



**DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS FOR
ATLAS NEIGHBORHOOD ASSOCIATION, INC.
LOCATED IN
COEUR D'ALENE, KOOTENAI COUNTY, IDAHO**

THIS DECLARATION is made on this 6 day of MAY, 2021, by the undersigned owner of the subject property, (hereinafter referred to as "Grantor"), to establish certain covenants, conditions, restrictions and easements for ATLAS NEIGHBORHOOD ASSOCIATION, INC., located in Coeur d'Alene, Kootenai County, Idaho, as follows:

A. Grantor is the owner of certain property (Property) in Coeur d'Alene, Kootenai County, Idaho, described in Exhibit "A" attached hereto and incorporated herein by reference.

B. Grantor desires to create a nonprofit corporation subject to the General Nonprofit Corporation Laws of the State of Idaho to which should be delegated and assigned the powers and duties of administering and enforcing these covenants and restrictions, and collecting and disbursing the assessments and charges, set forth herein.

C. Grantor will create such corporation, the members of which shall be the respective Owners of Lots in the Property.

D. Grantor declares that all of the Lots and Dwelling Units are to be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following restrictions, covenants, and conditions and equitable servitudes, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Lots and Dwelling Units, in furtherance of a general plan for protection, maintenance, improvement and sale of the Lots and Dwelling Units or any portion thereof. The covenants, conditions, restrictions, and equitable servitudes set forth herein shall run with the Property and Lots and shall be binding upon any parties having any right, title or interest in the Lots and Dwelling Units, or any part thereof, their heirs, successors and assigns, shall inure to the benefit of each Owner thereof; and may be enforced by Grantor, by any Owner or by the Association.

ARTICLE I

DEFINITIONS

Unless otherwise expressly provided, the following words and phrases when used in this Declaration shall have the following meanings:

Section 1.01 "Articles" shall mean the Articles of Incorporation of the Association to be filed in the Office of the Secretary of State of the State of Idaho, as such Articles may be amended from time to time.

CCR'S FOR ATLAS NEIGHBORHOOD ASSOCIATION, INC.

JIM BRANNON 21 P 2831823000
KOOTENAI COUNTY RECORDER
MRR 5/7/2021 3:40 PM
REQ OF KOOTENAI COUNTY TITLE
COMPANY

Page 1

RECORDING FEE: \$70.00 SC
Electronically Recorded

Section 1.02 "Assessment" shall mean any of the assessments that may be charged against an Owner and his or her Lot and/or Dwelling Unit under the terms of this Declaration.

Section 1.03 "Association" shall mean Atlas Neighborhood Association, Inc., a non-profit corporation to be formed under the laws of Idaho, and its successors and assigns.

Section 1.04 "Association Maintenance Fund" shall mean the account, created for receipts and disbursements of the Association, pursuant to Article V hereof.

Section 1.05 "Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust, as the case may be, and the assignees of such mortgage or beneficiary.

Section 1.06 "Board" or "Board of Directors" shall mean the Board of Directors of the Association.

Section 1.07 "By-Laws" shall mean the By-Laws of the Association.

Section 1.08 "Capital Improvement Assessment" shall mean a charge against each Owner and/or his or her Dwelling Unit, representing a portion of the costs to the Association for installation or construction of any improvements which the Association may from time to time authorize, pursuant to the provisions of this Declaration.

Section 1.09 "Close of Sale" shall mean the date on which a deed or real estate contract is recorded conveying a Lot or Dwelling Unit to a purchaser.

Section 1.10 "Common Areas" shall mean all the real property and improvements, if any, now or hereafter owned by the Association for the common use and enjoyment of all of the Owners. For purposes of plowing and maintenance, the Common Areas shall include alleys and sidewalks within the Property, whether publicly dedicated or not.

Section 1.11 "Common Assessment" shall mean the monthly charge against each Owner and his or her Dwelling, representing a portion of the total ordinary costs of maintaining, improving, repairing, replacing, managing and operating the Common Areas and, if applicable, any Landscape Maintenance Areas, as more fully described herein.

Section 1.12 "Common Expenses" shall mean the actual and estimated costs of, maintenance, management, operation, repair and replacement of the and Common Areas (including unpaid Special Assessments, Reconstruction Assessments and Capital Improvements Assessments), including those costs not paid by the Owner responsible for payment; the costs of any commonly metered utilities and other commonly metered charges for the Property, costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all utilities, gardening and other services benefitting the Common Areas or Landscape Maintenance Areas; the costs of fire, casualty and liability insurance, worker's compensation insurance, and other insurance all covering

the Property, the costs of bonding the members of the management body; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrances levied against the Property for the benefit of all of the Owners; other expenses described in Section 5.03 and as approved by the Board pursuant to this Declaration.

Section 1.13 "Declaration" shall mean this instrument as it may be amended from time to time.

Section 1.14 "Dwelling Unit" shall mean a residential building located on a Lot designed and intended for use and occupancy as a residency by a single-family, and shall include the underlying Lot.

Section 1.15 "First Mortgage" shall mean the primary or priority Mortgage or Deed of Trust on a Lot or Dwelling Unit, recorded prior to the due date of any Assessment.

Section 1.16 "First Mortgagee" shall mean a Mortgagee which holds or owns a First Mortgage.

Section 1.17 "Grantor" shall mean the undersigned, their successors and person(s) to whom they shall have assigned any rights hereunder by express written instrument. "Grantor," as used herein, shall be synonymous with "Developer."

Section 1.18 "Lease" shall mean any agreement for the leasing or rental of a Dwelling Unit.

Section 1.19 "Lot" shall mean any plot of land shown upon the recorded Plat of the Property that is set aside and approved for construction of a Dwelling Unit thereon and that is not specifically exempted herefrom by Developer through a duly recorded instrument or by virtue of the terms hereof.

Section 1.20 "Manager" shall mean the person or firm appointed by the Association as its agent and delegated certain duties and powers of the Association.

Section 1.21 "Member" shall mean any party holding a membership in the Association.

Section 1.22 "Mortgage", Mortgagee", Mortgagor" shall mean any mortgage or deed of trust or other conveyance of a Lot, Dwelling Unit, or other portion of the Property to secure the performance of any obligation which will be reconveyed upon the completion of such performance. The term "Deed of Trust" or "Trust Deed" when used herein shall be synonymous with the term "Mortgage". The term "Mortgagee" shall mean a person or entity to whom a Mortgage is made and shall include the beneficiary of a Deed of Trust. "Mortgagor" shall mean a person or entity who mortgages his or her Lot or Dwelling Unit to another (i.e., the maker of a Mortgage), and shall include the "Trustor" of a Deed of Trust. The term "Trustor" shall be synonymous with the term "Mortgagor" and the term "Beneficiary" shall be synonymous with the term "Mortgagee".

Section 1.23 "Notice and Hearing" shall mean written notice and a hearing at which the Owner concerned shall have an opportunity to be heard in person or by counsel at Owner's expense, in the manner provided in the By-Laws.

Section 1.24 "Owner" shall mean the Person or Persons including Grantor, holding fee simple interest of record to, or the real estate contract purchaser of, any Lot or Dwelling Unit which is a part of the Property. For purposes of Article X only, unless the context otherwise required, Owner shall also include the family, guests, invitees, licensees and lessees of any Owner.

Section 1.25 "Person" shall mean a natural individual or any other entity with the legal right to hold title to real property.

Section 1.26 "Property" shall mean all of the real property described on Exhibit "A," as well as any sidewalks and alleys accessing the Property, whether dedicated to the public or not.

Section 1.27 "Record"; "Recorded"; "Filed"; or "Recordation" shall mean, with respect to any document, the recording of such document in the appropriate office in Kootenai County, Idaho.

Section 1.28 "Reconstruction Assessment" shall mean a charge against each Owner and his Lot or Dwelling Unit, representing a portion of the cost to the Association for reconstruction of any portion of the Improvements on the Common Areas, and Landscape Maintenance Areas.

Section 1.29 "Special Assessment" shall mean a charge against a particular Owner and his or her Lot or Dwelling Unit, directly attributable to such Owner, equal to the cost incurred or levied by the Association for corrective action pursuant to the provisions of this Declaration.

Section 1.30 "Streets" shall mean all alleys throughout the development which have been dedicated or conveyed to the City of Coeur d'Alene or other public authority.

Section 1.31 "Unit" shall mean, unless specifically set forth, any Lot or Dwelling Unit.

ARTICLE II

MEMBERSHIP IN ASSOCIATION

Section 2.01 Member of the Association. Membership in the Association shall be appurtenant to and may not be separated from the fee ownership of such Lot. Ownership of such Lot shall be the sole qualification for membership in the Association. Additionally, each Owner of a Lot shall be a member of the Atlas Waterfront Association, Inc., an Idaho nonprofit corporation ("Master Association"), and shall be required to comply with the terms, conditions, obligations, restrictions and assessments set forth in the Master Declaration for Atlas Waterfront, recorded February 12, 2021 as Instrument No. 2812179000, in Kootenai County ("Master Declaration") and

any Association Documents (as such term is defined in the Master Declaration) applicable to the Master Association.

Section 2.02 Transfer. The Association membership held by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale of or encumbrance of such Lot, and then only to the purchaser or Mortgagee of such Lot. Any attempt to make a prohibited transfer is void. A Member who has transferred fee interest to his Lot or who has sold his Lot to a contract purchaser under a real estate contract shall ipso facto be deemed to have transferred to such grantee or contract purchaser his membership rights in the Association.

ARTICLE III

VOTING RIGHTS IN ASSOCIATION

Section 3.01 Classes of Voting Membership. The Association shall have two (2) classes of voting membership as follows:

Class A. Class A Member shall be all Owners in the Property, with the exception of the Grantor, for so long as there exists a Class B membership for the Association. Class A Members shall be entitled to one (1) vote for each Lot owned. Grantor shall become a Class A Member with regard to Lots owned by Grantor upon conversion of Grantor's Class B Membership as provided below. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised in accordance with Article III, Section 3.02 of this Declaration, and in no event shall more than one (1) Class A vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Grantor, and Grantor shall be entitled to ten (10) votes for each platted Lot owned by Grantor. The Class B Membership shall cease and be converted to Class A Membership on the happening of the earliest of the following events:

- a. At such time as ninety percent (90%) of the sum of all Units have been deeded to owners other than the Developer; or
- b. Three (3) years from the Close of Sale of the first Lot sold in the Property; or
- c. Upon Grantor's written relinquishment of its Class B Membership.

Section 3.02 Vote Distribution. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person has an interest in any Lot ("co-owner"), all such co-owners shall be members and may attend any meeting of the Association, but only one such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Such co-owners may from time to time designate in writing one of their number to vote. Fractional votes shall not be allowed, and the vote for each Lot shall be exercised, if at all, as a unit. Where no voting co-owner is designated or if such designation has been revoked, the vote for such Lot shall be exercised as a majority of the co-owners of the Lot mutually agree. Unless the Board receives a written objection

from a co-owner, it shall be presumed that the voting co-owner is acting with the consent of his or her co-owners. No vote shall be cast for any Lot where the majority of the co-owners present in person or by proxy and representing such Lot cannot agree to said vote or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or in the By-Laws, shall be deemed to be binding on all Owners, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in this Declaration, the Articles and By-Laws, provided, however, Grantor or its assigns shall have the absolute right to appoint one (1) Member to the Board of Directors regardless of the voting results.

ARTICLE IV

JURISDICTION OF ASSOCIATION

Section 4.01 The Association, acting through its Board of Directors shall also have:

- a. The authority and the duty to maintain, repair and otherwise manage the Common Areas, all in accordance with the provisions of this Declaration.
- b. The authority and the duty to maintain and repair any non-dedicated private streets and roadways within the Property, including clearing, snow removal and periodic resurfacing as necessary.
- c. The authority and the duty to maintain such policy or policies of liability with respect to the Common Areas and personal property, if any, owned by the Association as provided herein furthering the purposes of and protecting the interests of the Association and Members and as directed by this Declaration and the By-Laws.
- d. The authority but not the duty to employ or contract with a professional manager to perform all or any part of the duties and responsibilities of the Association, and the authority to delegate its authority to committees, officers and employees.
- e. The authority but not the duty to, after Notice and Hearing, without being liable to any Owner, enter any Lot or Dwelling Unit for the purpose of enforcing by peaceful means the provisions of this Declaration, or for the purpose of maintaining or repairing any such area if for any reason whatsoever the Owner fails to maintain or repair any such area as required by this Declaration. Said cost shall be a Special Assessment on said Owner's property and shall create a lien enforceable in the same manner as other Assessments as set forth in this Declaration. Said Owner shall pay promptly all amounts due for such work.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 5.01 Creation of the Lien and Personal Obligation of Assessments. Grantor, as to each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed or real estate contract therefore, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree, to pay to the Association (1) monthly Common Assessments for Common Expenses, (2) Capital Improvement Assessments, (3) Special Assessments, and (4) Reconstruction Assessments; with such Assessments to be established and collected as hereinafter provided. Such Assessments, together with interest as set out herein, costs and attorney's fees for the collection thereof, shall be a lien on the Lot and any Dwelling Unit thereon, and shall be a continuing lien from the due date of the Assessment against the same, regardless of any transfer in ownership. Each such Assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot and/or Dwelling Unit at the time when the Assessment fell due. Any person who purchases a Lot and/or Dwelling Unit which is subject to unpaid assessments that have not yet been evidenced by any additional recorded lien, shall take the property subject to said obligations. Under any and all circumstances, the personal liability of the party owning the Lot and/or Dwelling Unit, at the time the assessments became due, shall have personal liability for the same, whether that person's interest in the Lot and/or Dwelling Unit is later sold or foreclosed upon or otherwise transferred.

Section 5.02 Creation of Fund. The Board of Directors shall establish a separate account (the "Association Maintenance Fund") into which shall be deposited all Assessments paid to the Association and from which disbursements shall be made in performance of functions by the Association. The Association Maintenance Fund shall include (1) an operating fund for current Common Expenses, and (2) a reserve fund for Common Expenses which would not reasonably be expected to recur on an annual or less frequent basis. If an operating fund or reserve fund proves at any time to be inadequate for any reason, the Board may at any time levy a supplemental Common Assessment, subject to the provisions of Section 5.05 of this Article.

Section 5.03 Purpose of Common Assessments. The Common Assessments levied by the Association shall be used exclusively to promote the common health, safety, benefit, recreation and welfare of the Owners and for the improvement and maintenance of the Common Areas. Nothing in this Declaration shall be construed in such a way as to permit the Association to use any Assessments to abate any nuisance or annoyance emanating from outside the boundaries of the property, without the prior approval of the Board. Common Assessments shall include without limitation, and the Association shall acquire and pay for out of the applicable funds derived from said Common Assessments, the following:

a. Maintenance and repair of any dedicated alleys lying within the Plat creating the Property, as well as all costs of snow removal and street cleaning related to said areas.

b. Liability insurance, as provided herein, insuring the Owners and the Association, its Directors and Officers against any liability to the public or to any Owner, their invitees or tenants, incident to their occupation and use of the Common Areas with limits of liability to be set by the Board of Directors of the Association.

c. Standard fidelity bonds covering all members of the Board of Directors of the Association and other employees and volunteers of the Association as and in an amount as determined by the Board of Directors, but not less than two times the sum of the annual Common Assessments of the Association.

Section 5.04 Adjustment of Common Assessment. From and after the Close of Sale of the first Lot and/or Dwelling Unit on the Property, the amount of the components which make up the monthly dollar amount of the Common Assessment for Dwelling Units or Commercial Unit pursuant to Section 5.03 above may be increased or decreased by the Board effective as of January 1 of each year thereafter without a vote of the membership, by not more than ten percent (10%) of either the annual Assessment amount charged per Lot for the most recent Assessment year or \$100.00, whichever is greater. The monthly Common Assessment charged to the Owners of all Lots and/or Dwelling Units pursuant to Section 5.03(a) above may be increased or decreased by the Association by more than ten percent (10%) per Lot, by reference to the most recent Assessment year, with the consent of at least two-thirds (2/3) of the voting power of those Members voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be sent to all Members not less than twenty (20) days nor more than sixty (60) days in advance of the meeting.

Section 5.05 Capital Improvement and Reconstruction Assessments. In addition to the Common Assessment authorized above, the Board of Directors of the Association may levy, in any assessment year, a Capital Improvement Assessment or Reconstruction Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvement or other such addition upon the Common Areas; provided that whenever the aggregate Capital Improvement and Reconstruction Assessments in any fiscal year exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, such excess shall require the consent of two-thirds (2/3) of the voting power of those Members, voting in person or by proxy, at a meeting duly called for such purposes, written notice of which shall be sent Members not less than twenty (20) days nor more than sixty (60) days in advance of the meeting.

Section 5.06 Date of Commencement of Common Assessments; Financial Statements; Budget. The obligation for Common Assessments shall commence on the first day of the month following the Close of Sale of the first Dwelling Unit. Written notice of any change in the amount of any monthly Common Assessment shall be sent to every Owner not less than twenty (20) days prior to the effective date of such change. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the Assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of Assessments against a Unit is binding upon the Association as of the date of its issuance.

The Board of Directors shall cause to be prepared an annual balance sheet and operating statement reflecting income and expenditures of the Association for each fiscal year, including deposits in and withdrawals from any reserve funds, and shall cause to be distributed a copy of each such statement to each Member, and to each First Mortgagee who has filed a written request for copies of the same with the Board of Directors, in the manner provided in the By-Laws.

At least sixty (60) days prior to the beginning of each fiscal year, the Board of Directors shall prepare and distribute to the membership of the Association a written, itemized estimate (budget) of the income and expenses of the Association during such year in performing its functions under this Declaration (including a reasonable provision for contingencies and deposits into any reserve funds, less any expected income and accounting for any surplus from the prior year). If the estimated sums prove inadequate for any reasons, including non-payment of any Owner's Common Assessment, the Board may at any time levy supplemental Common Assessments, subject to the provisions of this Article.

Section 5.07 Exempt Property. The following portions of the Property subject to this Declaration shall be exempt from the Assessments herein:

- a. All portions of the Property dedicated to and accepted by a local public authority;
- b. The Common Areas; and
- c. All Lots and/or Dwelling Units owned by the Grantor; provided, however, Grantor shall reimburse the Association as long as Grantor is an owner of a Lot and/or Dwelling Unit, for its proportionate share of the remaining actual cost of Common Expenses after application of the Common Assessments, based on the number of remaining Lots owned by Grantor in relation to the total number of Lots in the Property owned by Grantor and those Lots which have been conveyed upon the completion of Dwelling Units thereon.

ARTICLE VI

EFFECT OF NON-PAYMENT OF ASSESSMENTS REMEDIES OF THE ASSOCIATION

Section 6.01 Effect of Non-Payment of Assessment; Remedies of the Association. Any Common Assessment, Capital Improvement Assessment, Special Assessment or Reconstruction Assessment or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate allowed by law, and the Owner responsible therefor may also be required further by the Board of Directors to pay each month a late charge of Twenty-Five Dollars (\$25.00) or five percent (5%) of the amount of the delinquent assessment or installment, whichever is greater. The Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the Lot and/or Dwelling Unit. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his Unit.

If any installment of any Assessment is not paid within thirty (30) days after its due date, the Board may mail an Acceleration Notice to the Owner and to each First Mortgagee of a Dwelling Unit which has requested a copy of the notice. The notice shall specify (1) the fact that the installment is delinquent, (2) the action required to cure the default, which action shall include paying all installments coming due during the period allowed to cure the default, (3) a date, not less than thirty (30) days from the date the notice is mailed to Owner, by which such default must be cured, (4) that failure to cure the default on or before the date specified in the notice will result in acceleration of the balance of the installments of the Assessment for the then current fiscal year and sale of the Lot and Dwelling Unit, and (5) the legal description of the Lot and Dwelling Unit. If the delinquent installments of Assessments and any charges thereon are not paid in full on or before the date specified in the notice, the Board may, at its option without further demand, enforce the collection of the full Assessment and all charges thereon in any manner authorized by law and this Declaration.

Section 6.02 Notice of Assessment. No action shall be brought to enforce any Assessment lien, unless at least ten (10) days have expired following the date a Notice of Assessment is deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Lot/Dwelling Unit. The Notice of Assessment must recite a good and sufficient legal description of any such Lot/Dwelling Unit, the record Owner or reputed Owner thereof, the amount claimed (which may at the Association's option include interest on the unpaid Assessment at the highest rate allowed by law, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant. Such Notice of Assessment shall be signed and acknowledged by an officer of the Association. For the purposes of this Section 6.02, an Acceleration Notice given under Section 6.01 shall be deemed to be a Notice of Assessment if recorded in the Office of the Kootenai County Auditor. The rights and remedies under this Section 6.02 shall be in addition to any other lien or legal rights afforded the Association under Idaho law, whether by statute, case law, or otherwise.

Section 6.03 Foreclosure Sale. Any such sale provided for above may be conducted by the Board of Directors, its attorneys or other persons authorized by the Board in accordance with the provisions of the laws of the State of Idaho for judicially foreclosing mortgages. The Association through duly authorized agents, shall have the power to bid on the Lot and/or Dwelling Unit at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Section 6.04 Curing a Default. Upon the timely curing of any default for which a Notice of Assessment or Acceleration Notice was filed by the Association, the officers thereof shall record an appropriate Release of Lien upon payment by the defaulting Owner of a fee, to be determined by the Association, to cover the cost of preparing and recording such release. A certificate executed and acknowledged by any two (2) members of the Board stating the indebtedness secured by the lien upon any Lot and/or Dwelling Unit created hereunder shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Owner upon request and payment of a reasonable fee, to be determined by the Board.

Section 6.05 Cumulative Remedies. The Assessment liens and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment or unpaid Assessments, as above provided.

Section 6.06 Mortgage Protection. Notwithstanding all other provisions hereof, no lien created under Articles V or VI, nor any breach of this Declaration, nor the enforcement of any provision hereof shall defeat or render invalid the rights of the Beneficiary under any recorded First Mortgage upon a Lot and/or Dwelling Unit made in good faith and for value; provided that after such Beneficiary or some other person obtains title to such Lot and/or Dwelling Unit by judicial foreclosure or by means of the powers set forth in such Deed of Trust, such Unit shall remain subject to the Declaration and payment of all Assessments accruing subsequent to the date such Beneficiary or other person obtains title and claims for a share of unpaid Assessments reallocated to all units, including each unit foreclosed.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 7.01 Architectural Standards by Incorporation. The Property is subject to a previously recorded "Master Declaration of Covenants, Conditions, Restrictions and Easements for Atlas Waterfront," recorded February 12, 2021 as Kootenai County Instrument No. 2812179000. Said Declaration, and the architectural standards incorporated therein, together with any amendments thereto, are the controlling design and construction standards with respect to the Property.

Section 7.02 Conflict. In the event of any conflict between any term or provision hereof and the Master Declaration described in Section 7.01 of this Declaration, then the terms of the Master Declaration described in Section 7.01 shall govern.

ARTICLE VIII

MAINTENANCE AND REPAIR OBLIGATIONS

Section 8.01 Maintenance Obligations of Owners. It shall be the duty of each Owner, at his sole cost and expense, subject to the provisions of this Declaration regarding architectural approval, to maintain, repair, replace, and restore areas subject to his exclusive control in a neat, sanitary and attractive condition. Areas subject to the exclusive control of a Lot Owner shall be deemed to include, without limitation, the Owner's Unit and areas within such Owner's Lot, and any landscaped areas between such Owner's Lot and the frontage Street for such Lot. Each Owner shall maintain the driveway and sidewalks if any, located on such Owner's Lot. In the event that any Owner shall permit any Improvement, which is the responsibility of such Owner to maintain, to fall in disrepair or not to be so maintained so as to create a dangerous, obstructed, unsafe, unsightly or unattractive condition, or to otherwise violate this Declaration, the Board shall have either the right to seek any remedies at law or in equity which it may have, and the right, but not

the duty, after Notice and Hearing, to enter upon such Owner's Lot, to make such repairs or to perform such maintenance, and the cost thereof shall be charged to the Owner. Said cost shall be a Special Assessment and shall create a lien enforceable in the same manner as other assessments as set forth in this Declaration.

ARTICLE IX

USE RESTRICTIONS

All real property within the property shall be held, used and enjoyed subject to the following limitations and restrictions.

Section 9.01 Single-Family Dwelling Units; Leases. Each Dwelling Unit shall be used as a residence for a single-family and for no other purpose. No halfway houses, communal living arrangements, or dormitories will be allowed. Single-Family, for purposes of this Declaration, shall be defined as to exclude more than three (3) individuals, not related by blood or marriage, from communally living in a Dwelling Unit.

Section 9.02 Business or Commercial Activity. No part of the Property shall be used or caused to be used or allowed or authorized in any way, directly or indirectly, for any commercial, manufacturing, mercantile, retail, wholesale, storage, vending or other business purposes; except Grantor, its successor or assigns, may use any portion of the Property for model home sites, and display a sales office during the construction and/or sale period. Further, this provision shall not apply to portions of the Property owned or developed by Grantor for commercial (and not single-family) use, as may be subsequently allowed by the City of Coeur d'Alene.

Section 9.03 Nuisances. No noxious or offensive activity (including but not limited to the repair of motor vehicles) shall be carried on, in or upon any Lot and/or Dwelling Unit or the Common Areas, nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any other Owner, including continually barking dogs. Except for snow removal equipment, no lawn mower, chain saw, or other loud noise generating device shall be operated on any Lot between the hours of 8:00 PM to 7:00 AM. The Board of Directors shall have the right to determine in accordance with the By-Laws if any noise, odor, interference or activity producing such noise, odor or interference constitutes a nuisance. No Dwelling Unit Owner or tenant/guest thereof shall be allowed to store any boat, unused vehicle, snowmobile, ATV, golf cart, camper, R.V., trailer or the like anywhere on the Property, except within a garage. Exposed, unlicensed and unused vehicles shall not be permitted.

Section 9.04. Signs. No sign, poster, display, billboard or other advertising device of any kind, including but not limited to political signs, shall be displayed to the public view on any portion of the Property or any Dwelling Units, except signs, regardless of size, used by Grantor, its successors and assigns to advertise the Property during construction and sale or lease period, and such signs as may be placed on a Lot by an owner to advertise the sale of the same (provided the same is not in excess of two (2) feet square).

Section 9.05 Unlawful Activity. No improper, offensive or unlawful use shall be made of the properties nor any part thereof and all valid laws, zoning ordinances and the regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 9.06 Animal Restrictions. No insects, reptiles, poultry or animals of any kind shall be raised, bred or kept in or on any Lot, Dwelling Unit, Commercial Unit or the Common Areas, except that usual and ordinary dogs, cats, fish, birds and other household pets (excluding, without limitations, equine, bovine, sheep, swine and goats) may be kept within the Units, provided that they are not kept, bred or maintained for commercial purposes or in unreasonable quantities, nor in violation of the rules and regulations adopted by the Association as provided in the By-Laws or the applicable ordinances of the City of Coeur d'Alene, Idaho. As used in this Declaration, "unreasonable quantities" shall ordinarily mean more than two (2) small pets per household; provided however, that the Association (or the Board or such other person as the Association may from time to time designate) may determine that a reasonable number in any instance may be more or less. The Association, acting through the Board of Directors, shall have the right to prohibit maintenance of any animal which constitutes, in the opinion of the Board, a nuisance to any other Owner or guest thereof. Animals belonging to Owners, occupants or their licensees, tenants or invitees within the Property must be kept either within an enclosure or on a leash being held by a person capable of controlling the animal. Furthermore, any Owner shall be absolutely liable to each and all remaining Owners, their families, guests, tenants and invitees, for any unreasonable noise or damage to person or property caused by any animals brought or kept upon the property by an Owner or by members of his family, his tenants or his guests, and it shall be the absolute duty and responsibility of each such Owner of an animal to clean up after such animals which have used any portion of the Common Areas, Lots and/or Dwelling Units. Absolutely no dog runs or kennels will be allowed anywhere on the Property.

Section 9.07 Trash, Firewood Storage. No rubbish, trash or garbage or other waste material shall be kept or permitted upon any Lot and/or Dwelling Unit, or Common Areas, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the property, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. Such containers shall be exposed to the view of neighboring Dwelling Units only when set out for a reasonable period of time (not to exceed twelve (12) hours) before and after scheduled trash collection hours. Additionally, all firewood, coal, presto-logs, etc., of any kind shall be stored within the Dwelling Unit or garage and not in view of the public. Each Owner of a Dwelling Unit shall be responsible for cleaning the fireplace chimney flue of said Dwelling Unit on a timely basis, and failure to do so shall give the Association the right to clean said flue and charge said Owner by means of a Special Assessment immediately upon completion.

Section 9.08 Satellite Dishes. No Satellite dish may be placed on any Lot or any Dwelling Unit except in a location which minimizes the negative aesthetics or obtrusiveness of the same, to be determined by the Association in its discretion.

Section 9.09 Street Parking. All Owners take their Lot subject to the following parking limitation. All Owners and their guests and invitees who utilize on-street parking on any City street fronting any Lot shall confine the parking of themselves, their guests, and invitees to the area directly fronting the Owner's Lot. This area shall be determined by extending the side property lines of the Lot towards the street. This parking limitation may be enforced by the Association, through whatever means deemed appropriate by the Association in its discretion, including towing any vehicles at the Owner's cost, with said cost being recoverable by way of special assessment against the offending Owner. The purpose of this provision is to ensure adequate parking for all Owners and, to the extent desired by Owner, the preservation of the Owner's view-shed looking out from the front of the Dwelling Unit so as to exclude the vehicles of any other Owner and that Owner's guests or invitees.

Section 9.10 Short-Term Rentals. No Dwelling Unit within the Property may be rented as part of any vacation rental by Owner or any vacation rental through any independent agency. The term "vacation rental," as used herein, shall mean any lease of any Dwelling Unit for a period of less than six (6) continuous months.

Section 9.11 Insurance Rates. Nothing shall be done or kept in the Property which will increase the rate of insurance on any property insured by the Association without the approval of the Board, nor shall anything be done or kept in the Property which would result in the cancellation of insurance on any property insured by the Association or which would be in violation of any law.

Section 9.12 Drainage. There shall be no interference with the established drainage pattern over any Lot within the Property, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the Board. For the purposes hereof, "established" drainage is defined as the drainage which exists at the time that the Dwelling Unit on such Lot is conveyed to a consumer/purchaser from Grantor or other builder, or that which is shown on any plans approved by the Board, which may include drainage from the Common Areas over any Lot and/or Dwelling Unit in the Property.

Section 9.13 Violation of Governing Instruments. There shall be no violation of the restrictions of this Declaration or of the rules and regulations of the Association adopted in accordance with the provisions of the By-Laws. If any Owner, his or her family, guest, licensee, lessee or invites violates any such restrictions, the Board may impose a reasonable suspension of voting privileges of such Owner as further provided in the By-Laws, as well as reasonably suspend the rights of said persons to use the Common Area facilities. Additionally, the Board may seek any other remedies provided herein or by law.

Section 9.14 No Warranty of Enforceability. While Grantor has no reason to believe that any of the provisions contained in this Declaration are or may be invalid or unenforceable for any reasons or to any extent, Grantor makes no warranty or representation as to the present or future validity or enforceability of any such covenants, conditions and restrictions. Any Owner acquiring a Lot and/or Dwelling Unit in the Property in reliance of one or more of such provisions shall

assume all risks of the validity and enforceability thereof and, by acquiring a Lot and/or Dwelling Unit, agrees to hold Grantor harmless therefrom.

ARTICLE X

GRANTOR EXEMPTION

Section 10.01 Grantor or its successors or assigns will undertake the work of developing the Property, any Common Areas, and the infrastructure for the Lots to be used as building sites for Dwelling Units. The completion of that work is essential to the establishment and welfare of the Property as a first-class residential community. In order that said work may be completed and the Property established as a fully occupied residential community as soon as possible, no Owner nor the Association shall do anything to interfere with, and nothing in this Declaration shall be understood or construed to:

a. Prevent Grantor, its successors or assigns, or its or their contractors or subcontractors, from doing on any Lot and/or Dwelling Unit owned by them whatever they determine to be necessary or advisable in connection with the completion of said work; or

b. Prevent Grantor, its successors or assigns, or its or their representatives, from erecting, constructing and maintaining on any Common Area or any Unit or portion thereof owned or controlled by Grantor, or its successors or assigns or its or their contractors or subcontractors, such structures as may be reasonably necessary for the conduct of its or their business of completing said work and establishing the Property as a residential community and disposing of the same in Lots or Dwelling Units by sale; or

c. Prevent Grantor, its successors or assigns, or its or their contractors or subcontractors, from conducting on any Lot or Dwelling Unit owned or controlled by Grantor, or its successors or assigns, its or their business of developing, grading and constructing Dwelling Units and other improvements in the Property as a residential community and of disposing of Lots and/or Dwelling Units thereon by sale; or

d. Prevent Grantor, its successors or assigns or its or their contractors or subcontractors, from maintaining such sign or signs on the Common Areas or any Dwelling Unit owned or controlled by any of them as may be necessary in connection with the sale, lease or other marketing of Lots and/or Dwelling Units in the Property; or

e. Prevent Grantor, at any time prior to acquisition of title to a Lot and/or Dwelling Unit by a purchaser from Grantor, to establish on that Lot additional licenses, reservations and rights-of-way of itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property.

ARTICLE XI

GENERAL PROVISIONS

Section 11.01 Enforcement. This Declaration, the Articles of Incorporation and the By-Laws may be enforced as follows:

a. Breach of any of the covenants, conditions and restrictions contained in the Declaration or the By-Laws and the continuation of any such breach may be enjoined, abated or remedied by appropriate legal proceedings by an Owner, including Grantor, or by the Association or the successors-in-interest of the Association. Any judgment rendered in any action or proceeding pursuant hereto shall include a sum for attorney's fees in an amount as the Court may deem reasonable, interest thereon, costs of collection and Court costs.

b. The result of every act or omission whereby any of the covenants, conditions and restrictions contained in this Declaration or the By-Laws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or its successors-in-interest.

c. The remedies herein provided for breach of the covenants, conditions and restrictions contained in this Declaration or in the By-Laws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

d. The failure of the Association or any Owner to enforce any of the covenants, conditions or restrictions contained in this Declaration or in the By-Laws shall not constitute a waiver of the right to enforce the same thereafter.

e. A breach of the covenants, conditions or restrictions contained in this Declaration or in the By-Laws shall not affect or impair the lien or charge or any bona fide First Mortgage or Deed or Trust made in good faith and for value on any Lot and/or Dwelling Unit thereon; Provided However, that any subsequent Owner of such property shall be bound by said covenants, conditions and restrictions, whether such Owner's title was acquired by foreclosure in a trustee's sale or otherwise.

Section 11.02 Severability. Invalidation of any of these covenants, conditions or restrictions by judgment or Court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 11.03 Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association and the Owners of any land subject to this Declaration, their respective legal representatives, heirs, successive Owners and assigns, for a term of thirty (30) years from the date

this Declaration is recorded, after which time said covenants, conditions, restrictions, reservations of easements and equitable servitudes shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Amendment or Termination meeting the requirements of an amendment to this Declaration as set forth in Section 11.05 of this Article XI has been recorded, agreeing to change or terminate said covenants and restrictions in whole or in part.

Section 11.04 Interpretations. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community, and for the maintenance of the Common Areas and other items as set forth herein.

The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction; the singular shall include the plural and the plural the singular, and the masculine, feminine and neuter shall include the masculine, feminine and neuter.

Section 11.05 Amendments. Subject to the provisions of Article XI, this Declaration may be amended only by the affirmative vote or written consent of not less than seventy percent (70%) of the voting power of each class of Members; and provided further, that the prior written approval of Grantor must be obtained before the amendment of any specific rights retained by the Grantor hereunder. Notwithstanding the foregoing, until the Close of Sale of the first Dwelling Unit in the Property, Grantor shall have the right to terminate or modify any provision of this Declaration by recordation of a supplement hereto setting forth such termination or modification. Any supplement or amendment to this Declaration must be signed by at least two (2) officers of the Association, indicating that the requisite approvals have been obtained, and such amendment or supplement must be recorded in the Office of the Kootenai County Recorder. The Association may establish such deadlines as it determines reasonable for purposes of soliciting and receiving written votes as to any proposed Amendment hereto. For purposes of counting votes as being affirmatively cast, in favor of any proposed amendment, the Association may give written notice to all Members, at their then current addresses, in writing, of the proposed amendment and the date when negative votes must be cast. Provided said notice also advises the Members of the same, the Association may count a failure to vote as an affirmative vote in favor of the proposed amendment.

Section 11.06 No Public Right of Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Property to the public, or for any public use.

Section 11.07 Notice and Acceptance. Every Person who owns, occupies or acquires right, title, estate or interest in or to any Lot and/or Dwelling Unit or other portion of the Property does and shall be conclusively deemed to have consented and agreed to every limitations restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to those restrictions is contained in the instrument by which such Person acquires an interest in the Property, or any portion thereof.

Section 11.08 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the United States mail postage prepaid, addressed to any Person at the address given by such Person to the Association for the purpose of service of such notice, or to the residence of such Person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

Section 11.09 No Representation or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Grantor or its agents or employees in connection with the Property or any portion of the Property, or any improvement thereon, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, operation, maintenance, cost of maintenance, taxes or regulation thereof, except as specifically and expressly set forth in this Declaration.

Section 11.10 Termination of Any Responsibility of Grantor. In the event that Grantor shall convey all of its right, title and interest in and to the Property to any partnership, individual or individuals, corporation or corporations, either voluntarily or involuntarily, then in such event, Grantor shall be relieved of the performance of any further duty or obligation hereunder.

Section 11.11 Additional Association Enforcement Procedures. The Association, in addition to any other right or authority conferred under the Declaration, shall have the authority to impose fines for violations of the terms of the Declaration. Prior to the imposition of any such discipline, the Association shall observe and follow the following procedures:

- a. A majority vote by the Association's Board shall be required prior to imposing any fine on a Member for a violation of any term of the Declaration.
- b. Written notice by personal service or certified mail of a meeting to address an alleged violation by a Member shall be given to the Member at least thirty (30) days prior to the meeting.
- c. In the event the Member begins resolving the violation prior to the meeting, in good faith and not as a pretext, then no fine shall be imposed for so long as the Member continues to address the violation in good faith, and not as a pretext, until fully resolved.
- d. No portion of any fine may be used to increase the remunerations of any Association Board Member or any agent of the Association.
- e. No part of these provisions shall affect any statute, rule, covenant, bylaw, provision or clause that may allow for the recovery of attorney's fees.

f. In the event the Idaho legislature subsequently adopts any limitations on the Association's ability to impose and enforce fines for violations of the terms of this Declaration, then this Declaration shall be broadly construed in such a manner as to render it compliant with any such subsequent legislative restrictions or conditions on the ability of an Association to levy, impose, or collect fines or assessments.

ARTICLE XII

SPECIAL GRANTOR RIGHTS.

Section 12.01 Grantor as Developer of the Property has an interest in developing the entirety of the Property in conformity with such conditions established as a record of title with ignite cda or the City of Coeur d'Alene. In order to obtain all of the benefits available under those conditions, and to develop the property as a unified and cohesive whole, it is recognized that the Developer is vested with certain unique rights as provided in this Declaration, including those which are specifically noted below. Those rights exclusive to the Grantor/Developer, which shall extend for so long as Grantor owns a Lot, or until terminated earlier by the Grantor at its election, through a recorded instrument acknowledging the release thereof, include the following:

a. The Grantor/Developer may make minor amendments to any term or provision herein, in its discretion, within the first one (1) year of the recordation hereof. Any such amendment by Grantor/Developer shall require the written consent of ignite cda, which shall not be unreasonably withheld. Notwithstanding the same, any such amendment shall be of prospective force and application only, and may not be retroactively applied to any prior improvements that were in conformity with the terms of this Declaration prior to any such amendment.

b. Grantor/Developer has the unilateral right, in its discretion, to record an amendment to this Declaration to annex additional property adjacent to or contiguous to the Property in the event the Grantor/Developer so determines. This right shall extend for a period of five (5) years from the recordation hereof.

The undersigned have executed this Declaration on the date first above written.

GRANTOR:

BLUEGRASS DEVELOPMENT, LLC, an Idaho Limited Liability Company

By: _____
JOHN F. MAGNUSON, Managing Member

)

On this 6 day of May, 2021, before me, a Notary Public in and for said State, personally appeared JOHN F. MAGNUSON, known or identified to me to be a Managing Member of BLUEGRASS DEVELOPMENT, LLC, an Idaho limited liability company, that he executed the within instrument on behalf of said corporation and acknowledged to me that such corporation executed the same.

My Commission Expires:

ATLAS NEIGHBORHOOD.CCRS.wpd

EXHIBIT A

TO

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS**

FOR

ATLAS NEIGHBORHOOD ASSOCIATION, INC.

Lots 1 through 9, Block 2; Lots 1 through 8, Block 3; Lots 1 through 7, Block 6; Lots 1 through 6, Block 7; Atlas Waterfront First Addition, according to the Plat thereof recorded in Book "L" of Plats at Page 519, records of Kootenai County, Idaho.