up for transportation or other purposes, such as tent trailers, or camping trailers which have a top section which folds up and down, and tents, shall only be allowed for temporary use with prior approval from management.

2.5 Permanent Buildings Prohibited. No lot shall be used at any time with any building or building component which is constructed according to standards contained in the Uniform Building Code, as adopted or any amendments thereto, which is of closed construction and is either entirely or substantially prefabricated or assembled at a place other than the building site, nor any structure constructed according to HUD/FHA Mobile Home Construction Safety Standards, and which is built on a permanent foundation when connected to the required utilities, nor any other structure with respect to which the manufacturer voluntarily files a certification required by the Secretary of Housing and Urban Development and complies with the standards established under 42 USC 5401, et seq. Provided, however, that an enclosed storage building may be constructed which meets the requirements of Section 2.24 herein, and an attached awning, or attached sunroom, provided that the design, plans and materials are approved in advance, in writing, by the Declarant. Snow roofs shall be prohibited except for those constructed in Subdivision No. 1 prior to February 26, 1997.

2.6 Condition of Lots: All recreational vehicles and any other approved structures on a lot shall be maintained in a good state or repair and used in such a manner as to be inoffensive to any other property owner. No improvements, including recreational vehicles, mailboxes, landscaping, and other permitted structures shall be allowed to fall into disrepair, and each improvement and recreational vehicle shall at all times be kept in good condition and repair. In the event that any owner shall permit any improvement which is the responsibility of such owner to maintain to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition, the Board, upon fifteen (15) days prior written notice to the owner of such lot, shall have the right to correct such condition, and to enter upon such owner's lot for the purpose of doing so, and such owner shall promptly reimburse the Association for the costs thereof. Such costs shall be a limited assessment and shall create a lien enforceable in the same manner as other assessments set forth herein. The owner of the offending lot shall be personally liable, and the owner's lot may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. The Association shall also have the right, as part of correcting such a condition, to remove from the lot all recreational vehicles and other

property of the owner creating the dangerous, unsafe, unsightly or unattractive condition. Each owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefore, or the amounts may, at the option of the Board, be added to the amounts payable by such owners as regular assessments. The Association may dispose of, or store, personal property of an owner removed from a lot, at the owner's cost and expense, and without liability for damage and/or loss to the owner.

2.7 Nuisances. No noxious or offensive activity, including without limitation, those creating an offensive odor, shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

2.8 Signs. No signs of any kind shall be displayed to the public view on any lot except one sign of not more than five (5) square feet advertising a lot for sale.

2.9 Oil and Mining Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon the Property, nor shall oil wells, tanks, tunnels, mineral excavations, shafts or excavations shall be permitted upon the Property for oil drilling or mining purposes.

2.10 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes, and provided that the keeper of such pets complies with all city and county laws, rules and regulations as well as rules and regulations of the Subdivision. No dog runs, kennels nor outside doghouses or structures shall be permitted. No owner of a lot may keep more than two (2) domesticated pets on a lot. In addition to the requirement of any applicable city or county laws, rules and regulations, all dogs must be kept on a leash at all times when outside of a recreational vehicle, and no pets shall at any time be allowed to run loose on any lot or within the Subdivision. All leashes shall be no longer than six (6) feet in length. No continual barking or excessive barking or other noise by pets will be allowed. All pet waste must be promptly cleaned up and properly disposed of by the owner of the pet, including the owner's lot and all common areas and streets. Lot owners shall be responsible for assuring that their guests and invitees comply with these provisions, and the Subdivision rules and regulations, regarding pets. Vicious dogs or other animals are not allowed. Pet owners shall at all times abide by any Association rules and regulations adopted from time to time regarding pets.

2.11 Garbage and Refuse Disposal. No rubbish, trash, garbage, refuse or debris shall be placed or allowed to remain on the property except trash kept and maintained in the interior of a unit in sanitary containers. All such material shall only be kept in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in a clean, neat and sanitary condition.

2.12 Water Supply. No individual water supply system shall be permitted on any lot.

2.13 Sewage Disposal. No individual sewage disposal system shall be permitted on any lot. All lots shall be connected to the municipal sewer system and shall be subject to all rules, regulations and requirements of the governmental entity having jurisdiction of the same.

2.14 Boats, Campers and Other Vehicles. No boats, trailers, tractors, or similar equipment, nor trucks greater than one (1) ton in size shall regularly or as a matter of practice be parked or stored on any portion of the Property (including streets and driveways). Any boat, camper, trailer or similar vehicle which is in good repair and working order may be parked on a lot for a period of time not to exceed twenty-four (24) hours. All other storage shall be on approved storage sites on the premises.

2.15 Bathrooms. All bathrooms, sink and toilet facilities shall be inside of the recreational vehicles and shall be connected to the municipal sewer system.

2.16 Satellite Receivers and Antennae. All television satellite receivers, antennae and aerials shall be of a small, compact size in keeping with the scale of the subdivision. Satellite television receivers shall be 36" or less in diameter. Under no circumstances shall any television antennae or radio aerials extend more than 6' above the highest point on the roof of a recreational vehicle.

2.17 Parking. On-street parking shall be allowed for guests only. No accumulation of old or inoperative vehicles will be allowed. Snowmobiles may be parked at the front of lots for a period of time not to exceed twenty-four (24) hours, after which time they must be parked at the back of the lots. All snowmobiles shall be stored at the back of the lot during the summer time.

2.18 Lights, Sound - General. No light shall be emitted from any lot which is unreasonably bright or causes unreasonable glare. No sound shall be emitted from any lot which is unreasonably loud or annoying. No loud noises, talking, television, radio or other sounds will be permitted between the hours of 10:00 p.m., and 9:00 o'clock a.m.

2.19 Landscaping. All landscaping must be approved in advance by the manager designated by the Board. All utilities shall be installed underground and each lot owner must contact management prior to digging on any lot. Any damage to underground systems caused by a lot owner shall be repaired at the expense of the responsible lot owner.

2.20 Fences. All fences must be limited to a height of four (4) feet or less and must be attractively built, well maintained and in keeping with the aesthetics of the surrounding lots and property within the Subdivision. All fencing design materials shall be approved in advance by the manager.

2.21 Plat Conditions. All covenants, conditions and restrictions and other matters set forth on the Subdivision Plats are hereby incorporated by reference.

2.22 Pressurized Irrigation System. Leisuretime R.V. Park Subdivision No. 1 is served by a pressurized irrigation system supplied by non-potable water from ground water and surface water sources. The irrigation water is not treated and it may contain pathogens harmful to human health. Irrigation water could cause serious illness, if used for domestic purposes.

The irrigation system is not to be connected to the potable water system. Owners should satisfy themselves that no cross-connections were made by previous owners, and that all faucets and risers are adequately identified as supplying non-potable water. Nevertheless, it is the responsibility of the Homeowners' Association to establish and enforce an effective cross-connection prevention program.

The pressurized irrigation system does not supply irrigation water to Leisuretime R.V. Park Subdivision No. 2, nor to any other future phases of the development.

2.23 Campfires. No open campfires shall be allowed on any individual lot. One or more fire pits may be provided by the Developer for campfires on common area lots, and campfires shall be strictly confined to such designated areas. Barbecue grills and similar cooking devices shall be allowed, but must at all times be operated safely and kept in a clean and orderly condition.

2.24 Storage Buildings. A storage building may be constructed on each lot, not to exceed 100 square feet in size. All storage buildings shall be placed on the back portion of the lot and shall have a roof and siding color utilizing colors from the color chart approved by the Board of Directors and management. Storage buildings shall be kept in a good state of repair and in a neat and orderly condition. The style of storage buildings shall be the same as or consistent with a "barn" style roof, which consists of a 4-sided roof. The placement, design and materials of all storage buildings must be approved in advance by park management.

2.25 Set-backs. No permanent storage building, awning, sunroom or other approved structure shall be placed nearer than ten (10) feet to the front, or street side, of the lot, or five (5) feet to the rear lot line or any side lot line. Upon corner lots, the minimum set-back shall be ten (10) feet from any lot line which faces a street. The set-back requirements shall not apply to temporary storage buildings which are designed and installed to be movable.

2.26 Restrictions on Use of Common Area Facilities. Due to the character of the property as recreational vehicle subdivisions, common area facilities are designed to accommodate usage by a reasonable number of persons for each lot. Accordingly, use of common area facilities may be exercised by an owner/occupant, or by a tenant or other occupant of the lot, but not by both. Management and/or the Association shall be

empowered to establish and enforce such rules and regulations as may from time to time be necessary in order to assure that all lot owners are afforded an opportunity to utilize common area facilities without undue congestion and excessive use which detracts from or interferes with use of the facilities.

2.27 Use of Motor Vehicles. All roads within the subdivision are intended to allow only for ingress in and out of the subdivisions and for transportation from one point to another point within the subdivisions for a particular intended purpose. Accordingly, no motorized vehicles of any nature may be used or operated within the subdivisions for purposes of recreation, sport or other uses not associated with ingress and egress or point-to-point transportation within the subdivisions. Joy-riding and continuous or long term use of subdivision streets and roads for the purpose of merely riding or operating a motorized vehicle is specifically prohibited. These restrictions shall apply to any and all motorized vehicles, including, but not limited to, licensed and unlicensed motor vehicles, motorcycles, three or four wheel ATVs, snowmobiles, motor scooters, golf carts, and any other vehicle or device of any nature which is self-propelled and upon or by which any person or property is or may be transported. All motor vehicles must comply with all applicable laws, rules and regulations of any governmental entity having jurisdiction thereof.

Article III

Leisuretime R.V. Park Homeowners Association

3.1 Organization of Association. Leisuretime R.V. Park Homeowners Association (the "Association") is an Idaho corporation formed under the provisions of the Idaho Code relating to non-profit corporations and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, By-Laws and this Declaration. Neither the Articles nor the By-Laws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration

3.2 Membership. Each owner of a lot subject to this Declaration, including the Declarant, by virtue of being such an owner and for so long as such ownership is maintained, shall be a member of the Association. Memberships in the Association shall not be assignable, except the successor in interest of the owner, and all memberships in the Association shall be appurtenant to the lot owned by such owner. The membership in the Association shall not be transferred, pledged or alienated in any way except upon the transfer of title to a lot and then only to the transferee of title to said lot. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books and records of the Association.

3.3 Voting. The Association shall have two (2) classes of voting memberships, as follows:

3.3.1 Class A Members. Class A Members shall be the Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in a lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any lot.

3.3.2 Class B Members. The Class B members shall be the Declarant. Declarant shall be entitled to five (5) votes for each lot of which the Declarant is the owner. The Class B membership shall cease and be converted to Class A membership on or before January 1, 2005.

3.4 Board of Directors and Officers. The affairs of the Association shall be conducted by a Board of Directors and such officers as the Directors may elect or appoint, in accordance with the Articles, By-Laws and this Declaration as the same may be amended and supplemented from time to time.

3.5 Powers and Duties of the Association.

3.5.1 Powers. The Association shall have all the powers of a non-profit corporation organized under the general non-profit 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 By-Laws and this Declaration. It 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 the Declaration, the Articles and the By-Laws, and to do and perform any and all acts which may be necessary or proper for, or incidental to the proper management and operation of the common areas and the performance of the other responsibilities herein assigned, including without limitation:

3.5.1.1 Assessments. The power to levy assessments (annual, special and limited) on the owners of lots and to force payment of such assessments, all in accordance with the provisions of this Declaration.

3.5.1.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf or on behalf of any owner or owners who consent 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 By-Laws, including the Association rules adopted pursuant to this Declaration and to enforce by mandatory injunction or otherwise, all provisions hereof.

3.5.1.3 Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise by the manager of any such duty or power so delegated.

3.5.1.4 Association Rules. The power to adopt, amend and repeal by majority vote of the Board such rules and regulations as the Association deems reasonable and which are consistent with this Declaration (the Association rules). The Association rules shall govern the use of common areas. A copy of the Association rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each owner. Upon such mailing or delivery and posting, said Association rules shall have the same force and effect as if they were set forth in and were a part of this Declaration. In the event of any conflict between any such Association rules and any other provisions of this Declaration, or the Articles of By-Laws, the provisions of the Association rules shall be superseded by the provisions of this Declaration, the Articles or the By-Laws to the extent of any such inconsistency.

3.5.1.5 Emergency Powers. The Association or any person authorized by the Association may enter upon any lot in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which it is responsible. Such entry shall be made with as little inconvenience to the owners as practicable and any damage caused thereby shall be repaired by the Association.

3.5.2 Duties of the Association. In addition to power delegated to it by the Articles, without limiting the generality thereof, the Association or its agent, if any, shall have the obligation to conduct all business affairs of common interest to all owners, and to perform each of the following duties:

3.5.2.1 Operation of Common Areas. Operate, maintain and otherwise manage or provide for the operation, maintenance and management of all common areas and all other property acquired by the Association.

3.5.2.2 Taxes and Assessments. The Association shall pay all taxes, federal, state or local, including income or corporate taxes levied against the Association in the event that the Association is denied the status of a tax exempt corporation.

3.5.2.3. Water and Other Utilities. Acquire, provide and/or pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone and gas and other necessary services for the Common Areas and other property owned or managed by it. All water and sewer lines, other than supply and distribution lines on individual lots, shall be owned and maintained by the Association. The water lines to be owned and maintained by the Association include the six inch (6") main that supplies water from the City of Cascade to meet domestic water needs and fire protection, and all distribution lines. The sewer lines to be owned and maintained by the Association include all gravity collection lines and manholes, lift stations, and force mains. The pressure irrigation system shall be owned and maintained by the Association. The pressure irrigation system consists of ground water and surface water sources, pumps and control equipment, and a pipe network to distribute irrigation water to lots and common areas. The Association's ownership and responsibility for maintenance shall continue until such time as the City of Cascade or any other municipal or governmental authority shall agree to assume such ownership and maintenance, which may include, but is not limited to, the sewer lift station and the six inch (6") pressurized main line and the six inch (6") main water line and fire hydrants. There is no commitment nor any guarantees that the City of Cascade will assume such ownership or maintenance at any time in the future.

The Idaho Department of Health and Welfare, Division of Environmental Quality has determined that the sewer lines in Leisuretime R.V. Park Subdivision No. 1 between manholes A-1 and A-3 and manholes G-2 and E-2, and that the sewer lines in Leisuretime R.V. Park Subdivision No. 2 between Manholes C-6 and E-5, have slopes less than 0.4 percent, as required by State regulations. These sewer lines will be especially vulnerable to blockage before all lots are occupied. The Developer shall be responsible for obtaining from the City of Cascade a letter confirming that the City's cleaning equipment will be available as needed to the Developer or Homeowners' Association. Frequent sewer line cleaning might be necessary due to these deficiencies.

3.5.2.4 Insurance. Obtain, if Board so elects, from reputable insurance companies authorized to do business in the State of Idaho, and maintain in effect the following policies of insurance:

3.5.2.4.1 Comprehensive public liability insurance insuring the Board, the Association, the Declarant and the individual owners and agents and

employees of each of the foregoing against any liability incident to the ownership and/or use of the common area or other property owned or managed by it. Limits of liability of such coverage shall be as determined by the Board of Directors.

3.5.2.4.2 Full coverage directors and officers liability insurance as the Board of Directors may determine.

3.5.2.4.3 Such other insurance including Worker's Compensation insurance to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association functions or to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property.

3.5.2.4.4 The Association shall be deemed trustee of the interests of all members of the Association in any insurance proceeds paid to it under such policies, and shall have full power to receive their interests in such proceeds and to deal therewith.

3.5.2.4.5 Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the annual assessments levied by the Association.

3.5.2.4.6 Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such other or additional casualty, flood and liability insurance as the Board deems necessary or appropriate.

3.5.2.5 Rule Making. Make, establish, promulgate, amend and repeal the Association rules.

3.5.2.6 Drainage System. Operate, maintain, repair and replace all drainage systems located within the property and shown on the plat which are not maintained by public authorities.

3.5.2.7 Irrigation Maintenance. Maintain, repair and replace all irrigation lines or channels located on or serving the common areas and to pay all maintenance and construction fees of any applicable Irrigation District with respect to the property, which amounts shall be assessed against each lot as provided herein.

3.5.2.8 Street Lights. Maintain, operate, repair and replace street lights within the property to the extent such street lights are not operated, maintained, repaired and replaced by the City of Cascade, or other governmental entity.

3.5.2.9 Subdivision Approval Responsibilities. Perform all continuing duties and responsibilities imposed upon the Grantor pursuant to any governmental approvals related to the property including, without limitation, those set forth in the preliminary plat approval.

3.5.2.10 Wetlands and Wetland Riparian Areas. The Association shall acknowledge and accept all wetlands and wetland riparian areas as designated by the Declarant and shall have the duty of protecting and maintaining said wetlands and wetland riparian areas, which shall be preserved and protected by the Association in perpetuity. Designated wetlands and wetland riparian areas shall be considered as common areas for purposes of Assessments pursuant to Article IV herein.

3.6 Personal Liability. No member of the Board or any committee of the Association, or any officer of the Association, or the Declarant, or the manager, if any, shall be personally liable to any owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on the account of any act, omission, error or negligence of the Association, the Board, the manager, if any, or any other representative or employee of the Association, the Declarant or any other committee or any officer of the Association, or the Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith without willful or intentional misconduct.

Article IV

Covenant for Maintenance Assessments

4.1 Creation of the Lien and Personal Obligation of Assessments. Each owner of any lot, other than Declarant, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

4.1.1 Annual regular assessments or charges;

4.1.2 Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and

4.1.3 Limited assessments as hereinafter provided.

The regular, special and limited assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

4.2 Purpose of Assessments.

4.2.1 **Regular Assessments.** The regular assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the properties and for the improvement and maintenance of the common areas, to pay property taxes and other assessments, to pay the annual assessments of the applicable Irrigation District and to pay such other reasonable costs and expenses which are incurred by the Association in carrying out the duties, and business of the Association.

4.2.2 **Special Assessments for Capital Improvements.** In addition to the annual regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, costs and expenses of the Association which exceed the regular assessments or the costs and expenses of any construction, reconstruction, repair or replacement of a capital improvement upon the common areas, including fixtures and personal property related thereto, provided that any such assessment shall be approved by a two-thirds (2/3) vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose

4.2.3 **Limited Assessments.** The limited assessments may be levied against any owner in an amount equal to the costs and expenses incurred by the Association, including legal fees for corrective action necessitated by such owner, including without limitation, costs and expenses incurred for the repair and replacement of the common areas or other property owned or maintained by the Association, damaged by negligent or willful acts of any owner or occupant of a lot who is occupying the lot with the consent of such owner, or for maintenance of landscaping performed by

the Association which has not been performed by the owner as provided herein.

- **4.3 Initial and Maximum Annual Regular Assessment.** The initial maximum annual regular assessment to be assessed by the Association, shall be not greater than **Three Hundred Dollars (\$300.00)** per lot per year.

4.3.1 The maximum annual assessment may be increased by the Board each year by not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership of the Association as provided below.

4.3.2 The maximum annual assessment may be increased above ten percent (10%) by a two-thirds (2/3) vote of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

4.3.3 The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum as established from time to time.

4.4 Notice and Quorum for any Action Authorized under Section 4.2 and 4.3. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4.2 and 4.3 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

4.5 Uniform Rate of Assessment – Exemption of Declarant. Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly or other basis as determined by the Association from time to time; provided, however, that unsold lots owned by Declarant shall be exempt from both annual and special assessments.

4.6 Date of Commencement of Annual Assessments – Due Dates. The annual regular assessments or any special assessments then in effect as provided for herein shall commence as to a lot or lots on the first day of the month following the conveyance of the lot or lots from Declarant to an owner or owners. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be

established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

4.7 Effect of Nonpayment of Assessments – Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum or at the highest rate allowed by law if such rate is less than twelve percent (12%). The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot.

4.8 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Article V

Easements

5.1 Maintenance and Use Easement Between Property Lines. Whenever a fence constructed on a lot under plans and specifications approved by the Declarant is located within three feet (3') of the property line of such lot, the owner of such lot is hereby granted an easement over and on the adjoining lot (not to exceed three feet (3') from the property line) for purposes of maintaining and repairing such wall or fence and the owner of such adjoining lot is hereby granted an easement for landscaping purposes (not including permanent structures) over and on the area, if any, lying between the property line and such structure or fence so long as such use does not cause damage to the structure or fence.

5.2 Other Maintenance Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of water through drainage channels in the easements. The easement area of such lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. A further easement is hereby

reserved in favor of the Association for access to and maintenance of any irrigation facilities serving the landscape easements.

Article VI

Annexation

6.1 Land Subject to Annexation. The Declarant may, at any time, add to the property which is covered by this Declaration, all or any portion of land then owned by the Declarant which is contiguous to the real property heretofore described in this Declaration.

6.2 Effect of Annexation. Additional land which is added to the property which is covered by this Declaration shall be separately described by phase numbers or similar designations. All of such property annexed hereto shall be held and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations set forth herein. The owners of each such lot in annexed property shall, by virtue of being an owner of such lot, be a member of the Association as described in Article II herein. The Declarant may, by a Supplemental Declaration, add and convey additional common area property to the Association.

6.3 Notice of Annexation. Upon the recording of a Notice of Annexation, as described in Section 6.4 herein, which notice may be contained within a Supplemental Declaration affecting such property, the Covenants, Conditions and Restrictions contained in this Declaration shall apply to the added land in the same manner as if it were originally covered by this Declaration and originally constituted a portion of the project. Thereafter, the rights, privileges, duties and liabilities of the parties to this Declaration with respect to the added land shall be the same as with respect to the original land, and the rights, privileges, duties and liabilities of the owners, lessees, and occupants of lots within the added land shall be the same as in the case of the original land. Notwithstanding the foregoing, any Supplemental Declaration may provide a special procedure for amendment of any specified provision hereof, including, but not limited to, requiring a specified vote of only the owners of lots within the area subject thereto. Any provision of a Supplemental Declaration for which no special amendment procedure is provided, shall be subject to amendment in the manner provided in this Declaration.

6.4 Procedure for Annexation. Any portion of the land owned by Declarant may be annexed into the project by the recording of a Notice of Annexation executed by the Declarant and containing the following information:

- (a) A reference to this Declaration, which reference shall state the date of recording hereof and the Recorder's instrument number or the book and page of the official records of Valley County, Idaho, where this Declaration is recorded;

(b) An exact legal description of the added land;

(c) A statement that the provisions of this Declaration shall apply to the added land, as set forth herein; and

(d) A statement of the use restrictions applicable to the annexed property, which restrictions may be the same or different from those set forth in this Declaration.

Article VII

General Provisions

7.1 Enforcement. The Association, or any owner, 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 the provisions of this Declaration. Failure by the Association or by an owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7.2 Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

7.3 Interpretation. The terms, covenants and conditions hereof are to be read and interpreted consistently and in a manner to protect and promote property values.

7.4 Term and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a seventy-five percent (75%) of the then owners of the lots has been recorded agreeing to change said covenants in whole or in part. This Declaration may be amended, restated, replaced, terminated or superseded during the first twenty (20) year period by an instrument signed by the President and Secretary of the Association affirming that such amendment was approved by a two-thirds (2/3) vote of the owners of lots covered by this Declaration or by an instrument signed by two-thirds (2/3) of the lot owners, or by an instrument signed by the Declarant during such times as the Declarant holds Class B Membership pursuant to Section 3.3.2 herein sufficient to control two-thirds (2/3) of the total votes of all lots.

Article VIII

Private Road and Street Easements and Conditions

8.1 Private Roads and Streets. All roads and streets in Leisuretime R.V. Park Subdivision No. 1, Leisuretime R.V. Park Subdivision No. 2, and as shown in the plats

of any additional subdivisions which are annexed in the future, shall be private roads and streets, which shall be owned by, managed, operated, maintained and repaired by the Association. The Association shall have the power to include in assessments the costs and expenses of operating, maintaining and repairing the private roads and streets. The Association shall also be entitled to make, establish, promulgate, amend and repeal Association rules with respect to said private roads and streets.

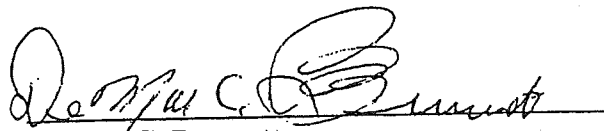
8.2 Common Easements for Private Roads and Streets. Each owner of a lot subject to the Declaration of Covenants, Conditions and Restrictions, or any Supplemental Declaration, annexing additional land in the future shall have a non-exclusive easement for ingress and egress over and across all roads and streets as shown in the plats of **Leisuretime R.V. Park Subdivision No. 1, Leisuretime R.V. Park Subdivision No. 2**, and the plats of any future subdivisions which are later annexed. Said easements shall be appurtenant to the lots and for the benefit of the owners thereof and shall inure to the benefit of and may be used by all persons who become owners of said lots in the future. The easements shall be for the purpose of enabling the lot owners to utilize said roads and streets for ingress and egress. All roads and streets shall remain open and free for access and shall not be closed or obstructed by any gates, fences or other restrictive devices, other than those lawfully placed thereon by the **Leisuretime R.V. Park Subdivision Homeowners Association, Inc.** The easement applicable to each lot shall apply to all roads and streets in **Leisuretime R.V. Park Subdivision No. 1** and **Leisuretime R.V. Park Subdivision No. 2**, and all future subdivisions annexed thereto, regardless of the subdivision in which the particular lot is located.

8.3 Common Area Use and Easements. All common areas in **Leisuretime R.V. Park Subdivision No. 1, Leisuretime R.V. Park Subdivision No. 2**, and all subdivisions subsequently annexed thereto, shall be owned by **Leisuretime R.V. Park Homeowners Association, Inc.**, an Idaho non-profit corporation, and all lot owners in any of said subdivisions shall be entitled to the use and benefit of all such common areas, subject to the Declaration of Covenants, Conditions and Restrictions, as amended, and all Association rules.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, as the owner of not less than two-thirds (2/3) of the voting power of the lots within said subdivisions, has hereunto set its hand the 24 day of October, 1997.

BURNETT INVESTMENTS, INC.
An Idaho Corporation

By:


DeMar C. Burnett,
President

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