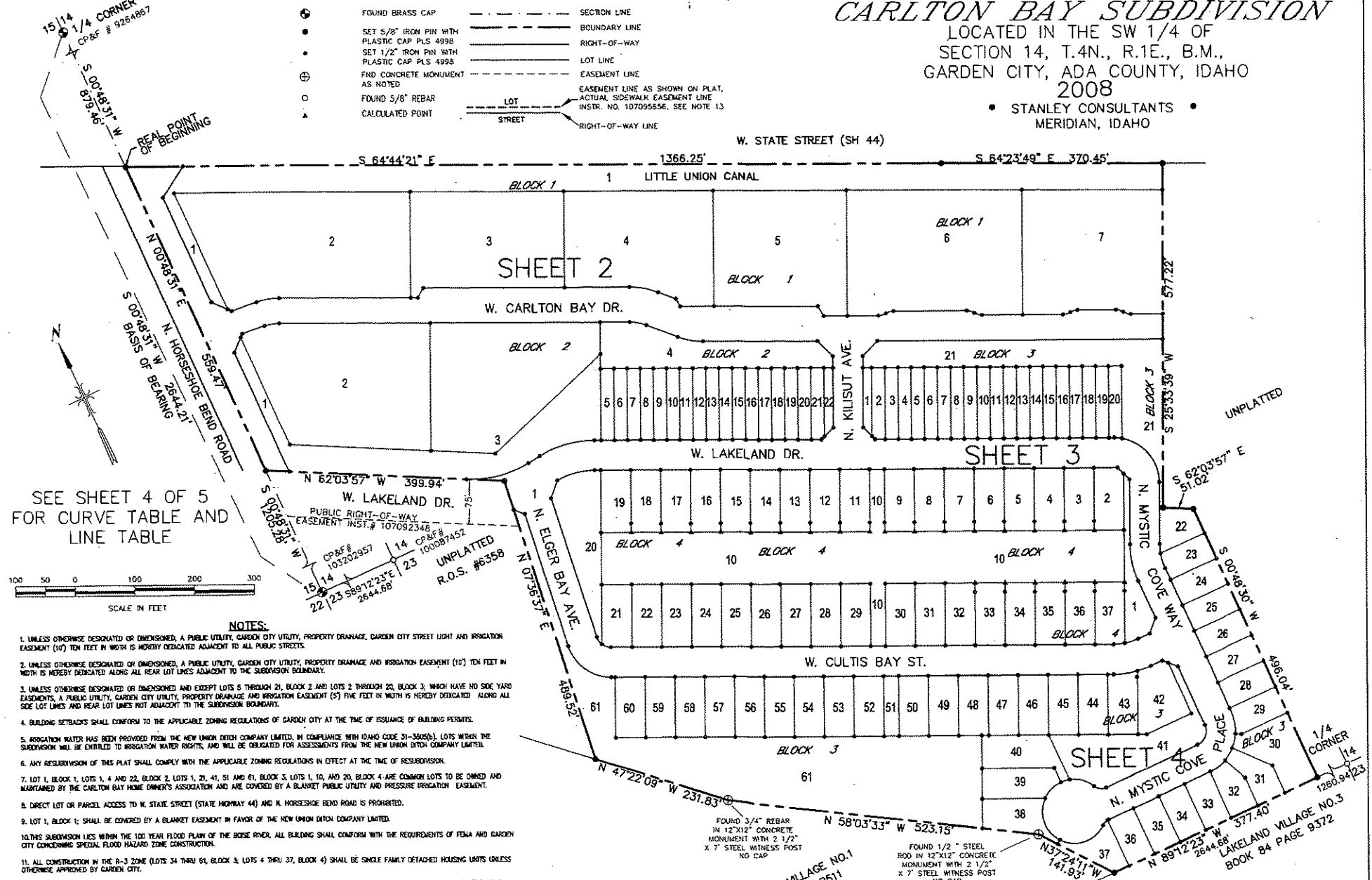


FINAL PLAT SHOWING
CARLTON BAY SUBDIVISION
 LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO 2008

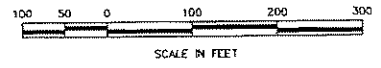
• STANLEY CONSULTANTS •
 MERIDIAN, IDAHO

LEGEND

| | | | |
|---|---|-----|---|
| ● | FOUND BRASS CAP | --- | SECTION LINE |
| ● | SET 5/8" IRON PIN WITH PLASTIC CAP PLS 4998 | --- | BOUNDARY LINE |
| ● | SET 1/2" IRON PIN WITH PLASTIC CAP PLS 4998 | --- | RIGHT-OF-WAY |
| ⊕ | FND CONCRETE MONUMENT AS NOTED | --- | LOT LINE |
| ○ | FOUND 5/8" REBAR | --- | EASEMENT LINE |
| ▲ | CALCULATED POINT | --- | EASEMENT LINE AS SHOWN ON PLAT, ACTUAL SIDEWALK EASEMENT LINE INSTR. NO. 107095856, SEE NOTE 13 |
| | | --- | LOT |
| | | --- | STREET |
| | | --- | RIGHT-OF-WAY LINE |



SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE



NOTES:

- UNLESS OTHERWISE DESIGNATED OR DIMENSIONED, A PUBLIC UTILITY, GARDEN CITY UTILITY, PROPERTY DRAINAGE, GARDEN CITY STREET LIGHT AND IRRIGATION EASEMENT (10') TEN FEET IN WIDTH IS HEREBY DEDICATED ADJACENT TO ALL PUBLIC STREETS.
- UNLESS OTHERWISE DESIGNATED OR DIMENSIONED, A PUBLIC UTILITY, GARDEN CITY UTILITY, PROPERTY DRAINAGE AND IRRIGATION EASEMENT (10') TEN FEET IN WIDTH IS HEREBY DEDICATED ALONG ALL REAR LOT LINES ADJACENT TO THE SUBDIVISION BOUNDARY.
- UNLESS OTHERWISE DESIGNATED OR DIMENSIONED AND EXCEPT LOTS 5 THROUGH 21, BLOCK 2 AND LOTS 2 THROUGH 20, BLOCK 3, WHICH HAVE NO SIDE YARD EASEMENTS, A PUBLIC UTILITY, GARDEN CITY UTILITY, PROPERTY DRAINAGE AND IRRIGATION EASEMENT (5') FIVE FEET IN WIDTH IS HEREBY DEDICATED ALONG ALL SIDE LOT LINES AND REAR LOT LINES NOT ADJACENT TO THE SUBDIVISION BOUNDARY.
- BUILDING SETBACKS SHALL CONFORM TO THE APPLICABLE ZONING REGULATIONS OF GARDEN CITY AT THE TIME OF ISSUANCE OF BUILDING PERMITS.
- IRRIGATION WATER HAS BEEN PROVIDED FROM THE NEW UNION DITCH COMPANY LIMITED, IN COMPLIANCE WITH IDAHO CODE 31-3302(B), LOTS WITHIN THE SUBDIVISION WILL BE ENTITLED TO IRRIGATION WATER RIGHTS, AND WILL BE OBLIGATED FOR ASSESSMENTS FROM THE NEW UNION DITCH COMPANY LIMITED.
- ANY RESUBDIVISION OF THIS PLAT SHALL COMPLY WITH THE APPLICABLE ZONING REGULATIONS IN EFFECT AT THE TIME OF RESUBDIVISION.
- LOT 1, BLOCK 1, LOTS 1, 4 AND 22, BLOCK 2, LOTS 1, 21, 41, 51 AND 61, BLOCK 3, LOTS 1, 10, AND 20, BLOCK 4 ARE COMMON LOTS TO BE OWNED AND MAINTAINED BY THE CARLTON BAY HOME OWNERS' ASSOCIATION AND ARE COVERED BY A BLANKET PUBLIC UTILITY AND PRESSURE IRRIGATION EASEMENT.
- DIRECT LOT OR PARCEL ACCESS TO W. STATE STREET (STATE HIGHWAY 44) AND N. HORSESHOE BEND ROAD IS PROHIBITED.
- LOT 1, BLOCK 1; SHALL BE COVERED BY A BLANKET EASEMENT IN FAVOR OF THE NEW UNION DITCH COMPANY LIMITED.
- THIS SUBDIVISION LIES WITHIN THE 100 YEAR FLOOD PLAIN OF THE BOISE RIVER. ALL BUILDING SHALL CONFORM WITH THE REQUIREMENTS OF FEMA AND GARDEN CITY CONCERNING SPECIAL FLOOD HAZARD ZONE CONSTRUCTION.
- ALL CONSTRUCTION IN THE R-3 ZONE (LOTS 34 THRU 51, BLOCK 3; LOTS 4 THRU 37, BLOCK 4) SHALL BE SINGLE FAMILY DETACHED HOUSING UNITS UNLESS OTHERWISE APPROVED BY GARDEN CITY.
- PORTIONS OF LOT 1, BLOCK 1; LOTS 1 AND 3, BLOCK 2; LOT 61, BLOCK 3 AND LOTS 1, 10 AND 20, BLOCK 4; ARE SERVED TO AND CONTAIN THE ADO STORM WATER DRAINAGE SYSTEM. THESE LOTS ARE ENCUMBERED BY THAT CERTAIN MASTER PERPETUAL STORM WATER DRAINAGE EASEMENT RECORDED ON JUNE 1, 2004 AS INSTRUMENT NO. 104068411, OFFICIAL RECORDS OF ADA COUNTY, AND INCORPORATED HEREIN BY THIS REFERENCE AS IF SET FORTH IN FULL. THE MASTER EASEMENT, THE MASTER EASEMENT AND THE STORM WATER DRAINAGE SYSTEM ARE DEDICATED TO ADO PURSUANT TO SECTION 49-2302 IDAHO CODE. THE MASTER EASEMENT IS FOR THE OPERATION AND MAINTENANCE OF THE STORM WATER DRAINAGE SYSTEM.
- MULTIPLE LOTS IN THIS SUBDIVISION ARE SUBJECT TO A SIDEWALK EASEMENT, INSTRUMENT NO. 107095856 ADJACENT TO THE PUBLIC STREETS AS SHOWN HEREON. SEE THE LEGEND OF THIS PLAT FOR CLARIFICATION OF THE LOCATION OF THIS EASEMENT IN RELATION TO THE RIGHT OF WAY.
- THERE WILL BE A ZERO SIDE YARD SETBACK FOR LOTS 5 THROUGH 21, BLOCK 2 AND LOTS 2 THROUGH 20, BLOCK 3.
- A SITE DEVELOPMENT AGREEMENT, GRANT OF EASEMENTS, IMPROVEMENTS MAINTENANCE AGREEMENT AND RESTRICTIVE COVENANT AGREEMENT, INSTRUMENT NO. 106143661 EXISTS FOR THE RELATIONSHIP AND RESPONSIBILITIES BETWEEN LOT 2, BLOCK 1 AND THE REMAINDER OF THIS SUBDIVISION.



LAKELAND VILLAGE NO.1
 BOOK 79 PAGE 8511

DEVELOPER:
 RED CLIFF DEVELOPMENT
 MERIDIAN, IDAHO

ENGINEER:
 STANLEY CONSULTANTS
 MERIDIAN, IDAHO

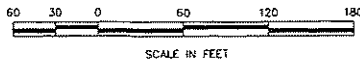
FINAL PLAT SHOWING CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

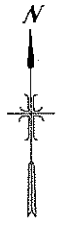
• STANLEY CONSULTANTS •
MERIDIAN, IDAHO

LEGEND

- SECTION LINE
- BOUNDARY LINE
- RIGHT-OF-WAY
- CENTER LINE
- EASEMENT LINE
- FOUND BRASS CAP
- SET 5/8" IRON PIN WITH PLASTIC CAP PLS 4998
- SET 1/2" IRON PIN WITH PLASTIC CAP PLS 4998
- ⊕ FND CONCRETE MONUMENT AS NOTED
- ↑ LOT NUMBER
- EASEMENT LINE AS SHOWN ON PLAT, ACTUAL SIDEWALK EASEMENT LINE INSTR. NO. 107095656, SEE NOTE 13
- LOT
- STREET
- RIGHT-OF-WAY LINE



SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE.



N. HORSESHOE BEND ROAD

REAL POINT OF BEGINNING

UNPLATTED
R.O.S. #6358

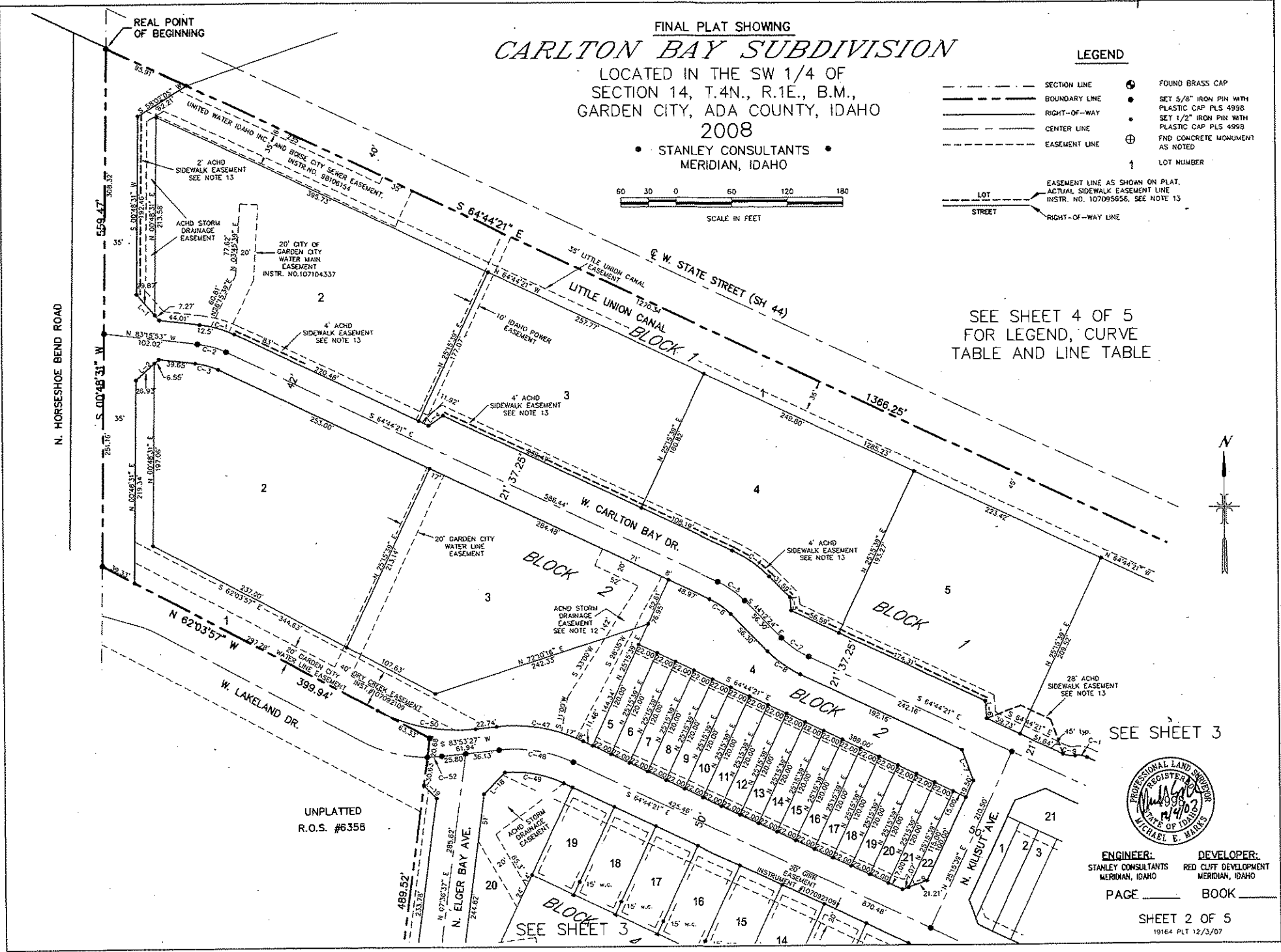
SEE SHEET 3



ENGINEER: STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER: RED CLIFF DEVELOPMENT
MERIDIAN, IDAHO

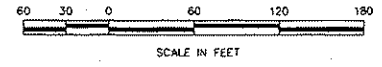
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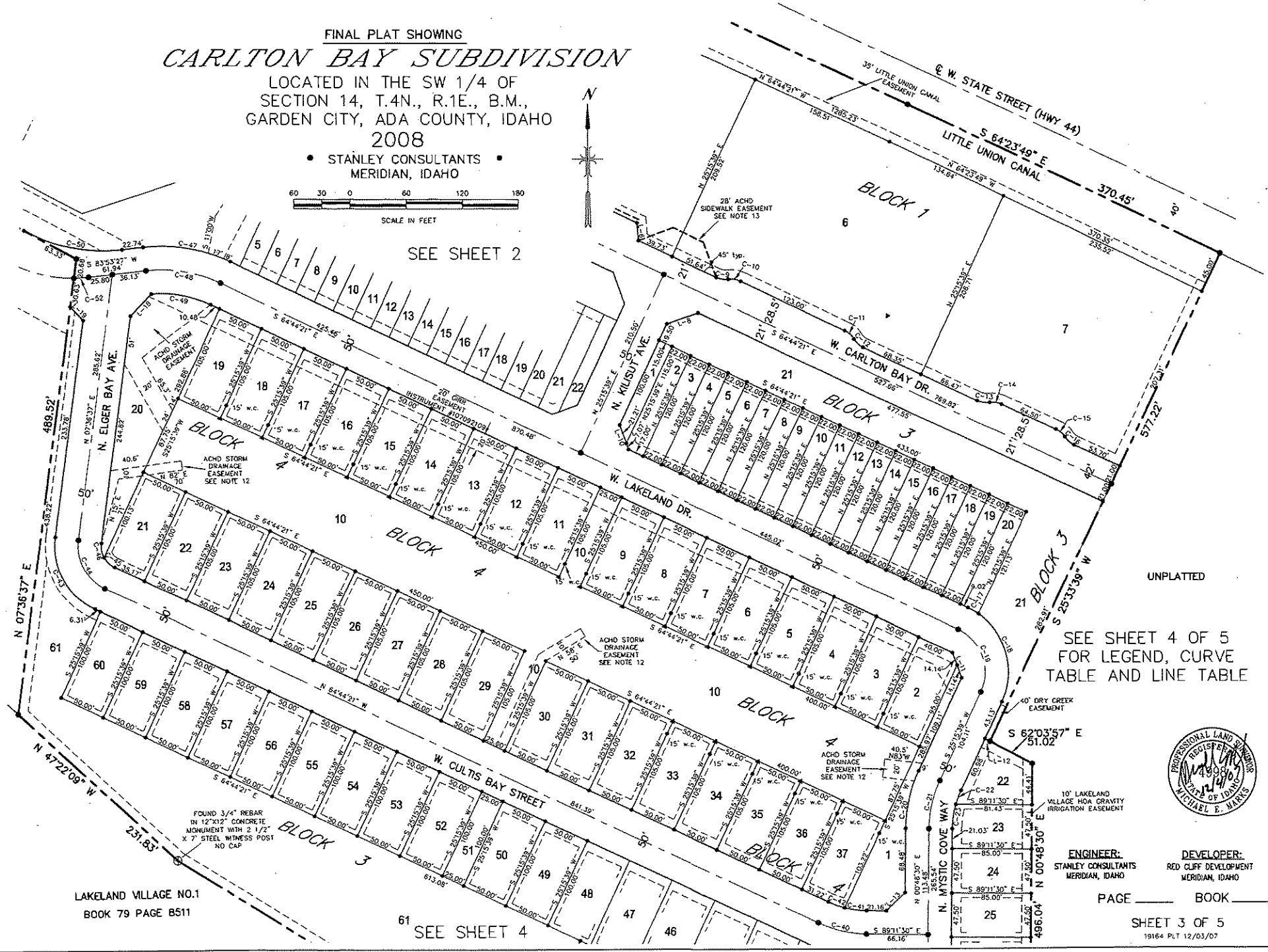
FINAL PLAT SHOWING CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

• STANLEY CONSULTANTS •
MERIDIAN, IDAHO



SEE SHEET 2



UNPLATTED

SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE



ENGINEER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER:
RED CLIFF DEVELOPMENT
MERIDIAN, IDAHO

PAGE _____ BOOK _____

SHEET 3 OF 5

19164 PLT 12/03/07

LAKELAND VILLAGE NO.1
BOOK 79 PAGE B511

SEE SHEET 4

FOUND 3/4" REBAR
IN 12"X12" CONCRETE
MONUMENT WITH 2 1/2"
X 7" STEEL WITNESS POST
NO CAP

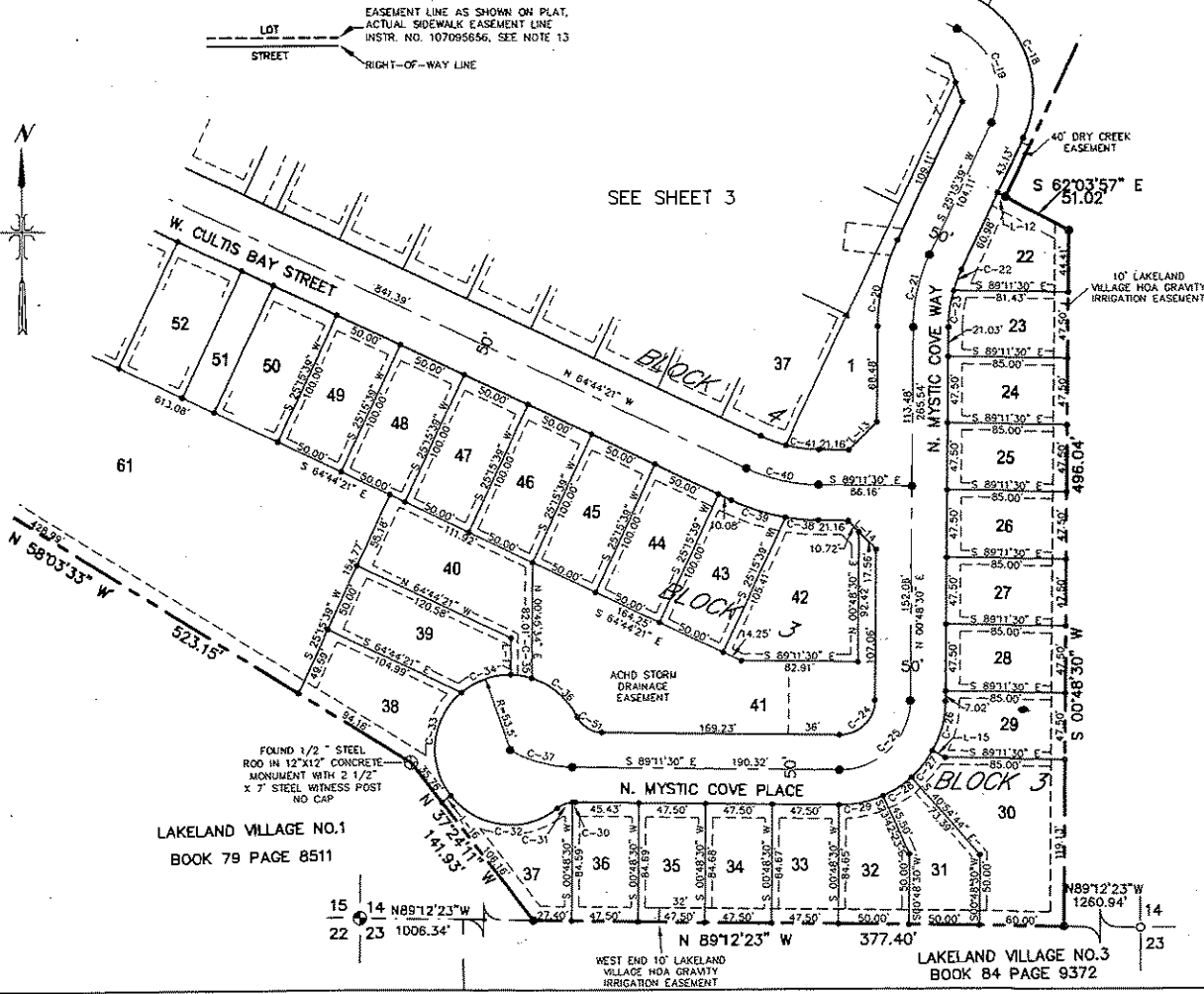
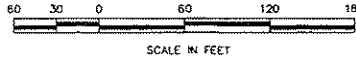
FINAL PLAT SHOWING CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO

LEGEND

- SECTION LINE
- BOUNDARY LINE
- RIGHT-OF-WAY
- CENTER LINE
- EASEMENT LINE
- FOUND BRASS CAP
- SET 5/8" IRON PIN WITH PLASTIC CAP PLS 4998
- SET 1/2" IRON PIN WITH PLASTIC CAP PLS 4998
- ⊕ FND CONCRETE MONUMENT AS NOTED
- 1 LOT NUMBER



| CURVE TABLE | | | | | | |
|-------------|--------|--------|-----------|---------|---------------|--------|
| CURVE | LENGTH | RADIUS | DELTA | TANGENT | CHORD BEARING | CHORD |
| C-1 | 39.12 | 121.00 | 18°31'31" | 19.73 | N 74°00'07" W | 38.95 |
| C-2 | 32.33 | 100.00 | 18°31'31" | 16.31 | N 74°00'07" W | 32.19 |
| C-3 | 25.64 | 78.00 | 18°31'31" | 12.88 | N 74°00'07" W | 25.43 |
| C-4 | 49.18 | 137.25 | 20°31'57" | 24.86 | N 54°28'23" W | 48.92 |
| C-5 | 35.84 | 100.00 | 20°31'57" | 18.11 | N 54°28'23" W | 35.64 |
| C-6 | 28.31 | 78.00 | 20°31'57" | 14.31 | N 54°28'23" W | 28.16 |
| C-7 | 35.84 | 100.00 | 20°31'57" | 18.11 | S 54°28'23" E | 35.64 |
| C-8 | 43.36 | 121.00 | 20°31'57" | 21.82 | S 54°28'23" E | 43.13 |
| C-9 | 13.32 | 23.00 | 33°10'48" | 6.85 | S 81°19'45" E | 13.13 |
| C-10 | 13.32 | 23.00 | 33°10'48" | 6.85 | N 81°19'45" W | 13.13 |
| C-11 | 13.32 | 23.00 | 33°10'48" | 6.85 | N 48°08'37" E | 13.13 |
| C-12 | 13.32 | 23.00 | 33°10'48" | 6.85 | S 48°08'37" E | 13.13 |
| C-13 | 13.47 | 23.00 | 33°33'29" | 6.93 | S 81°31'06" E | 13.28 |
| C-14 | 13.00 | 22.00 | 33°31'29" | 6.70 | N 81°22'05" W | 12.81 |
| C-15 | 12.77 | 22.00 | 33°15'29" | 6.57 | N 47°48'37" W | 12.59 |
| C-16 | 13.47 | 23.00 | 33°33'29" | 6.93 | S 47°57'37" E | 13.28 |
| C-17 | 13.04 | 75.00 | 9°57'46" | 6.94 | N 59°45'28" W | 13.02 |
| C-18 | 104.77 | 75.00 | 80°21'44" | 52.87 | N 14°52'28" W | 96.46 |
| C-19 | 78.54 | 50.00 | 90°00'00" | 50.00 | N 10°44'21" W | 70.71 |
| C-20 | 64.02 | 150.00 | 24°27'09" | 32.50 | S 13°02'04" W | 63.53 |
| C-21 | 53.35 | 125.00 | 24°27'09" | 27.09 | S 13°02'04" W | 52.94 |
| C-22 | 15.89 | 100.00 | 9°06'05" | 7.98 | S 20°42'36" W | 15.87 |
| C-23 | 26.79 | 100.00 | 15°21'04" | 13.48 | S 08°29'02" W | 26.71 |
| C-24 | 39.27 | 25.00 | 90°00'00" | 25.00 | N 45°48'30" E | 36.36 |
| C-25 | 78.54 | 50.00 | 90°00'00" | 50.00 | N 45°48'30" E | 70.71 |
| C-26 | 37.12 | 75.00 | 28°21'37" | 18.95 | N 14°50'18" E | 36.75 |
| C-27 | 24.39 | 75.00 | 18°37'59" | 12.30 | N 38°29'06" E | 24.28 |
| C-28 | 24.21 | 75.00 | 18°29'31" | 12.21 | N 57°02'51" E | 24.10 |
| C-29 | 32.09 | 75.00 | 24°30'53" | 16.29 | N 78°33'03" E | 31.85 |
| C-30 | 2.07 | 20.00 | 5°56'12" | 1.04 | S 87°50'24" W | 2.07 |
| C-31 | 11.73 | 20.00 | 33°38'59" | 6.84 | S 88°03'49" W | 11.57 |
| C-32 | 85.35 | 53.50 | 49°51'44" | 54.83 | S 82°02'33" E | 78.56 |
| C-33 | 81.57 | 53.50 | 87°31'10" | 51.08 | S 06°20'09" E | 73.89 |
| C-34 | 38.05 | 53.50 | 49°44'51" | 19.87 | S 70°23'09" W | 37.25 |
| C-35 | 15.20 | 53.50 | 18°16'57" | 7.65 | N 81°05'57" W | 15.15 |
| C-36 | 43.70 | 53.50 | 48°48'03" | 23.15 | N 49°33'27" W | 42.50 |
| C-37 | 46.43 | 50.33 | 79°28'56" | 23.74 | S 74°28'02" E | 45.92 |
| C-38 | 23.61 | 150.00 | 8°01'08" | 11.83 | S 84°48'58" E | 23.39 |
| C-39 | 40.40 | 150.00 | 15°25'00" | 20.33 | S 22°27'21" E | 40.28 |
| C-40 | 53.35 | 125.00 | 24°27'09" | 27.09 | S 26°57'56" E | 52.94 |
| C-41 | 23.79 | 100.00 | 13°37'46" | 11.95 | S 62°22'37" E | 23.73 |
| C-42 | 18.89 | 100.00 | 10°49'23" | 9.47 | S 70°09'03" E | 18.86 |
| C-43 | 94.71 | 75.00 | 72°20'58" | 54.84 | S 28°33'52" E | 88.54 |
| C-44 | 63.14 | 50.00 | 72°20'58" | 36.58 | S 28°33'52" E | 59.03 |
| C-45 | 15.08 | 25.00 | 36°21'08" | 8.24 | S 46°32'47" E | 15.61 |
| C-46 | 15.69 | 25.00 | 35°57'50" | 8.11 | S 10°22'18" E | 15.44 |
| C-47 | 95.81 | 175.00 | 31°22'12" | 49.14 | N 80°25'27" W | 94.62 |
| C-48 | 82.13 | 150.00 | 31°22'12" | 42.12 | N 80°25'27" W | 81.10 |
| C-49 | 65.25 | 125.00 | 29°54'27" | 33.39 | N 79°41'35" W | 64.51 |
| C-50 | 108.74 | 183.02 | 34°02'38" | 56.03 | S 79°05'15" E | 107.15 |
| C-51 | 22.00 | 20.00 | 83°02'55" | 12.26 | S 57°40'28" E | 20.91 |
| C-52 | 15.71 | 150.00 | 6°00'09" | 7.86 | N 86°53'31" E | 15.71 |

| LINE TABLE | | |
|------------|--------|---------------|
| LINE | LENGTH | BEARING |
| L-1 | 37.14 | S 41°34'1" E |
| L-2 | 33.48 | N 48°46'19" E |
| L-3 | 18.78 | N 55°15'39" E |
| L-4 | 18.78 | N 55°15'39" E |
| L-5 | 14.61 | S 04°44'21" E |
| L-6 | 18.76 | S 04°44'21" E |
| L-7 | 35.36 | S 19°44'21" E |
| L-8 | 35.36 | N 70°15'39" E |
| L-9 | 28.28 | N 70°15'39" E |
| L-10 | 28.28 | S 19°44'21" E |
| L-11 | 28.28 | S 19°44'21" E |
| L-12 | 6.05 | S 62°03'32" E |
| L-13 | 28.28 | N 45°48'30" E |
| L-14 | 28.28 | S 44°11'30" E |
| L-15 | 10.23 | S 60°46'54" E |
| L-16 | 7.95 | N 52°39'34" E |
| L-17 | 26.06 | N 60°45'34" E |
| L-18 | 32.12 | N 44°11'15" E |
| L-19 | 19.21 | N 44°14'58" W |



ENGINEER: STANLEY CONSULTANTS MERIDIAN, IDAHO
DEVELOPER: RED CLIFF DEVELOPMENT MERIDIAN, IDAHO

CARLTON BAY SUBDIVISION

CERTIFICATE OF OWNERS

KNOW ALL MEN BY THESE PRESENTS:

THAT S & R LAND DEVELOPMENT, LLC, AND HAWKINS COMPANIES LLC, BOTH LIMITED LIABILITY COMPANYS ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF IDAHO AND DULY QUALIFIED TO DO BUSINESS IN THE STATE OF IDAHO, DO HEREBY CERTIFY THAT THEY ARE THE OWNERS OF THE REAL PROPERTY AS DESCRIBED BELOW AND IT IS THEIR INTENTION TO INCLUDE SAID REAL PROPERTY IN THIS SUBDIVISION PLAT. THE OWNERS ALSO HEREBY CERTIFY THAT THIS PLAT COMPLIES WITH IDAHO CODE 50-1334, (2). ALL LOTS IN THIS SUBDIVISION WILL RECEIVE DOMESTIC WATER FROM AN EXISTING WATER SYSTEM AND GARDEN CITY HAS AGREED IN WRITING TO SERVE THE LOTS IN THIS SUBDIVISION.

A PARCEL OF LAND BEING A PORTION OF THE SW 1/4 OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 1 EAST, BOISE MERIDIAN, GARDEN CITY, ADA COUNTY, IDAHO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SW 1/4 (WEST 1/4 CORNER) OF SECTION 14, T.4N., R.1E., B.M., THENCE S 00°48'31" W, 879.46 FEET ALONG THE WEST LINE OF SAID SECTION 14 TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION;

ALONG THE RIGHT OF WAY OF STATE STREET THE FOLLOWING:

THENCE S 64°44'21" E, 1366.25 FEET TO A POINT;

THENCE S 64°23'49" E, 370.45 FEET TO A POINT;

LEAVING THE RIGHT OF WAY OF STATE STREET:

THENCE S 25°33'39" W, 577.22 FEET TO A POINT;

THENCE S 62°03'57" E, 51.02 FEET TO A POINT;

THENCE S 00°48'30" W, 486.04 FEET TO A POINT;

THENCE N 89°12'23" W, 377.40 FEET TO A POINT ON THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION;

ALONG THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION THE FOLLOWING:

THENCE N 37°24'11" W, 141.93 FEET TO A POINT;

THENCE N 58°03'33" W, 523.15 FEET TO A POINT;

THENCE N 47°22'09" W, 231.85 FEET TO A POINT;

LEAVING THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION:

THENCE N 07°36'37" E, 488.52 FEET TO A POINT;

THENCE N 62°03'57" W, 399.94 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 14;

THENCE N 00°48'31" E, 559.47 FEET ALONG SAID WEST LINE TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION, CONTAINING 34.62 ACRES, MORE OR LESS.

THE PUBLIC STREETS AS SHOWN ON THIS PLAT ARE HEREBY DEDICATED TO THE PUBLIC AND THE EASEMENTS AS SHOWN ON THIS PLAT ARE NOT DEDICATED TO THE PUBLIC, BUT THE RIGHT TO USE SAID EASEMENTS IS HEREBY PERPETUALLY RESERVED FOR PUBLIC UTILITIES AND SUCH OTHER USES AS DESIGNATED WITHIN THIS PLAT, AND NO PERMANENT STRUCTURES ARE TO BE ERRECTED WITHIN THE LINES OF SAID EASEMENTS.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR HANDS THIS 23RD DAY OF April, 2007.

S & R LAND DEVELOPMENT, LLC

HAWKINS COMPANIES LLC

SHANNON ROBNETT
MEMBER

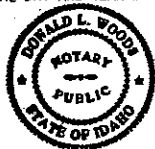
GARY R. HAWKINS
MANAGER

ACKNOWLEDGEMENT

STATE OF IDAHO)
COUNTY OF ADA) S.S.

ON THIS 23RD DAY OF April, 2007, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED SHANNON ROBNETT, KNOWN OR IDENTIFIED TO ME TO BE A MEMBER OF S & R LAND DEVELOPMENT, LLC, THE PERSON WHO EXECUTED THIS INSTRUMENT ON BEHALF OF SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.



NOTARY PUBLIC FOR Idaho

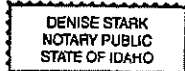
RESIDING IN Meridian
05-04-10
MY COMMISSION EXPIRES

ACKNOWLEDGEMENT

STATE OF IDAHO)
COUNTY OF ADA) S.S.

ON THIS 23RD DAY OF April, 2007, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED GARY R. HAWKINS, KNOWN OR IDENTIFIED TO ME TO BE MANAGER OF HAWKINS COMPANIES LLC, THE PERSON WHO EXECUTED THIS INSTRUMENT ON BEHALF OF SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.



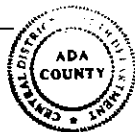
NOTARY PUBLIC FOR State of Idaho

RESIDING IN Idaho
9-31-2011
MY COMMISSION EXPIRES

HEALTH CERTIFICATE

SANITARY RESTRICTIONS AS REQUIRED BY IDAHO CODE, TITLE 50, CHAPTER 13 HAVE BEEN SATISFIED ACCORDING TO THE LETTER TO BE READ ON FILE WITH THE COUNTY RECORDER OR HIS AGENT LISTING THE CONDITIONS OF APPROVAL. SANITARY RESTRICTIONS MAY BE RE-IMPOSED, IN ACCORDANCE WITH SECTION 50-1326, IDAHO CODE, BY THE ISSUANCE OF A CERTIFICATE OF DISAPPROVAL.

R.E.H.S.
4/25/07
CENTRAL-DISTRICT HEALTH DEPARTMENT



CERTIFICATE OF COUNTY SURVEYOR

I, THE UNDERSIGNED, COUNTY SURVEYOR IN AND FOR ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT I HAVE CHECKED THIS PLAT AND THAT IT COMPLIES WITH THE STATE OF IDAHO CODE RELATING TO PLATS AND SURVEYS.

Jerry L. Heston PLS 5359
COUNTY SURVEYOR 12-3-2007



CERTIFICATE OF SURVEYOR

I, MICHAEL E. MARKS, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR LICENSED BY THE STATE OF IDAHO, AND THAT THIS PLAT AS DESCRIBED IN THE "CERTIFICATE OF OWNERS" WAS DRAWN FROM AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY DIRECT SUPERVISION AND ACCURATELY REPRESENTS THE POINTS PLATTED THEREON, AND IS IN CONFORMITY WITH THE STATE OF IDAHO CODE RELATING TO PLATS AND SURVEYS.

MICHAEL E. MARKS P.L.S.



APPROVAL OF CITY ENGINEER

I, THE UNDERSIGNED, CITY ENGINEER IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO HEREBY APPROVE THIS PLAT.

Joseph D. Canby 8-2-07
CITY ENGINEER

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

THE FOREGOING PLAT WAS ACCEPTED AND APPROVED BY THE BOARD OF ADA COUNTY HIGHWAY DISTRICT COMMISSIONERS ON THE 11th DAY OF July, 2007.

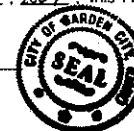
John J. Hanna
CHAIRMAN ACHD



APPROVAL OF GARDEN CITY

I, THE UNDERSIGNED, CITY CLERK IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT AT A REGULAR MEETING OF THE CITY COUNCIL HELD ON THE 25th DAY OF June, 2007 THIS PLAT WAS DULY ACCEPTED AND APPROVED.

Ramona J. Monahan
GARDEN CITY CITY CLERK



CERTIFICATE OF THE COUNTY TREASURER

I, THE UNDERSIGNED, COUNTY TREASURER IN AND FOR THE COUNTY OF ADA, STATE OF IDAHO, PER THE REQUIREMENTS OF I.C. 50-1308 DO HEREBY CERTIFY THAT ANY AND ALL CURRENT AND/OR DELINQUENT COUNTY PROPERTY TAXES FOR THE PROPERTY INCLUDED IN THIS SUBDIVISION HAVE BEEN PAID IN FULL. THIS CERTIFICATION IS VALID FOR THE NEXT THIRTY (30) DAYS ONLY.

Karen Brown for Cecil Johnson
COUNTY TREASURER

11/2/08
DATE



COUNTY RECORDER'S CERTIFICATE

STATE OF IDAHO)
COUNTY OF ADA) S.S.

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD AT THE REQUEST OF S & R Development AT 24 MINUTES PAST 11 O'CLOCK A.M., ON THIS 3rd DAY OF January, 2008 IN BOOK 100 OF PLATS AT PAGES 12901 THROUGH 12905. INSTRUMENT NO. 108000583

J. David Navarro
EX-OFFICIO RECORDER

T. Olson
Deputy

326-
FEE



**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

FOR

CARLTON BAY SUBDIVISION

THIS DECLARATION is made effective as of March 3, 2008, by Carlton Bay, LLC, an Idaho limited liability company (Declarant or Grantor).

ARTICLE I: RECITALS

1.1 Declarant is the owner of all of the real property located in the City of Garden City, County of Ada, State of Idaho, described in the attached Exhibit A (the Property).

1.2 The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions, and equitable servitudes (collectively Restrictions) that apply to a Property. The Restrictions are designed to preserve the Property's value, desirability, and attractiveness, to ensure a well integrated high-quality development, and to guarantee adequate maintenance of the Common Area, and the Improvements located thereon, in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Grantor declares that the Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved subject to the following terms, covenants, conditions, 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 sale of the Property, and to enhance the value, desirability, and attractiveness of the Property. The terms, covenants, conditions, easements, and restrictions set forth herein:

- A. 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;
- B. shall inure to the benefit of every lot, parcel, or portion of the Property and any interest therein; and,
- C. shall inure to the benefit of, and be binding upon, Grantor, Grantor's successors in interest, and each grantee or Owner, and such grantees or Owner's respective successors in interest, and may be enforced by Grantor, by any Owner, or such Owner's successors in interest, or by the Association as hereinafter described.

Notwithstanding the foregoing, no provision of this Declaration shall be construed as to prevent or limit Grantor's right to complete development of the Property and to construct improvements thereon, nor Grantor's right to maintain model homes, construction, sales, or leasing offices, or similar facilities (temporary or otherwise) on any portion of the Property, including the Common Area or any public right-of-way, nor Grantor's right to post signs incidental to construction, sales, or leasing, nor Grantor's right to modify plans for the Property, all in accordance with any necessary approvals of the City.

ARTICLE III: DEFINITIONS

- 3.1 Architectural Committee shall mean the committee created by the Grantor or an Association pursuant to Article X hereof.
- 3.2 Articles shall mean the Articles of Incorporation of an Association or other organizational or charter documents of an Association.
- 3.3 Assessments shall mean those payments required of Owners or other Association Members, including Regular, Special, and Limited Assessments of any Association as further defined in this Declaration.
- 3.4 Association shall mean the Idaho profit or non-profit corporation, and its successors and assigns, established by Grantor to exercise the powers and to carry out the duties set forth in this Declaration or any Supplemental Declaration. Grantor shall have the power, in its discretion, to name the Association the Carlton Bay Subdivision Homeowners Association, Inc., or any similar name which fairly reflects its purpose.
- 3.5 Association Rules shall mean those rules and regulations promulgated by an Association governing conduct upon and use of the Property under the jurisdiction or control of an 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 an Association.
- 3.6 Board shall mean the Board of Directors or other governing board or individual, if applicable, of the Association indicated in Section 3.5.
- 3.7 Building Lot shall mean one or more lots within the Property as specified or shown on any Plat and/or by Supplemental Declaration, upon which Improvements may be constructed.
- 3.8 Bylaws shall mean the Bylaws of the Association indicated in Section 3.5.
- 3.9 Commercial Association shall mean the Idaho profit or non-profit corporation, and its successors and assigns, established by Grantor to exercise the powers and to carry out the duties set forth in this Declaration or any Supplemental Declaration for Commercial Lot(s). Grantor shall have the power, in its discretion, to name the Association the Carlton Bay Owners Association, Inc., or any similar name which fairly reflects its purpose.

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

3.11 Commercial Board shall mean the Board of Directors or other governing board or individual, if applicable, of the Commercial Association indicated in Section 3.10.

3.12 Commercial Bylaws shall mean the Bylaws of the Commercial Association indicated in Section 3.10.

3.13 Commercial Property shall mean the real property described in Exhibit B, including each lot, parcel, and portion thereof and interest therein, including all water rights associated with or appurtenant to such property, which are brought within the jurisdiction hereof by Supplemental Declaration or otherwise. The Property also may include, at Grantors sole discretion, such additional property in addition to that described in Exhibit B as may be annexed by means of Supplemental Declaration as provided herein.

3.14 Common Area shall mean all real property in which the Association holds an interest or which is held or maintained, permanently or temporarily, for the common use, enjoyment, and benefit of the entire Carlton Bay Subdivision and each Owner therein, and shall include, without limitation, all such parcels that are designated as private streets or drives, common open spaces, common landscaped areas, and waterways. The Common Area may be established from time to time by Grantor on a portion of the Property by describing it on a plat, by granting or reserving it in a deed or other instrument, or by designating it pursuant to this Declaration or any Supplemental Declaration. The Common Area may include easement and/or license rights.

3.15 Declaration shall mean this Declaration as it may be amended from time to time.

3.16 Design Guidelines shall mean the construction guidelines approved by the Architectural Committee.

3.17 Grantor shall mean Carlton Bay, LLC, an Idaho limited liability company, and its successors in interest, or affiliates of the Grantor, or any person or entity to whom the rights under this Declaration are expressly transferred by Grantor or its successor. An affiliate shall mean any entity with some form of common ownership interest with the Grantor or partners of the Grantor.

3.18 Improvement shall mean any structure, facility, or system, or other improvement or object, 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, bicycle paths, curbs, landscaping, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, and fixtures of any kind whatsoever.

3.19 Landscape Easements shall mean any portion of a Building Lot located within the landscape easements designated on the Plat or in a Supplemental Declaration. This Landscape Easement is in addition to the general landscape easement described in Sections 5.5.2.3 and 12.7 of this Declaration.

3.20 Limited Assessment shall mean a charge against a particular Owner and such Owners Building Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Declaration or any Supplemental Declaration, including interest thereon as provided in this Declaration or a Supplemental Declaration.

3.21 Member shall mean each person or entity holding a membership in the Association. Where specific reference or the context so indicates, it shall also mean persons or entities holding membership.

3.22 Owner shall mean the person or other legal entity, including Grantor, holding fee simple interest of record to a Building Lot which is a part of the Property, and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation.

3.23 Carlton Bay Subdivision shall mean the Property.

3.24 Person shall mean any individual, partnership, corporation, or other legal entity.

3.25 Plat shall mean any subdivision plat covering any portion of the Property as recorded at the office of the County Recorder, Ada County, Idaho, as the same may be amended by duly recorded amendments thereof.

3.26 Property shall mean the real property described in Exhibit A, including each lot, parcel, and portion thereof and interest therein, including all water rights associated with or appurtenant to such property, which are brought within the jurisdiction hereof by Supplemental Declaration or otherwise. The Property also may include, at Grantor's sole discretion, such additional property in addition to that described in Exhibit A as may be annexed by means of Supplemental Declaration as provided herein.

3.27 Regular Assessment shall mean the portion of the cost of maintaining, improving, repairing, managing, and operating the Common Area and all Improvements located thereon, and the other costs of an Association which is to be levied against the Property of and paid by each Owner to the Association, pursuant to the terms of this Declaration or a Supplemental Declaration.

3.28 Special Assessment shall mean the portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments which are authorized and to be paid by each Owner to the Association, pursuant to the provisions of this Declaration or a Supplemental Declaration.

3.29 Supplemental Declaration shall mean any Supplemental Declaration including additional covenants, conditions, and restrictions that might be adopted with respect to any portion of the Property.

3.30 Waterway shall mean any surface water amenity, including, without limitation, any lake, pond, channel, slough, stream, or reservoir, natural or artificial, which is located on the Property and which is included within or managed as Common Area.

ARTICLE IV: GENERAL AND SPECIFIC RESTRICTIONS

4.1 Structures - Generally. All structures are to be designed, constructed and used in such a manner as to promote compatibility between the types of use contemplated by this Declaration.

4.1.1 Use and Size of Dwelling Structure. All Building Lots shall be used exclusively for single-family residential purposes. No Building Lot shall be improved except with a single-family dwelling unit or structure. With the exception of all Commercial Property, (i) the minimum structure size in Carlton Bay Subdivision for Lots 22 through 36, on Block 3 shall be One Thousand Two Hundred (1,200) square feet exclusive of garage on the main floor, and if it is a two story building it shall be One Thousand Six Hundred (1,600) Square Feet, with a minimum of One Thousand (1,000) square feet on the main floor, (ii) the minimum structure size in Carlton Bay Subdivision for Lots 38 through 40, 42 through 50, 52 through 60 on Block 3, and Lots 2 through 9, 11 through 19, 21 through 37, on Block 4 shall be One Thousand Four Hundred (1,400) square feet exclusive of garage on the main floor, and if it is a two story building it shall be One Thousand Eight Hundred (1,800) Square Feet, with a minimum of One Thousand (1,000) square feet on the main floor. This criteria shall apply to all phases.

4.1.2 Approved Roofing Materials. All Improvements with a roof and all roofing materials shall be reviewed by the Architectural Committee in accordance with Section 4.1.2.

4.1.2 Architectural Committee Review. No Improvements which will be visible above ground or which will ultimately affect the visibility of any above ground Improvement shall be built, erected, placed, or materially altered or removed from the Property unless and until the building plans, specifications, and plot plan or other appropriate plans and specifications have been reviewed in advance by the Architectural Committee and the same have been approved in writing. The review and approval or disapproval may be based upon the following factors - size, height, design and style elements, mass and form, topography, setbacks, finished ground elevations, architectural symmetry, drainage, color, materials, including Architectural Committee approved roofing material, physical or aesthetic impacts on other properties, including Common Areas, artistic conformity to the terrain and the other Improvements on the Property, and any and all other factors which the Architectural Committee, in its reasonable discretion, deems relevant. Said requirements as to the approval of the architectural design shall apply only to the exterior appearance of the Improvements. This Declaration is not intended to serve as authority for the Architectural Committee to

control the interior layout or design of residential structures except to the extent incidentally necessitated by use, size, and height restrictions.

4.1.3 Setbacks and Height. No residential or other structure (exclusive of fences and similar structures) shall be placed nearer to the Building Lot lines or built higher than permitted by the Plat for the Property in which the Building Lot is located, by any applicable zoning restriction, by any conditional use permit, or by a building envelope designated either by Grantor or applicable Architectural Committee, whichever is more restrictive.

4.1.4 Accessory Structures. Detached garages shall be allowed if in conformity with the provisions of this Declaration, and as approved by the applicable Architectural Committee. Garages, storage sheds attached to the residential structure, patio covers, and detached patio covers, shall be constructed of, and roofed with similar colors and design, as the residential structure on the applicable Building Lot. No playhouses, playground equipment, pool slides, diving boards, hot tubs, spas, or similar items shall extend higher than five (5) feet above the finished graded surface of the Building Lot upon which such item(s) are located, unless specifically so allowed by the Architectural Committee, in its sole discretion. Basketball courts, backboards, tennis courts, shall not be allowed in the backyard of any Building Lot. No metal Improvements are allowed.

4.1.5 Driveways. All access driveways shall have a wearing surface approved by the Architectural Committee of concrete or other hard surface materials, shall be properly graded to assure proper drainage and there shall be no interference or other restriction of the free right of passage of the Owners, their agents, servants, tenants, guests, and employees over driveways or passages leading to garages.

4.1.6 Mailboxes. All initial mailboxes and stands shall be provided by Grantor and will be of consistent design, material, and coloration and shall be located on or adjoining Building Lot lines at places designated by Grantor or the Architectural Committee. Any replacement mailboxes and/or stands must be provided by the Owner of the Lot and be of consistent design, material, and coloration, and may not be relocated from the initial location without the prior written approval of the Architectural Committee.

4.1.7 Fencing. Fence designs shall not extend into any Common Areas within the subdivision. All fencing and boundary walls constructed on any Building Lot shall be as approved by the Architectural Committee. Fencing shall not extend higher than six (6) feet above the finished grade surface of the Building Lot or extend past the front setback of the home. All fencing must meet the setback requirements of Garden City ordinance. Certain entryway, corner, and view lots are restricted from fencing.

4.1.8 Lighting. Exterior lighting, including flood lighting, shall be part of the architectural concept of the Improvements on a Building Lot. Fixtures, standards, and all exposed accessories shall be harmonious with building design, and shall be as approved by the applicable Architectural Committee. Lighting shall be restrained in design, and excessive

brightness shall be avoided. Only down lighting shall be allowed at the back of the Building Lot or in the backyard.

4.2 Antennae. No exterior radio antenna, television antenna or other antenna of any type shall be erected or maintained on the property unless it is approved by the Architectural Committee and located or screened in a manner acceptable to said Architectural Committee. No satellite dishes shall be allowed on the Property; provided, however, that small dishes of approximately three (3) feet or less diameter may be placed in an appropriate portion of a Lot not visible from the street if allowed by the Architectural Committee, and subject to all terms and conditions, including screening, which may be imposed in the sole discretion of the Architectural Committee.

4.3 Insurance Rates. Nothing shall be done or kept on any Building Lot which will increase the rate of insurance on any other portion of the Property without the approval of the Owner of such other portion, nor shall anything be done or kept on the Property or a Building Lot which would result in the cancellation of insurance on any property owned or managed by any such Association or which would be in violation of any law.

4.4 No Further Subdivision. No Building Lot may be further subdivided, nor may any easement or other interest therein, unless such subdivision complies with all applicable laws.

4.5 Signs. No sign of any kind shall be displayed to the public view without the approval of the applicable Architectural Committee or Association, and Garden City if otherwise so required, except:

(A) such signs as may be used by Grantor in connection with the development of the Property and sale of Building Lots;

(B) temporary signs naming the contractors, the architect, and the lending institution for particular construction operation;

(C) such signs identifying subdivision, or informational signs, of customary and reasonable dimensions as prescribed by the Architectural Committee may be displayed on or from the Common Area; and,

(D) one (1) sign of customary and reasonable dimensions not to exceed three (3) feet by two (2) feet may be displayed by an Owner other than Grantor on or from a Building Lot advertising the residence for sale or lease

All signage, including signage for the exceptions listed as (A)-(D), must be done in accordance with the Association signage format. Without limiting the foregoing, no sign shall be placed in the Common Area without the written approval of the applicable Architectural Committee or the Association. House numbering shall be in accordance with the city requirements and approved by the Architectural Committee.

4.6 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, including the Common Area or vacant Building Lots, 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 the Property or to its occupants, or to any other property in the vicinity thereof or to its occupants. No noise or other nuisance, as described in the Garden City Code, as amended from time to time, shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or to other property in the vicinity or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Association), flashing lights, or search lights, shall be located, used, or placed on the Property without the prior written approval of the Association.

4.7 Exterior Maintenance: Owners Obligations. No Improvement shall be permitted to fall into disrepair, and each Improvement shall at all times be kept in good condition and repair. In the event that any Owner shall permit any Improvement, including trees and landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly, or unattractive condition, or damages property or facilities on or adjoining their Building Lot which would otherwise be the Association's responsibility to maintain, the Board of the Association, upon fifteen (15) days prior written notice to the Owner of such property, shall have the right, but in no event is required, to correct such condition, and to enter upon such Owners Building Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association for the cost thereof. Further, no unapproved Improvement, including trees and landscaping, shall be located within five (5) feet of any easement. In the event that any Owner shall permit any unapproved Improvement, including trees and landscaping, within five (5) feet of any easement, the Board of the Association, upon fifteen (15) days prior written notice to the Owner of such property, shall have the right, but in no event is required, to correct such condition, and to enter upon such Owners Building Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association for the cost thereof. Each Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefore. In the event such amounts are not paid when due, such cost shall be a limited Assessment and shall create a lien enforceable in the same manner as other Assessments set forth in Article VIII of this Declaration, or the amounts due may, at the option of the Board of the Association, be added to the amounts payable by such Owner as Regular Assessments. The Owner of the offending property shall be personally liable, and such Owners property may be subject to a mechanics' lien, for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due, including attorney's fees and costs. Each Owner, with the exception of the Owner of the offending property, shall have the remedial rights set forth herein if the Association fails to exercise its rights within a reasonable time following written notice by such Owner.

4.8 Drainage. There shall be no interference with the established drainage pattern over any portion of the Property, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the Architectural Committee and ACHD. For the purposes hereof, established drainage is defined as the system of drainage, whether natural or otherwise, which exists at the time the overall grading of any portion of the Property is completed by Grantor, or that drainage which is shown on any plans approved by the Architectural Committee and/or ACHD, which may include drainage from the Common Area over any Building Lot in the Property.

4.9 Grading. The Owner of any Building Lot within the Property in which grading or other work has been performed pursuant to a grading plan approved under applicable provisions of Garden City Code shall maintain and repair all graded surfaces and erosion prevention devices, retaining walls, drainage structures, means, or devices which are not the responsibility of the Ada County Highway District, the Association, or other public agency, and plantings and ground cover installed or completed thereon. Such requirements shall be subject to Regular, Special, and Limited Assessments provided herein, as may be applicable.

4.10 Water Supply Systems. No separate or individual water supply system, regardless of the proposed use of the water to be delivered by such system, shall be permitted on any Building Lot unless such system is designed, located, constructed, and equipped in accordance with the requirements, standards, and recommendations of the Board of the Association and all governmental authorities having jurisdiction. Grantor or affiliates of Grantor may use the water supply as deemed necessary for temporary or other irrigation purposes.

4.11 No Hazardous Activities. No activities shall be conducted on the Property, and improvements constructed on any property which are or might be unsafe or hazardous to any person or property.

4.12 Unightly Articles. No unsightly articles shall be permitted to remain on any Building Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, and trash shall be kept at all times in such containers and in areas approved by the applicable Architectural Committee. No clothing or fabrics shall be hung, dried, or aired in such a way as to be visible to other property, and no equipment, treat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, plant waste, metals, bulk material, scrap, refuse, or trash shall be kept, stored or allowed to accumulate on any Building Lot except within an enclosed structure or as appropriately screened from view. No vacant residential structures shall be used for the storage of building materials.

4.13 No Temporary Structures. No house trailer, mobile home, tent (other than for short term individual use which shall not exceed one (1) week unless approved by the Association), shack or other temporary building, improvement, or structure shall be placed upon any portion of the Property, except temporarily as may be required by construction activity undertaken on the Property. Also excepted from this requirement is any sales office established for the Property.

4.14 No Unscreened Boats, Campers, and Other Vehicles. No boats, trailers, campers, all-terrain vehicles, motorcycles, recreational vehicles, bicycles, dilapidated or unrepaired and unsightly vehicles, or similar equipment shall be placed upon any portion of the Property (including, without limitation, streets, parking areas, and driveways) unless the same are enclosed by a structure concealing them from view in a manner approved by the Architectural Committee, provided motor homes, campers, trailers, boats, and other recreational vehicles may be temporarily parked unenclosed for a maximum of forty-eight (48) hours. To the extent possible, garage doors shall remain closed at all times.

4.15 Sewage Disposal Systems. No individual sewage disposal system shall be used on the Property. Each Owner shall connect the appropriate facilities on such Owner's Building Lot to the Garden City Sewer System and pay all charges assessed therefore.

4.16 No Mining or Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing water, oil, gas, or other hydrocarbons, minerals, rocks, stones, sand, gravel, or earth. This paragraph 4.16 shall not prohibit exploratory drilling or coring which is necessary to construct a residential structure or Improvements.

4.17 Energy Devices. Outside. No energy production devices, including, but not limited to, generators of any kind and solar energy devices, shall be constructed or maintained on any portion of the Property without the written approval of the applicable Architectural Committee, except for heat pumps shown in the plans approved by the Architectural Committee. This paragraph 4.17 shall not apply to passive solar energy systems incorporated into the approved design of a residential structure.

4.18 Vehicles. The use of all vehicles, including, but not limited to, trucks, automobiles, bicycles, motorcycles, snowmobiles, aircraft, and boats, shall be subject to all Association Rules, which may prohibit or limit the use thereof within Carlton Bay Subdivision. No on-street parking shall be permitted in no parking zones. All parking shall be in accordance with section 4.14 and the requirements of Ada County. No parking bays shall be permitted in any side, front, or backyard. Vehicles parked on a driveway shall not extend into any sidewalk or bike path or pedestrian path. No motorized vehicle or device shall be permitted on any Waterway unless such vehicle is engaged in an emergency procedure.

4.19 Animals/Pets. No animals, birds, insects, pigeons, poultry, or livestock shall be kept on the Property unless the presence of such creatures does not constitute a nuisance. The paragraph 4.19 does not apply to the keeping of up to two (2) domesticated dogs or two (2) domesticated cats in any combination provided the total of such domesticated dogs and domesticated cats shall in no event exceed two, and other household pets which do not unreasonably bother or constitute a nuisance to others. Without limiting the generality of the foregoing, consistent and/or chronic barking by dogs shall be considered a nuisance. Each dog in Carlton Bay Subdivision shall be kept on a leash, curbed, and otherwise controlled at all times when such animal is off the premises of its owner. Such owner shall clean up any animal defecation immediately from the Common Area or public right-of-way. Failure to do so may result, at the Board of the Association's discretion, with a Limited Assessment levied against such animal owner. The construction of dog runs or other pet enclosures shall be subject to applicable Architectural Committee approval, shall be appropriately screened, and shall be maintained in a sanitary condition. Dog runs or other pet enclosures shall be placed a minimum of ten (10) feet from the rear Building Lot line, shall not be placed in any front or side yard of a Building Lot, and shall be screened from view so as not to be visible from the Common Area or an adjacent Building Lot. Notwithstanding the foregoing, nothing herein shall prevent the possession by an Owner, Occupant, Licensee, Tenant, or Invitee of a dog which has been trained and is used for the purpose of a seeing eye or guide dog for the blind.

4.20 Landscaping. The Owner of any Building Lot shall sod and landscape such Building Lot in conformance with the landscape plan approved by the Association, and as approved by the

Architectural Committee. All landscaping shall be planted within thirty (30) days after said dwelling structure is completed, weather permitting. The initial front landscaping shall include as a minimum, sod in the front and side yards with trees, shrubs, plants, and flowers as dictated by the Architectural Committee. If Grantor or an affiliate of Grantor constructs the dwelling structure, only the front yard of the Building Lot is required to be landscaped within thirty (30) days of substantial completion of the dwelling structure. The Owner is then responsible for completing the balance of the Building Lot landscaping within ninety (90) days after the Building Lot is conveyed to the first Owner of the Building Lot. Additionally, Grantor may grant extensions of the landscaping deadlines to any party for up to ninety (90) days. Prior to construction of Improvements, the Owner (or any Association to which such responsibility has been assigned) shall provide adequate irrigation and maintenance of existing trees and landscaping, shall control weeds, and maintain the Owner's (or Association's) property in a clean and safe condition free of debris or any hazardous condition. No trees shall be located within five (5) feet of any Building Lot line and no portion of the tree shall cross the plane of the Building lot line. All landscaped Common Areas other than riparian vegetation shall be irrigated by an underground sprinkler system.

Following commencement of any construction of any Improvement, construction shall be diligently pursued and completed as soon as reasonably practical. All landscaping on a Building Lot, unless otherwise specified by the applicable Architectural Committee, shall be completed as soon as reasonably practical following completion of the residential structure on such Building Lot.

4.21 Exemption of Grantor. Nothing contained herein shall limit the right of Grantor to subdivide or re-subdivide any portion of the Property, to grant licenses, to reserve rights-of-way and easements with respect to the Common Area to utility companies, public agencies, or others, or to complete excavation, grading, and construction of Improvements to and on any portion of the property owned by Grantor, or to alter the foregoing and its construction plans and designs, or to construct such additional Improvements as Grantor deems advisable in the course of development of the Property so long as any Building Lot in the Property remains unsold. Such right shall include, but shall not be limited to, erecting, constructing, and maintaining on the Property such structures and displays as may be reasonably necessary for the conduct of Grantors business of completing the work and disposing of the same by sales lease or otherwise. Grantor shall have the right at any time prior to acquisition of title to a Building Lot by a purchaser from Grantor to grant, establish, and/or reserve on that Building Lot, additional licenses, reservations and rights-of way to Grantor, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property. Grantor may use any structures owned by Grantor on the Property as model home complexes or real estate sales or leasing offices for lots and homes within the Carlton Bay Subdivision. Grantor need not seek or obtain Architectural Committee approval of any Improvement constructed or placed by Grantor or an affiliate of Grantor on any portion of the Property owned by Grantor or an affiliate of Grantor. The rights of Grantor hereunder may be assigned by Grantor to any successor in interest in connection with Grantors interest in any portion of the Property, by an express written assignment recorded in the Office of the Ada County Recorder.

4.22 Conveyances to and from Municipalities. The Board of the Association shall have the power to convey any portion of the Common Area in Carlton Bay Subdivision to the City of Garden City, the County of Ada, Ada County Highway District, the State of Idaho, the United States of America,

or any political subdivision thereof. The Board of the Association shall also have the power to receive a conveyance of any property interest from the above-referenced entities, or any other individual or entity, and to hold such property interest as Common Area.

4.23 Water Rights Appurtenant to Subdivision Lands. Within one hundred twenty (120) days of the date of the recording of this Declaration, Grantor shall transfer from the Property subject to this Declaration, and within the boundaries of an irrigation entity, as defined in said Section 31-3805, Idaho Code, all water rights and assessment obligations appurtenant to the Property to the Association.

4.24 Commencement of Construction. Any Owner of a Building Lot shall, within a period of one (1) year following the date of purchase of a Building Lot from Grantor, commence the construction of a dwelling structure in compliance with the restrictions herein, and such construction shall be completed within six (6) months thereafter. The term Commence the construction, as used in this paragraph 4.24, shall require actual physical construction activities upon such dwelling structure upon such Building Lot. In the event such Owner shall fail or refuse to commence the construction of a dwelling structure within said one (1) year period, Grantor may, at Grantors option, following the expiration of said one (1) year period, repurchase said Building Lot from such Owner or the then Owner of such Building Lot at a repurchase price equivalent to the money actually paid to Grantor, less any amount equivalent to ten (10) percent thereof. In the event Grantor shall exercise Grantor's option to repurchase such Building Lot, upon tender of said repurchase price, Owner or the then Owner of such Building Lot shall make, execute, and deliver to Grantor a deed reconveying said Building Lot, free and clear of all liens, which deed shall be binding upon all persons who may, at any time hereafter, own or claim any right, title, or interest in such Building Lot, and the successors in title thereto, whether acquired by voluntary act or through operation of law.

4.25 Commercial Property Specifications. Declarant shall establish a separate Commercial Association, Commercial Association Rules, Commercial Board, Commercial Bylaws, and restrictive covenants to manage the Commercial Property.

ARTICLE V: Carlton Bay Subdivision Homeowner's Association

5.1 Organization of Carlton Bay Subdivision Homeowner's Association. Carlton Bay Subdivision Homeowner's Association (Association) shall be initially organized by Grantor as an Idaho nonprofit corporation under the provisions of the Idaho Code relating to general non-profit corporations and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. Neither the Articles nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration or with any Supplemental Declaration which Grantor might adopt pertaining to the Property.

5.2 Membership. Each Owner, by virtue of being an Owner and for so long as such ownership is maintained, shall be a Member of the Association and no Owner shall have more than one membership in the Association. Memberships in the Association shall be appurtenant to the Building Lot or other portion of the Property owned by such Owner. The memberships in the Association shall not be transferred, pledged, assigned, or alienated in any way except upon the

transfer of Owner's title and then only to the transferee of such title. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books of the Association.

5.3 Voting. Voting in the Association shall be carried out by Members who shall cast the votes attributable to the Building Lots which they own, or attributable to the Building Lots owned by Grantor. The number of votes any Member may cast on any issue is determined by the number of Building Lots which the Member, including Grantor, owns. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the votes attributable to the Building Lot. For voting purposes, the Association shall have two (2) classes of Members as described below:

5.3.1 Class A Members. Owners other than Grantor shall be known as Class A Members. Each Class Member shall be entitled to cast one (1) vote for each Building Lot owned by such Class A Member on the day of the vote.

5.3.2 Class B Members. The Grantor shall be known as the Class B Member, and shall be entitled to six (6) votes for each Building Lot of which Grantor is the Owner. The Class B Member shall cease to be a voting Member in the Association when the total cumulative votes of the Class A Members equal or exceed the total votes of the Class B Members, provided that the Class B membership shall not cease before the expiration of ten (10) years from the date on which the first Building Lot is sold to an Owner.

Fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint owners of the Building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot to which it is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary, or contract purchaser of the building lot concerned, for the term of the lease, mortgage, deed of trust, or contract. Any sale, transfer, or conveyance of such Building Lot to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner, subject to any assignment of the right to vote to a lessee, mortgagee, or beneficiary as provided herein.

5.4 Board of Directors and Officers. The affairs of the Association shall be conducted and managed by a Board of Directors (Board) and such Owners as the Board may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended from time to time. The Board of the Association shall be elected in accordance with the provisions set forth in the Association Bylaws.

5.5 Power and Duties of the Association.

5.5.1 Powers. The Association shall have all the powers of a 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 Bylaws, and this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law and under this Declaration, and the Articles and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Common Area and the Declarations other assets (including water rights when and if received from Grantor) and affairs and the performance of the other responsibilities herein assigned, including without limitation:

5.5.1.1 Assessments. The power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

5.5.1.2 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 who consents thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Article or the Bylaws, including the Association Rules adopted pursuant to this Declaration, and to enforce by injunction or otherwise, all provisions hereof.

5.5.1.3 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, and to contract for the maintenance, repair, replacement, and operation of the Common Area. 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.

5.5.1.4 Association Rules. The power to adopt, amend, and repeal by majority vote of the Board of the Association such rules and regulations as the Association deems reasonable, including any rules or regulations related in any way to the Architectural Committee. The Association may govern the use of the Common Areas, including, but not limited to, the use of private streets by the Owners, their families, invitees, licensees, lessees, or contract purchasers; provided, however, that any Association Rules shall apply equally to all Owners and shall not be inconsistent with this Declaration, the Articles, or the Bylaws. 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, the 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 such Association Rules and any other provisions of this Declaration, or the Articles or the Bylaws, the provisions of the Association Rules shall be deemed to be superseded by provisions of this Declaration, the Articles, or the Bylaws to the extent of any such inconsistency.

5.5.1.5 Emergency Powers. The power, exercisable by the Association or by any person authorized by it, to enter upon any property (but not inside any building

constructed thereon) 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 the Association is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association.

5.5.1.6 Licenses, Easements, and Rights-of-Way. The power to grant and convey to any third party such licenses, easements, and rights-of-way in, on, or under the Common Area as may be necessary or appropriate for the orderly maintenance, preservation, and enjoyment of the Common Area, and for the preservation of the health, safety, convenience, and welfare of the Owners, for the purpose of constructing, erecting, operating, or maintaining:

5.5.1.6.1 Underground lines, cables, wires, conduits, or other devices for the transmission of electricity or electronic signals-for lighting, heating, power, telephone, television, or other purposes, and the above ground lighting stanchions, meters, and other facilities associated with the provisions of lighting and services; and,

5.5.1.6.2 Public sewers, storm drains, water drains, and pipes, water supply systems, sprinkling systems, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities; and

5.5.1.6.3 Mailboxes and sidewalk abutments around such mailboxes, or any service facility, berms, fencing and landscaping abutting common areas, public and private streets or land conveyed for any public or quasi-public purpose including, but not limited to, bicycle pathways.

The right to grant such licenses, easements, and rights-of-way is hereby expressly reserved to the Association and may be granted at any time prior to twenty-one (21) years after the execution and recording of this Declaration on behalf of Grantor who are being as of the date hereof.

5.5.2 Duties. In addition to duties necessary and proper to carry out the power delegated to the Association by this Declaration, and the Articles and Bylaws, without limiting the generality thereof, the Association or its agent, if any, shall have the authority and the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:

5.5.2.1 Operation and Maintenance of the Common Area. Operate, maintain, and otherwise manage, or provide for the operation, maintenance, and management of, the Common Area and Landscape Easement areas (as defined in Section 3.13), including the repair and replacement of property damaged or destroyed by casualty loss. Specifically, the Association shall, at Grantors sole discretion, operate and maintain all properties owned by Grantor which are designated by Grantor for temporary or permanent use by Members of the Association. Such properties may

include those lands intended for open space uses and which may be referred to as non-buildable lots per the Plat. Additionally, the Association may, in its discretion, limit or restrict the use of the Common Area to the Owners residing in the Subdivision. The operation and maintenance of the storm water facilities contained within the Common Areas of the Carlton Bay Subdivision shall be governed by the operation and maintenance manual of storm drainage system in Carlton Bay Subdivision, which manual may only be modified by the Association with the written approval of ACHD.

5.5.2.2 Reserve Account. Establish and fund a reserve account with a reputable banking institution or savings and loan association or title insurance company authorized to do business in the state of Idaho, which reserve account shall be dedicated to the costs of repair, replacement, maintenance and improvement of the Common Area.

5.5.2.3 Maintenance of Berms Retaining Walls and Fences. Maintain the berms, retaining walls, fences, and water amenities within and abutting the Common Area and Landscape Easement areas.

5.5.2.4 Taxes and Assessments. Pay all real and personal property taxes and Assessments separately levied against the Common, the Association, and/or any other property owned by the Association. Such taxes and Assessments may be contested or compromised by the Association, provided, however, that such taxes and Assessments are paid or a bond insuring payment is posted prior to the sale or disposition of any property to satisfy the payment of such taxes and Assessments. In addition, the Association shall pay all other federal, state, or local taxes, including income or corporate taxes levied against the Association, in the event that the Association is denied the status of a tax exempt corporation.

5.5.2.5 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 Area, and manage for the benefit of the Carlton Bay Subdivision all domestic, irrigation, and amenity water rights and rights to receive water held by the Association, whether such rights are evidenced by license, permit, claim, stock ownership, or otherwise. The Association shall maintain, repair, and operate any sewer lift stations located on the Property.

5.5.2.6 Insurance. Obtain insurance from reputable insurance companies authorized to do business in the state of Idaho, and maintain in effect any insurance policy the Board of the Association deems necessary or advisable, including, without limitation, the following policies of insurance:

5.5.2.6.1 Fire insurance, including those risks embraced by coverage of the type known as the broad form "all risk" or special extended coverage endorsement on a blanket agreed amount basis for the full insurable

replacement value of all Improvements, equipment, and fixtures located within the Common Area.

5.5.2.6.2 Comprehensive public liability insurance insuring the Board of the Association, the Association, the Grantor, and the individual grantees and agents and employees of each of the foregoing, against any liability incident to the ownership and/or use of the Common Area. Limits of liability of such coverage shall be as follows:

Not less than One Million Dollars and No Cents (\$1,000,000.00) per person, and Two Million Dollars and No Cents (\$2,000,000.00) per occurrence, with respect to personal injury or death, and One Million Dollars and No Cents (\$1,000,000.00) per occurrence with respect to property damage.

5.5.2.6.3 Full coverage directors and officers liability insurance with a limit of at least Five Hundred Thousand Dollars and No Cents (\$500,000.00).

5.5.2.6.4 Such other insurance, including motor vehicle insurance and 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 of the Association 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.

5.5.2.6.5 The Association shall be deemed trustee of the interests of all Owners in connection with any insurance proceeds paid to the Association under such policies, and shall have full power to receive such Owners interests in such proceeds and to deal therewith.

5.5.2.6.6 Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

5.5.2.7 Rule Making. Make, establish, promulgate, amend, and repeal such Association Rules as the Board of the Association shall deem advisable.

5.5.2.8 Newsletter. If it so elects, prepare and distribute a newsletter on matters of general interest to Association Members, the cost of which shall be included in Regular Assessments.

5.5.2.9 Architectural Committee. Appoint and remove members of the Architectural Committee, subject to the provisions of this Declaration.

5.5.2.10 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably advisable or necessary to enforce any of the provisions of the Declaration, or of the Articles or the Bylaws, including, without limitation, the recordation of any claim of lien with the Ada County Recorder, as more fully provided herein.

5.5.2.11 Private Streets, Signs, and Lights. Maintain, repair, or replace private streets (as noted on the Plat and including any cul-de-sac easements), street signs, and private street lights located on the Property. This duty shall run with the land and cannot be waived by the Association unless the City of Garden City consents to such waiver.

5.5.2.12 Irrigation Assessments and Escrow Account. Collect and deposit all irrigation assessments in an interest bearing escrow account held by LandAmerica Transnation Title Company, Banner Bank Building, 950 W Bannock, Suite 250, Boise, ID 83702, Phone: 208-342-2222, Fax: 208-388-0615 or other similar escrow company which is mutually chosen by the Dry Creek Irrigation District and the Association. The initial assessment shall be \$300.00 per lot and shall be collected upon the sale of the lot by Declarant. The escrow account shall maintain a minimum balance of \$30,000.00. The Association will be responsible to coordinate with New Dry Creek Ditch Company, Limited and New Dry Creek Ditch Company, Limited will contact, contract, and supervise any necessary contractor or other party for any and all repairs, excluding standard maintenance repairs. After agreement of the repairs, New Dry Creek Ditch Company, Limited and the Association will be responsible for payment from the escrow account for all costs and expenses of such repairs exceeding \$500.00. In the event the cost and expense of repairs reduces the escrow account, the Association shall have eighteen (18) months to assess and collect from all Owners Special Assessments as provided in Section 7.3 to again obtain the minimum balance in the escrow account for irrigation repairs. The Association shall provide New Dry Creek Ditch Company, Limited with an annual statement showing the balance of the escrow account. Any amount removed from the account requires the signature of both, the Association President, and the New Dry Creek Ditch Company, Limited President.

5.6 Personal Liability. No Member of the Board, or member of any committee of the Association, or any officer of the Association, or the Grantor, 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 Grantor, or the Architectural Committee, or any other committee, or any owner of the Association, or the Grantor, provided that such person, upon the basis of such information as may be possessed by such person, has acted in good faith without willful or intentional misconduct.

5.7 Budgets and Financial Statements. Financial statements for the Association shall be prepared regularly and copies shall be distributed to each Member of the Association as follows:

5.7.1 A pro forma operating statement or budget, for each fiscal year shall be distributed not less than sixty (60) days before the beginning of each fiscal year. The operating statement shall include a schedule of Assessments received and receivable, identified by the Building Lot number and the name of the person or entity assigned.

5.8 Meetings of Association. Each year the Association shall hold at least one (1) meeting of the Members, according to the schedule for such meetings established by the Bylaws; provided, however, that such meeting shall occur no later than November 1 each year. Only Members shall be entitled to attend Association meetings, and all other persons may be excluded. Notice for all Association meetings, regular or special, shall be given by regular mail to all Members, and any person in possession of a Building Lot, not less than ten (10) days, nor more than thirty (30) days, before the meeting and shall set forth the place, date, and hour of the meeting and the nature of the business to be conducted. All meetings shall be held within the Property or as close thereto as practical at a reasonable place selected by the Board of the Association. The presence at any meeting in person of the Class B Member, where there is such a Member, and of the Class A Members representing Owners holding at least thirty percent (30%) of the total votes of all Class A Members, shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was scheduled. A second meeting may be called as the result of such an adjournment, provided notice is given as provided above. At any such meeting properly called, the presence of any Member shall constitute a quorum.

ARTICLE VI: RIGHTS TO COMMON AREAS

6.1 Use of Common Area. Every Owner shall have a right to use each parcel of the Common Area, which right shall be appurtenant to and shall pass with the title to every Building Lot, subject to the following provisions:

6.1.1 The right of the Association holding or controlling such Common Area to levy and increase Assessments;

6.1.2 The right of the Association to suspend the voting rights and rights to use of, or interest in, the Common Area recreational facilities (but not including access to private streets, cul-de-sacs and walkways of the Property) by an Owner for any period during which any Assessment or charge against such Owner's Building Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of the Association Rules; and,

6.1.3 The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be permitted by the Articles and the Bylaws and agreed to by the Members. No dedication or transfer of said Common Area shall be effective unless an

instrument agreeing to such dedication or transfer signed by Members representing two-thirds (2/3) of each class of Members has been recorded.

6.1.4 The right of the Association to prohibit the construction of structures or Improvements on all Common Areas which interfere with the intended use of such areas as private street, cul-de-sacs and walkways.

6.1.5 The right of the Association to protect wildlife habitat.

6.2 ACHD Storm Water Drainage System. Pursuant to note 12 of the Plat as it relates to property drainage and grants an easement for Building Lot 1, Block 1, Building Lot 1, Block 2, Building Lot 61, Block 3, Building Lots 1, 10, and 20 Block 4, Common Areas, such Common Areas are servient to and contain the ACHD storm water drainage system in those areas noted on the Plat. These areas are dedicated to ACHD pursuant to Section 40-2302 Idaho Code and shall remain free of all encroachments and obstructions (including but not limited to fences, trees, and related landscaping items) which may adversely affect the operation and maintenance of the storm drainage facilities.

6.2.1 Notwithstanding the Association is obligated to maintain the Common Area and facilities contained therein, it is hereby provided that Ada County Highway District ("ACHD") may elect to maintain any part or facility of the Common Area should the Association fail to maintain the Common Area. In the event that ACHD determines, in its sole reasonable discretion, that the Association is not adequately maintaining the Common Area, ACHD shall, before undertaking maintenance of the Common Area, provide written notice of its intention to begin maintenance of the Common Area within a thirty (30) day period, within which time frame the Association may undertake to initiate and conclude all maintenance defects as identified by ACHD. In the event the Association shall fail to commence and conclude maintenance of the Common Area to the extent such items of specific maintenance are identified by ACHD within the prescribed thirty (30) days, then in such event, ACHD may begin to undertake maintenance of the Common Area.

6.2.2 If the Association fails to maintain the Common Area, ACHD is hereby granted a license to enter upon any portion of the Common Area to perform necessary inspection and maintenance. Should ACHD engage in maintenance of the Common Area after having provided notice to the Association and having provided the Association an opportunity to undertake such maintenance, ACHD shall be entitled to and empowered to file a ratable lien against Building Lots in Carlton Bay Subdivision with power of sale to secure payment of the costs in connection with such maintenance. Any section of this Declaration making reference to ACHD or the manual referenced in Section 5.5.2.1 shall not be amended without prior review and written approval from ACHD.

6.3 Designation of Common Area. Grantor shall designate and reserve the Common Area in the Declaration, Supplemental Declarations, and/or recorded Plats, deeds, or other instruments, and/or as otherwise provided herein.

6.4 Delegation of Right to Use. Any Owner may delegate, in accordance with the respective Bylaws and Association Rules of the Association, such Owner's right of enjoyment to the Common Area, to the members of such Owners family in residence, and such Owners tenants or contract purchasers who reside on such Owners Building lot. Only Grantor or the Association shall have the right to delegate the right of enjoyment to the Common Area to the general public, and such delegation to the general public shall be for a fee set by Grantor or the Association.

6.5 Damages. Each Owner shall be fully liable for any damage to any Common Area which may be sustained by reason of the negligence or willful misconduct of the Owner, such Owners resident tenant or contract purchaser, or such Owner's family and guests, both minor and adult. In the case of joint ownership of a Building Lot, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Limited Assessment against the Building Lot and may be collected as provided herein for the collection of other Assessments.

ARTICLE VII: ASSESSMENTS

7.1 Covenant to Pay Assessments. By acceptance of a deed to any property in the Subdivision, each Owner of such property hereby covenants and agrees to pay when due all Assessments or charges made by the Association, including all Regular, Special, and Limited Assessments and charges made against such Owner pursuant to the provisions of this Declaration or other applicable instrument.

7.1.1 Assessment Constitutes Lien. Such Assessments and charges, together with interest, costs, and reasonable attorney's fees which may be incurred in collecting the same, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment or charge is made.

7.1.2 Assessment is Personal Obligation. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the Owner of such property beginning with the time when the Assessment falls due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them but shall remain such Owner's personal obligation regardless of whether he remains an Owner.

7.2 Regular Assessments. All Owners, are obligated to pay Regular Assessments to the treasurer of the Association on a schedule of payments established by the Board of the Association.

7.2.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by an Association, including legal and attorneys fees and other professional fees, for the conduct of its affairs, including without limitation the costs and expenses of construction, improvement, protection, maintenance, repair, management, and operation of the Common Areas, including all Improvements located on such areas owned and/or managed and maintained by such Association, and an amount allocated to an adequate reserve fund to be used for repairs, replacement, maintenance, and improvement of those elements of the Common Area, or other property of

the Association that must be replaced and maintained on a regular basis (collectively "Expenses").

7.2.2 Computation of Regular Assessments. The Association shall compute the amount of its Expenses on an annual basis. The Board of the Association shall compute the amount of Regular Assessments owed beginning the first day of the third month following the month in which the closing of the first sale of a Building Lot occurred in Carlton Bay Subdivision for the purposes of the Association's Regular Assessment (Initiation Date). Thereafter, the computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of an Association. The computation of the Regular Assessment for the period from the Initiation Date until the beginning of the next fiscal year shall be reduced by an amount which fairly reflects the fact that such period was less than one (1) year.

7.2.3 Amounts Paid by Owners. The Board of the Association can require, in its discretion or as provided in the Articles or Bylaws, payment of Regular Assessments in monthly, quarterly, semi-annual, or annual installments. The Regular Assessment to be paid by any particular Owner for any given fiscal year shall be computed as follows:

7.2.3.1 As to the Association's Regular Assessment, each Owner shall be assessed and shall pay an amount computed by multiplying the Association's total advance estimate of Expenses by the fraction produced by dividing the Building Lots in the applicable Property attributable to the Owner by the total number of Building Lots in such Property.

The Grantor shall pay the following:

7.2.3.2 Up until two (2) years following the date of the sale of a Building Lot in the Property of the development, the Grantor shall be assessed the difference between the total revenue of the Association less the total expenses of the Association (Shortfall) for that Property of the development. The Grantor agrees to pay the cost of any Shortfall in order to properly maintain the Carlton Bay Subdivision during the development of the Property. After two (2) years from the date of the first sale of a Building Lot in the Property, the Grantor shall be assessed the Regular Assessment (defined in Section 7.2.3.1) for each Building Lot remaining in the Property. This reduced assessment is in return for the Grantor paying the maintenance obligations for the Common Area prior to the acceptance of these obligations by the Association.

7.3 Special Assessments.

7.3.1 Purpose and Procedure. In the event that the Board of the Association shall determine that its respective Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of such Association for any reason, including but not limited to costs of construction, reconstruction, unexpected repairs or replacement of capital improvements upon the Common Area, attorneys fees and/or litigation costs, other

professional fees, or for any other reason, the Board of the Association thereof shall determine the approximate amount necessary to defray such Expenses and levy a Special Assessment against the portions of the Property within its jurisdiction which shall be computed in the same manner as Regular Assessments. No Special Assessment shall be levied which exceeds twenty percent (20%) of the budgeted gross Expenses of such Association for that fiscal year, without the vote or written assent of the Owners representing a majority of the votes of the Members of such Association. The Board of the Association shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

7.3.2 Consistent Basis of Assessment. Every Special Assessment levied by and for an Association shall be levied and paid upon the same basis as that prescribed for the levying and payment of Regular Assessments for such Association.

7.4 Limited Assessments. Notwithstanding the above provisions with respect to Regular and Special Assessments, the Board of the Association may levy a Limited Assessment against a Member as a remedy to reimburse the Association for costs incurred in bringing the Member and/or such Members Building Lot or restricted Common Area into compliance with the provisions of the governing instruments for Carlton Bay Subdivision.

7.5 Uniform Rate of Assessment. Unless otherwise specifically provided herein, Regular and Special Assessments shall be fixed at a uniform rate per Building Lot for all Members of the Association.

7.6 Assessment Period. Unless otherwise provided in the Articles or Bylaws, the Assessment period shall commence on January 1st of each year and terminate December 31st of the year in which the Initiation Date occurs. The first Assessment shall be pro-rated according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments.

7.7 Notice and Assessment Due Date. Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the Owner of every Building Lot subject thereto, and to any person in possession of such Building Lot. The due dates for installment payment of Regular Assessments and Special Assessments shall be the first day of each month unless some other due date is established by the Board of the Association. Each monthly installment of the Regular Assessment or Special Assessment shall become delinquent if not paid within ten (10) days after the levy thereof. There shall accrue with each delinquent installment payment a late charge equal to ten percent (10%) of the delinquent installment. In addition, each installment payment which is delinquent for more than twenty (20) days shall accrue interest at eighteen percent (18%) per annum calculated from the date of delinquency to and including the date full payment is received by an Association. An Association may bring an action against the delinquent Owner and may foreclose the lien against such Owners Building Lot as more fully provided herein. Each Owner is personally liable for Assessments, together with all interest, costs, and attorneys fees, and no Owner may exempt such Owner from such liability by a waiver of the use and enjoyment of the Common Areas, or by lease or abandonment of such Owners Building Lot.

7.8 Estoppel Certificate. The Association, upon at least twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request, a statement in writing stating whether or not, to the knowledge of the Association, a particular Building Lot Owner is in default under the provisions of this Declaration, and further stating the dates to which any Assessments have been paid by the Owner. Any such certificate delivered pursuant to this paragraph 7.8 may be relied upon by any prospective purchaser or mortgagee of the Owner's Building Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge.

7.9 Special Notice and Quorum Requirements. Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of levying a Special Assessment, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessment, shall be sent to all Members of the Association and to any person in possession of a Building Lot in the Property, not less than fifteen (15) days nor more than thirty (30) days before such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the total votes of the Association shall constitute a quorum. If such quorum is not present, subsequent meetings may be called subject to the same notice requirement, and the required quorum at the subsequent meetings shall be fifty percent (50%) of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

ARTICLE VIII: ENFORCEMENT OF ASSESSMENT; LIENS

8.1 Right to Enforce. The Association has the right to collect and enforce its Assessments pursuant to the provisions hereof. Each Owner of Building Lot, upon becoming an Owner of such Building Lot, shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay reasonable attorneys fees in addition to any other relief or remedy obtained against such Owner. The Board of the Association or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board of the Association may exercise the power of foreclosure and sale pursuant to paragraph 8.3 to enforce the liens created hereby. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

8.2 Assessment Liens.

8.2.1 Creation. There is hereby created a claim of lien with power of sale on each and every Building Lot to secure payment of any and all Assessments levied against such Building Lot pursuant to this Declaration together with interest thereon at the maximum rate permitted by law and all costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorney's fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on

such respective Building Lot upon recordation of a claim of lien with the Ada County Recorder. Such lien shall be prior and superior to all other liens or claims created subsequent to the recordation of the notice of delinquency and claim of lien except for tax liens for real property taxes on any Building Lot and Assessments on any Building Lot in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

8.2.2 Claim of Lien. Upon default of any Owner in the payment of any Regular, Special, or Limited Assessment issued hereunder, the Association may cause to be recorded in the office of the Ada County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Building Lot(s) against which the same have been assessed, and the name of the record Owner thereof. Each delinquency shall constitute a separate basis for a notice and claim of lien, but any number of defaults may be included within a single notice and claim of lien. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction of relief of such delinquent sums and charges. The Association may demand and receive the cost of preparing and recording such release before recording the same.

8.3 Method of Foreclosure. Such lien may be foreclosed by appropriate action in court or by sale by the Association establishing the Assessment, its attorney or other person authorized to make the sale. Such sale shall be conducted in accordance with the provisions of the Idaho Code applicable to the exercise of powers of sale permitted by law. The Board of the Association is hereby authorized to appoint its attorney, any officer or director of the Association, or any title company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

8.4 Required Notice. Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of the notice of delinquency and claim of lien, whether judicially, by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Building Lot(s) described in such notice of delinquency and claim of lien, and to the person in possession of such Building Lot(s) and a copy thereof is recorded by the Association in the Office of the Ada County Recorder.

8.5 Subordination to Certain Trust Deeds. The lien for the Assessments provided for herein in connection with a given Building Lot shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such Building Lot prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in paragraph 8.6 with respect to a first mortgagee who acquires title to Building Lot, the sale or transfer of any Building Lot shall not affect the Assessment lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.

8.6 Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat the rights of the Beneficiary under any deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such deed of trust such Building Lot shall remain subject to this Declaration as amended.

ARTICLE IX: INSPECTION OF ASSOCIATION'S BOOKS AND RECORDS

9.1 Members' Right of Inspection. The membership register, books of account and minutes of meetings of the Board of the Association and committee of an Association shall be made available for inspection and copying by any Member of the Association or by such Members duly appointed representatives, at any reasonable time and for a purpose reasonably related to such Members interest as a Member at the office of the Association or at such other place as the Board of such Association shall prescribe. No Member or any other person shall copy the membership register for the purposes of solicitation of or direct mailing to any Member of the Association.

9.2 Rules Regarding Inspection of Books and Records. The Board of the Association shall establish reasonable rules with respect to:

9.2.1 Notice to be given to the custodians of the records by the persons desiring to make the inspection.

9.2.2 Hours and days of the week when such an inspection may be made.

9.2.3 Payment of the cost of reproducing copies of documents requested pursuant to this Article IX.

9.3 Directors' Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association, and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and copies of documents.

ARTICLE X: ARCHITECTURAL COMMITTEE

10.1 Creation. Within ten (10) days of the date on which the Grantor first conveys a Building Lot to an Owner, Grantor shall appoint three (3) individuals to serve on the Carlton Bay Subdivision Architectural Committee (Architectural Committee). Each member shall hold office until such time as such member has resigned or has been removed, or such member's successor has been appointed, as provided herein. A member of the Architectural Committee need not be an Owner. Members of the Architectural Committee may be removed by the person or entity appointing them at any time without cause.

10.2 Grantor's Right of Appointment. At any time, and from time to time, prior to ten (10) years after the recording date of this Declaration in which Grantor is the Owner of at least ten percent (10%) of the aggregate Building Lots, Grantor shall have the exclusive right to appoint and remove

all members of the Architectural Committee. At all other times, the Association Board shall have the right to appoint and remove all members of the Architectural Committee. If a vacancy on the Architectural Committee occurs and a permanent replacement has not yet been appointed, Grantor or the Board of the Association, as the case may be, may appoint an acting member to serve for a specified temporary period not to exceed one (1) year.

10.3 Review of Proposed Construction. The Architectural Committee shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties as from time to time shall be assigned to it by the Board of the Association, including the inspection of construction in progress to assure its conformance with plans approved by the Architectural Committee. The Board of the Association shall have the power to determine, by rule or other written designation consistent with this Declaration, which types of Improvements shall be submitted for Architectural Committee review and approval. The Architectural Committee shall have the power to hire an architect, licensed with the state of Idaho, to assist the Architectural Committee in its review of proposals or plans and specifications submitted to the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the habitat of the Common Areas, or appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on the Association.

10.3.1 Conditions on Approval. The Architectural Committee may condition its approval of proposals or plans and specifications upon such changes therein as it deems appropriate, and/or upon the agreement of the Applicant to reimburse an Association for the cost of maintenance, and may require submission of additional plans and specifications or other information before approving or disapproving material submitted.

10.3.2 Architectural Committee Rules and Fees. The Architectural Committee also may establish rules and/or guidelines setting forth procedures for and the required content of the applications and plans submitted for approval. Such rules may require a fee to accompany each application for approvals or additional factors which it will take into consideration in reviewing submissions. The Architectural Committee shall determine the amount of such fee in a reasonable manner. Such fees shall be used to defray the costs and expenses of the Architectural Committee, including the cost and expense of hiring an architect licensed by the state of Idaho, as provided above, or for such other purposes as established by the Board of the Association, and such fee shall be refundable to the extent not expended for the purposes herein stated. If plans submitted are the same or substantially similar to plans previously approved by the Architectural Committee, fees may be reduced for such application approvals.

Such rules and guidelines may establish, without limitation, specific rules and regulations regarding design and style elements, landscaping, and fences and other structures such as animal enclosures as well as special architectural guidelines applicable to Building Lots located adjacent to public and/or private open space.

10.3.3 Detailed Plans. The Architectural Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, landscape plans, drainage plans, elevation drawings, and descriptions or samples of exterior material and colors. Until receipt of such details, the Architectural Committee may postpone review of any plan submitted for approval.

10.3.4 Architectural Committee Decisions. Decisions of the Architectural Committee and the reasons therefore shall be transmitted by the Architectural Committee to the Applicant at the address set forth in the application for approval within twenty (20) days after filing all materials required by the Architectural Committee. Any materials submitted pursuant to this Article X shall be deemed approved unless written disapproval by the Architectural Committee shall have been mailed to the Applicant within twenty (20) days after the date of filing said materials with the Architectural Committee. The Architectural Committee shall have the power to hire an architect, licensed with the state of Idaho, to assist the Architectural committee in its review of proposals or plans and specifications submitted to the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the habitat of the Common Areas, or appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on the Association.

10.4 Meetings of the Architectural Committee. The Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. The Architectural Committee may from time to time by resolution unanimously adopted in writing, designate an Architectural Committee representative (who may, but need not be, one of its members) to take any action or perform any duties for and on behalf of the Architectural Committee, except the granting of variances pursuant to paragraph 10.9. In the absence of such designation, the vote of any two (2) members of the Architectural Committee, or the written consent of any two (2) members of the Architectural Committee taken without a meeting, shall constitute an act of the Architectural Committee.

10.5 No Waiver of Future Approvals. The approval of the Architectural Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.

10.6 Compensation of Members. The members of the Architectural Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder and except as otherwise agreed by the Board of the Association.

10.7 Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

10.7.1 Upon the completion of any work for which approved plans are required under this Article X, the Owner shall give written notice of completion to the Architectural Committee.

10.7.2 Within sixty (60) days thereafter, the Architectural Committee or its duly authorized representative may inspect such Improvement. If the Architectural Committee finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particular noncompliance, and shall require the Owner to remedy the same.

10.7.3 If upon the expiration of thirty (30) days from the date of such notification, or any longer time the Architectural Committee determines to be reasonable, the Owner shall have failed to remedy such noncompliance, the Architectural Committee shall notify the Board of the Association in writing of such failure. Upon notice and hearing, as provided in the Bylaws, the Board of the Association shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date of the announcement of the Board of the Association ruling unless the Board of the Association specifies a longer time as reasonable. If the Owner does not comply with Board of the Association ruling within such period, the Board of the Association, at its option, may either remove the non-complying improvement or remedy the noncompliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board of the Association shall levy a Limited Assessment against such Owner for reimbursement pursuant to this Declaration.

10.7.4 If for any reason the Architectural Committee fails to notify the Owner of any noncompliance with sixty (60) days after receipt of the written notice of completion from the Owner, the work shall be deemed to be in accordance with the approved plans.

10.8 Non-Liability of Architectural Committee Members. Neither the Architectural Committee nor any member thereof, nor its duly authorized Architectural Committee nor any member thereof, nor its duly authorized Architectural Committee representative, shall be liable to any Association, or to any Owner or Grantee for any loss, damage, or injury arising out of or in any way connected with the performance of the Architectural Committees duties hereunder, unless due to the willful misconduct or bad faith of the Architectural Committee. The Architectural Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and to the Property generally. The Architectural Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of building, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

10.9 Variances. The Architectural Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, size, floor area, or placement of structures; or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations may require. However no variances will be granted for construction of structures or Improvements, including without limitation manicured lawns, in the Common Areas. Such variances must be evidenced in writing, must be signed by at least two (2) members of the Architectural Committee, and shall become effective upon recordation in the office of the county Recorder of Ada County. If such variances are granted, no violation of the covenants, conditions or restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular Building Lot and particular provision hereof covered by the variance, nor shall it affect any way the Owners obligation to comply with all governmental laws and regulations affecting such Owners use of the Building Lot, including but not limited to zoning ordinances or requirements imposed by any governmental or municipal authority.

ARTICLE XI: ANNEXATION OF ADDITIONAL PROPERTIES

11.1 By Grantor. Grantor intends to develop the property described on Exhibit A and other properties and may, in Grantors sole discretion, deem it desirable to annex some or all of such properties to the Property covered by this Declaration. Additional property may be annexed to the Property and brought within the provisions of this Declaration as provided herein by Grantor, its successors or assigns, at any time, and from time to time, without the approval of any Owner or Association. The use and development of such property shall conform to all applicable land use regulations, as such regulations are modified by variances.

11.2 By Association. In addition to the provisions concerning annexations by Grantor specified in section 11.1 above, additional property may be created, subject to the same conditions, by the Association upon the exercise by Members of at least two-thirds percent (2/3%) of the votes of the Association.

11.3 Rights and Obligations of Owners of Annexed Property. Subject to the provisions hereof, upon the recording of a Supplemental Declaration as to any property all provisions contained in the Declaration shall apply to the property in the same manner as if it were originally covered by this Declaration, subject to such modifications, changes and deletions as are specifically provided in such Supplemental Declaration, such property shall be treated for all purposes as property as defined above. The Owners of lots located in the additional property shall become members of the Association and shall become liable for their appropriate share of Assessments. Title to the Common Areas which are to be owned and managed by the Association within said additional property shall be conveyed to the Association, free and clear of any and all encumbrances and liens, subject to reservations, easements, covenants, conditions and restrictions then of record including those set forth in this Declaration or any Supplemental Declaration applicable to such additional property.

11.4 Method of Annexation. The addition of a property to the Property authorized under sections 12.1 and 12.2 shall be made by filing of record a Supplemental Declaration or other similar instrument with respect to the additional property, which shall be executed by Grantor or the Owner thereof and which shall annex such property to the Property. Thereupon each additional piece of property shall be part of the Property, shall be subject to this Declaration and encompassed within the general plan and scheme hereof as modified by such Supplemental Declaration, and shall be subject to the functions, powers, and jurisdiction of the Association established for the area encompassing such property. Such Supplemental Declaration or other appropriate document may contain such additions, modifications or deletions as may be deemed by Grantor or the Owner thereof desirable to reflect the different character, if any, of the property, or as Grantor or such Owner may deem appropriate in the development of the property. If any property is created, the Association shall have the authority to levy Assessments against the Owners located within such additional property, and the Association shall have the duty to maintain additional Common Area located within the additional property if so specified in any Supplemental Declaration.

11.5 De-annexation. Grantor may delete all or a portion of the property described on Exhibit A, including previously annexed property, from the Property and from coverage of this Declaration and the jurisdiction of any Association so long as Grantor is the owner of all such additional property and provided that a Supplemental Declaration of Deletion of Property is recorded in the Office of the Ada County Recorder in the same manner as a Supplemental Declaration of annexation. Members other than Grantor as described above, shall not be entitled to de-annex all or any portion of additional property except on the favorable vote of seventy-five percent (75%) of all members of the Association and written approval of Grantor so long as Grantor owns any portion of the property described on Exhibit A.

ARTICLE XII: EASEMENTS

12.1 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Building Lot and such portion or portions of the Common Area adjacent thereto or as between adjacent Building Lots due to the unwillful placement or settling or shifting of the sidewalks and driveways constructed, reconstructed, or altered thereon in accordance with the terms of this Declaration. Easements of encroachment shall be valid only so long as they exist, and the rights and obligations of Owners shall not be altered in any way because of encroachments, settling or shifting of the Improvements; provided, however, that in no event shall a valid easement for encroachment occur due to the willful act or acts of an Owner. In the event a structure on any Building Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Building Lot agree that minor encroachments over adjoining Building Lots that existed prior to the encroachment may be reconstructed pursuant to the easement granted by this paragraph 12.1

12.2 Easements of Access. All Owners of Building Lots will have a perpetual easement for access, ingress and egress over the Common Area, including but not limited to the private streets, cul-de-sacs, and walkways. This easements shall run with the land. Such easements may be used by Grantor, and by all Owners, their guests, tenants and invitees, residing on or temporarily visiting the

property, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a building Lot of Common Area.

12.3 Drainage and Utility Easements. Grantor expressly reserves for the benefit of all the Property reciprocal easements of access, ingress and egress for all Owners to and from their respective Building Lots for installation and repair of utility services, for drainage of water over, across and upon adjacent Building Lots, and Common Areas, resulting from the normal use of adjoining Building Lots or Common Areas, and for necessary maintenance and repair for any improvement including fencing, retaining walls, lighting facilities, mailboxes and sidewalk abutments, trees, and landscaping. Notwithstanding anything expressly or impliedly contained herein to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by Grantor for the installation and maintenance of utilities and drainage facilities that are required for the development of the property. In addition, Grantor hereby reserves for the benefit of any Association the right to grant additional easements and rights-of-way over the property, as appropriate, to the Property until close of escrow for the sale of the last Building lot in the property to a purchaser.

12.3.1 Improvement of Drainage and Utility Easement Areas. The Owners of Building Lots are hereby restricted and enjoined from constructing any Improvements upon any drainage or utility easement areas as shown on the Plat of Carlton Bay Subdivision or otherwise designated in any recorded document which would interfere with or prevent the easement from being used for such purpose; provided, however, that the Owner of such Building Lot and the Grantor, Association or designated entity with regard to the landscaping easement described in this Article XII, shall be entitled to install and maintain landscaping on such easement areas, and also shall be entitled to build and maintain fencing on such easement areas subject to approval by the Association Architectural Committee, so long as the same would not interfere with or prevent the easement areas from being used for their intended purposes; provided, that any damage sustained to improvements on the easement areas as a result of legitimate use of the easement areas shall be the sole and exclusive obligation of the Owner of the Building Lot whose Improvements were so damaged.

12.4 Rights and Duties Concerning Utility Easements. The rights and duties of the Owners of the Building Lots within the Property with respect to utilities shall be governed by the following:

12.4.1 Wherever utility house connections are installed within the Property, which connections or any portions thereof lie in or upon Building Lots owned by an Owner other than the Owner of the Building Lot served by the connections, the Owner of the Building Lot served by the connections shall have the right, and is hereby granted an easement to the full extent necessary therefore, to enter upon any Building Lot or to have their agent enter upon any Building Lot within the Property in or upon which said connections or any portion thereof lie, to repair, replace and generally maintain the connections as and when it may be necessary.

12.4.2 Whenever utility house connections are installed within the Property, which connections serve more than one Building Lot, the Owner of each Building Lot served by the

connections shall be entitled to full use and enjoyment of such portions of said connections as service to such Owners Building Lot.

12.5 Driveway Easements. Whenever a driveway is installed within the Property (which in whole or in part lies upon a Building Lot owned) by an Owner other than the Owner of the Building Lot served, or installed to serve more than one Building Lot, the Owner of each Building Lot served or to be served by such driveway Building Lot shall be entitled to full use and enjoyment of such other Building Lot as required to service such Owners Building Lot or to repair, replace, or maintain such driveway.

12.6 Disputes as to Sharing of Costs. In the event of a dispute between Owners with respect to the repair or rebuilding of utility connections or driveways, or with respect to the sharing of the cost therefore, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board of the Association which shall decide the dispute and, if appropriate, make an appropriate Assessment against any or all of the Owners involved on behalf of the prevailing Owner(s), which Assessment shall be collected and enforced in the manner provided by this Declaration for Limited Assessments.

12.7 General Landscape Easement. An easement is hereby reserved to each appropriate Association, its contractors and agents, to enter those portions of Building Lots, for the purpose of installing, maintaining, replacing, and restoring exterior landscaping, and natural vegetation and habitat. Such landscaping activity shall include, by way of illustration and not of limitation, the mowing of lawns, irrigation, sprinkling, tree, and shrub trimming and pruning, walkway improvement, seasonal planting, and such other landscaping activities within the Property as such Association shall determine to be necessary from time to time.

12.8 Overhang Easement. There shall be an exclusive easement appurtenant to each Building Lot over the Common Areas for overhanging eaves, and for any projections from the buildings, which projections shall not extend beyond the save line and shall be consistent with all building codes.

12.9 Maintenance and Use Easement Between Walls and Lot Lines. Whenever the wall of a structure, or a fence or retaining wall legitimately constructed on a Building Lot under plans and specifications approved by the Architectural Committee is located within five (5) feet of the lot line of such Building Lot, the Owner of such Building Lot is hereby granted an easement over and on the adjoining Building Lot (not to exceed five (5) feet from the Building Lot line) for purposes of maintaining and repairing such wall or fence and eaves or other overhangs, and the Owner of such adjoining Building Lot is hereby granted an easement for landscaping purposes over and on the area lying between the lot line and such structure or fence so long as such use does not cause damage to the structure or fence.

12.10 Waterway Easements. Grantor hereby reserves for the benefit of the Association an easement for all Waterways and related pipes, pumps and other equipment over, across and under all Building Lots and Common Areas, to the extent reasonably required to maintain any water system installed by Grantor on the Property or pursuant to plans and specifications approved by the Architectural Committee. Any relocation of the water lines installed as a part of such system shall not be

undertaken in any way which interrupts the flow of water through the system or damages the system in any other fashion. Grantor reserves the right to make any reconfiguration of any Waterway which it determines, in its own discretion, to be necessary, expedient or desirable, provided, however, that nothing herein shall reserve unto Grantor the right to take any action which would disturb, encroach upon, or endanger the foundation of any building, nor shall Grantor take any action which would materially alter any Waterways proximity to improved property abutting such Waterways. There shall be no swimming, row boats, canoes, rafts, paddle boats, or other activities in the Waterways or Waterway Easement. No docks are allowed on the Waterways or Waterway Easement. Owners may construct a stationary deck with a complete railing in, on, or adjacent to the Waterway and Waterway Easement, as approved by the Architectural Committee. Anyone caught planting game fish or other aquatic life in the Waterway shall be subject to a fine of up to \$25,000.00 by the Homeowners Association. The Homeowners Association, Declarant, and Developers are not responsible in any way for conduct in or about the Waterway.

12.11 Sewer Covenants and Restrictions. All Lots within Carlton Bay Subdivision shall be subject to and restricted by the following covenants and restrictions:

12.11.1 A monthly sewer charge must be paid after connecting to the Garden City public sewer system, according to the ordinances and laws of Garden City.

12.11.2 The Owner of the Building Lot shall submit to inspection by either the Department of Public Works or the Department of Building whenever a Building Lot is to be connected the City's sewage system and building sewer is constructed or installed on or with Owners Lot.

12.11.3 The Grantor of this subdivision shall have the right and power to bring all actions against the Owner of the Property conveyed or any part thereof for the collection of any charges herein required and to enforce the conditions herein stated. This covenant shall run with the land.

12.12 Specific Landscape Easement. Grantor hereby reserves for the benefit of the Association a perpetual Landscape Easement. Such easement shall allow the Association to install and maintain the berms, retaining walls, fences, and landscaping within the area defined as the Landscape Easement.

12.13 Irrigation Easement. Grantor hereby reserves for the benefit of the Association and New Dry Creek Ditch Company, Limited, an easement for irrigation and irrigation related pipes, pumps, and other equipment necessary to the New Dry Creek Ditch Company, Limited, over, across, and under all Building Lots and Common Areas as identified on the Plat, to the extent reasonably required to inspect, repair, or maintain any equipment or materials located within such easement. Such inspection, repair, or maintenance may cause, but is not limited to, damage or destruction of improvements such as landscaping, driveways, and other improvements within the irrigation easement located on the Building Lot. Each Owner of a Building Lot understands and accepts, by purchase of such Building Lot, this easement and all rights, obligations, and assessments associated therewith. Each Owner agrees to hold

harmless New Dry Creek Ditch Company, Limited, for any and all actions regarding disturbance of the Owners landscaping. The Association shall be responsible for the repair and or replacement of any landscaping disturbed by any actions of the New Dry Creek Ditch Company, Limited.

More specifically no Owner of Lots 2 through 9 and 11 through 19, Block 4 shall excavate, place any structures, plant any trees, shrubs, or landscaping or perform any other construction or activity within or affecting New Dry Creek Ditch Company, Limited's easement, unless allowed pursuant to that certain License Agreement, recorded in the records of Ada County as Instrument No. 107092109 ("License Agreement"), without the prior written consent of New Dry Creek Ditch Company, Limited. New Dry Creek Ditch Company, Limited's easement includes a sufficient area of land to convey irrigation water, to operate, clean, maintain, and repair the ditch, and to access the ditch for those purposes. New Dry Creek Ditch Company, Limited's easement for the Dry Creek Canal, as defined in the License Agreement, shall be a minimum of 20 feet to either side of the centerline of the pipe. Declarant agrees to provide markers identifying the location of the easement and to notify future lot owners of the location of the easement.

ARTICLE XIII: MISCELLANEOUS

13.1 Term. The easements created hereunder shall be perpetual, subject only to extinguishment by the holders of such easements as provided by law. The covenants, conditions, restrictions, and equitable servitudes of this Declaration shall run until December 31, 2029, with the exception of those sections that relate to the New Dry Creek Ditch Company, Limited, which shall be perpetual, unless amended as herein provided. After such date, such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by Members holding at least three-fourths (3/4) of the voting power of the Association and such written instrument is recorded with the Ada County Recorder. Further provided that the Association shall not be dissolved without the prior written approval of the City of Garden City, Ada County Highway District, and New Dry Creek Ditch Company, Limited such consent not to be unreasonably withheld provided that a responsible successor organization shall agree to perform those maintenance responsibilities arising from applicable city and county governmental requirements.

13.2 Amendment.

13.2.1 By Grantor. Except as provided in paragraph 13.3 below, until the recordation of the first deed to Building Lot in the Property, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to (collectively, amendment) or terminated by Grantor by recordation of a written instrument setting forth such amendment or termination. Any amendment affecting only a particular piece of property may be made by Grantor by an amendment to this Declaration at any time up to the recordation of the first deed to a Building Lot in such property.

13.2.2 By Owners. Except where a greater percentage is required by express provision in this Declaration, the provisions of this Declaration, other than this Article XIII, any amendment shall be by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying and attesting that such amendment has been approved by the vote or written consent of Owners representing more than fifty percent (75%) of the votes in the Association, and such amendment shall be effective upon its recordation with the Ada County Recorder. Any amendment to this Article XIII shall require the vote or written consent of Members holding ninety-five percent (95%) of the voting power of the Association.

13.2.3 Effect of Amendment. Any amendment of this Declaration approved in the manner specified above shall be binding on and effective as to all Owners and their respective properties notwithstanding that such Owners may not have voted for or consented to such amendment. Such amendments may add to and increase the covenants, conditions, restrictions, and easements applicable to the Property but shall not prohibit or unreasonably interfere with the allowed uses of such Owners property which existed prior to the said amendment.

13.3 Mortgage Protection. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat or render invalid the rights of the beneficiary under any first deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after foreclosure of any such first deed of trust such Building Lots shall remain subject to this Declaration, as amended.

13.4 Notices. Any notices 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 seventy-two (72) hours after the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by 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, as provided in this paragraph 13.4.

13.5 Enforcement and Non-Waiver.

13.5.1 Right of Enforcement. Except as otherwise provided herein, any Owner of any Building Lot shall have the right to enforce any or all of the provisions hereof against any property within the Property and Owners thereof.

13.5.2 Violations and Nuisances. The failure of any Owner of a Building Lot to comply with any provision hereof, or with any provision of the Articles or Bylaws of any Association, is hereby declared a nuisance and will give rise to a cause of action in the Grantor, the Association or any Owner Building Lot(s) within the Property for recovery of damages or for negative or affirmative injunctive relief or both. However, any other provision to the contrary notwithstanding, only Grantor, the Association, the Board, or a duly authorized agent of any of them, may enforce by self-help any of the provisions hereof only if such self-help is preceded by reasonable notice to the Owner.

13.5.3 Violation of Law. Any violation of any state, municipal, or local law, ordinance, or regulation pertaining to the ownership, occupation or use of any property within the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth in this Declaration and any or all enforcement procedures in law and equity.

13.5.4 Remedies Cumulative. Each remedy provided herein is cumulative and not exclusive.

13.5.5 Non-Waiver. The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the right to enforce any such provision.

13.6 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property. This Declaration shall be construed and governed under the laws of the state of Idaho.

13.6.1 Restrictions Construed Together. All of the provisions hereof shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the recitals of this Declaration.

13.6.2 Restrictions Severable. Notwithstanding the provisions of the foregoing paragraph 13.6.1, each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

13.6.3 Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural singular, and the masculine, feminine, or neuter shall each include the masculine, feminine, and neuter.

13.6.4 Captions. All captions and titles used in this Declaration are intended solely for convenience or reference and shall not affect that which is set forth in any of the provisions hereof.

13.7 Successors and Assigns. All references herein to Grantor, Owners, any Association, or person shall be construed to include all successors, assigns, partners, and authorized agents of such Grantor, Owners, Association, or person.

13.8 No Rights Given to the Public. Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of the Property to the general public or for any public use or purpose.

[Signature Page Follows]

IN WITNESS WHEREOF, the Declarant has executed this Declaration effective as of the date first set forth above.

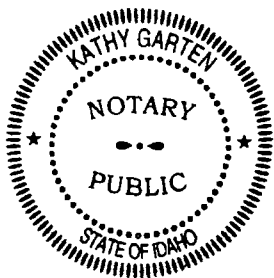
[Handwritten Signature]

Carlton Bay, LLC
By: Kari Hirahara, Secretary of Folio, Inc., Managing Member of Carlton Bay, LLC

STATE OF IDAHO)
)
) :ss
County of ADA)

On this 3rd day of March, 2008, before me Kathy Garten, personally appeared KARI HIRAHARA, known or identified to me (or proved to me on the oath of Karl Hirahara) to be the Secretary of FOLIO, INC., an Idaho corporation, MANAGING MEMBER OF CARLTON BAY, LLC, an Idaho limited liability company, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



[Handwritten Signature]
NOTARY PUBLIC FOR IDAHO
Residing at Meridian Idaho
My Commission Expires _____ MY COMMISSION EXPIRES
September 15, 2012
BONDED THRU NOTARY PUBLIC UNDERWRITERS

**EXHIBIT A
REAL PROPERTY LEGAL DESCRIPTION**

All Lots and Blocks in Carlton Bay Subdivision, according to the official plat thereof filed in Book 100 of Plats at Page(s) 12091 through 12095, records of Ada County Idaho;

Excepting therefrom Lots 2 through 7, Block 1, Lots 2, 3, 5 through 20, Block 2, and Lots 1 through 20, Block 3.

EXHIBIT B
COMMERCIAL PROPERTY LEGAL DESCRIPTION

Lots 2 through 7, Block 1 and Lots 2 and 3, Block 2 in Carlton Bay Subdivision, according to the official plat thereof filed in Book 100 of Plats at Page(s) 12091 through 12095, records of Ada County Idaho.

Bk 100 & 12901

FINAL PLAT SHOWING

CARLTON BAY SUBDIVISION

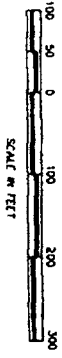
LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO 2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO

LEGEND

- FRAMED BRASS CAP
- SET 3/8" IRON PIN WITH PLASTIC CAP P.L.S. 4996
- SET 1/2" IRON PIN WITH PLASTIC CAP P.L.S. 4992
- NO CONCRETE MONUMENT AS NOTED
- FOUND 5/8" IRON ROD CALCULATED POINT
- SECTION LINE
- BOUNDARY LINE
- RIGHT-OF-WAY
- LOT LINE
- ESSENTIAL LINE
- ESSENTIAL LINE AS SHOWN ON PLAT WITH METRIC MEASUREMENTS SET DATE 11
- LOT
- STREET
- RIGHT-OF-WAY LINE

SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE



NOTES

1. THESE PLATS SHOWING THE SUBDIVISION OF A PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, INTO LOTS AND BLOCKS, AND THE EASEMENTS AND ENCUMBRANCES THEREON, ARE HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
2. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
3. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
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6. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
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8. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
9. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
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11. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
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14. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.
15. THE PUBLIC RIGHT-OF-WAY, HERETOFORE OWNED AND CONTROLLED BY THE STATE OF IDAHO, IS HEREBY FILED FOR RECORD IN THE PUBLIC RECORDS OF THE COUNTY OF ADA, IDAHO, IN ACCORDANCE WITH THE PROVISIONS OF THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE, AND THE PUBLIC RIGHTS ACT, CHAPTER 12, IDAHO CODE.



FOUND 1/2" IRON MONUMENT WITH 2 1/2" X 7" STEEL WIRESS POST NO CAP

FOUND 1/2" IRON MONUMENT WITH 2 1/2" X 7" STEEL WIRESS POST NO CAP

DESIGNER: STANLEY CONSULTANTS
ENGINEER: STANLEY CONSULTANTS
NO CAP DEVELOPMENT
BRAND MARK

PAGE _____ BOOK _____
SHEET 1 OF 5
1984 M 17/03/07

N. HORSESHOE BEND ROAD

REAL POINT OF BEGINNING

CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING
LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO 2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO



LEGEND

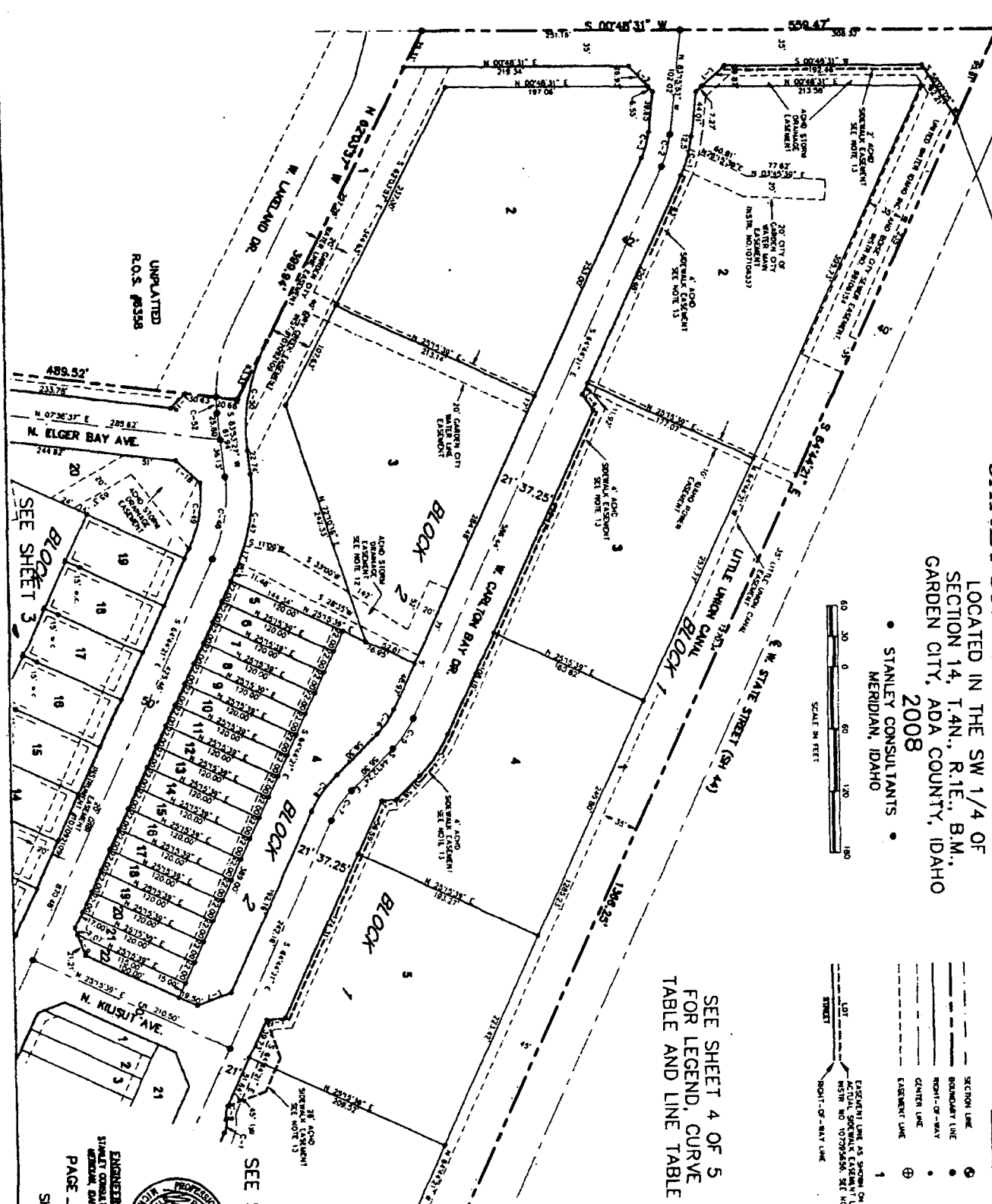
| | |
|--|---|
| SECTION LINE | FOUND BRASS CAP |
| BOUNDARY LINE | SET 3/8" IRON PIN WITH PLASTIC CAP #3 898 |
| RIGHT-OF-WAY | SET 1/2" COPPER PIN WITH PLASTIC CAP #5 898 |
| OWNER LINE | PLASTERED BRICKWORK AS NOTED |
| EASEMENT LINE | LOT NUMBER |
| ESSENTIAL LINE AS SHOWN ON P.L.1. | |
| ESSENTIAL LINE AS EASEMENT LINE WITH NO INTERFERE SET NOT 13 | |
| LOT | |
| RIGHT-OF-WAY LINE | |

SEE SHEET 4 OF 5 FOR LEGEND, CURVE TABLE AND LINE TABLE

SEE SHEET 3



ENGINEER: STANLEY CONSULTANTS, INC. RED DIRT DEVELOPMENT, GARDEN CITY, IDAHO
PAGE: SHEET 2 OF 5
BOOK: 1994 MAY 17/2007



BK 100 Pg 12902

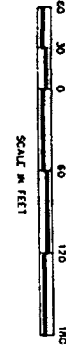
CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING

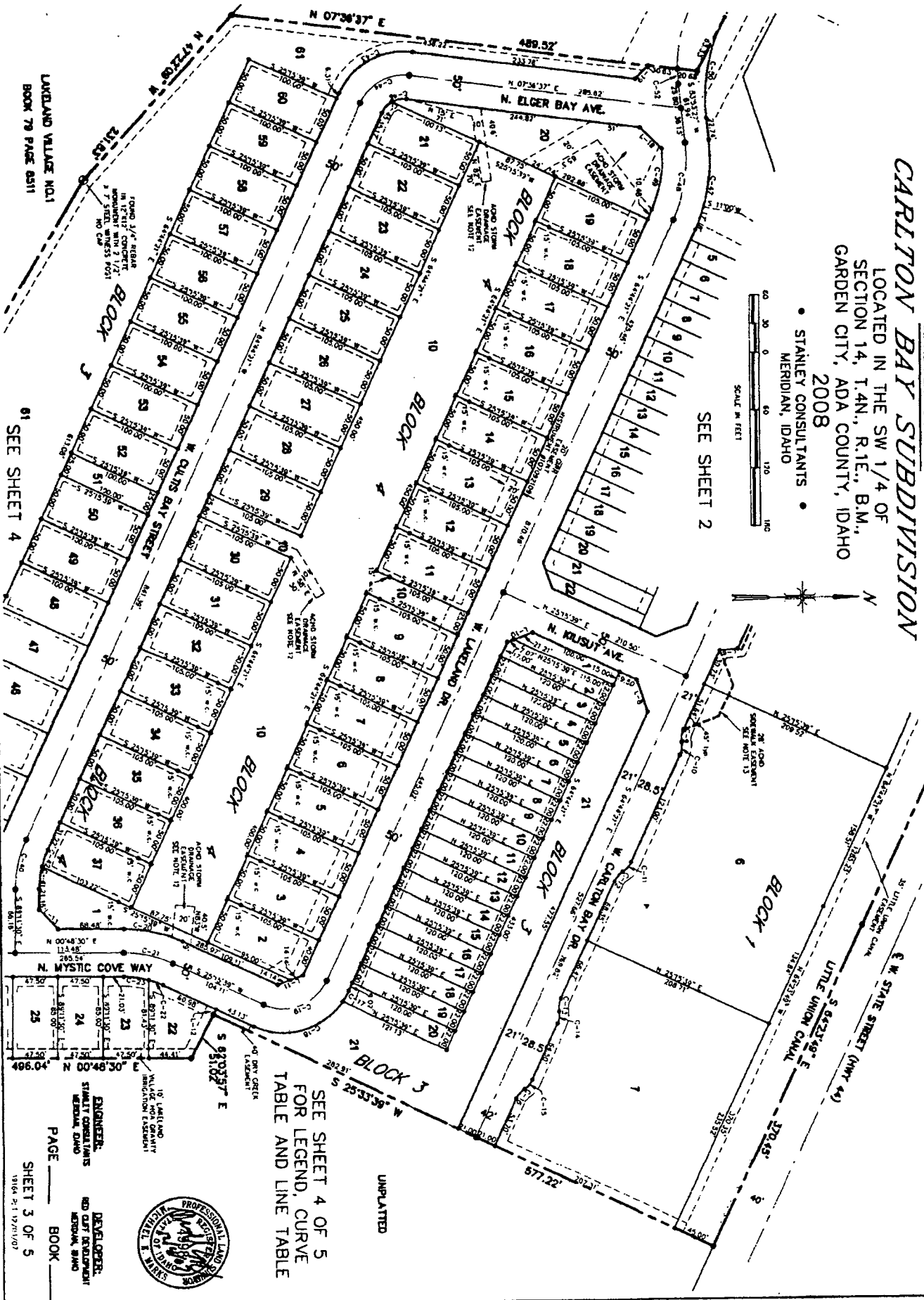
LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO

2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO



SEE SHEET 2



SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE



LANDLAD VILLAGE NO.1
BOOK 79 PAGE 6511

SEE SHEET 4

ENGINEER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER:
BOB DEWINTER
MERIDIAN, IDAHO

PAGE: SHEET 3 OF 5

BOOK: 79 PAGE 6511

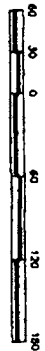
BK 100 P. 12903

FINAL PLAT SHOWING

CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO



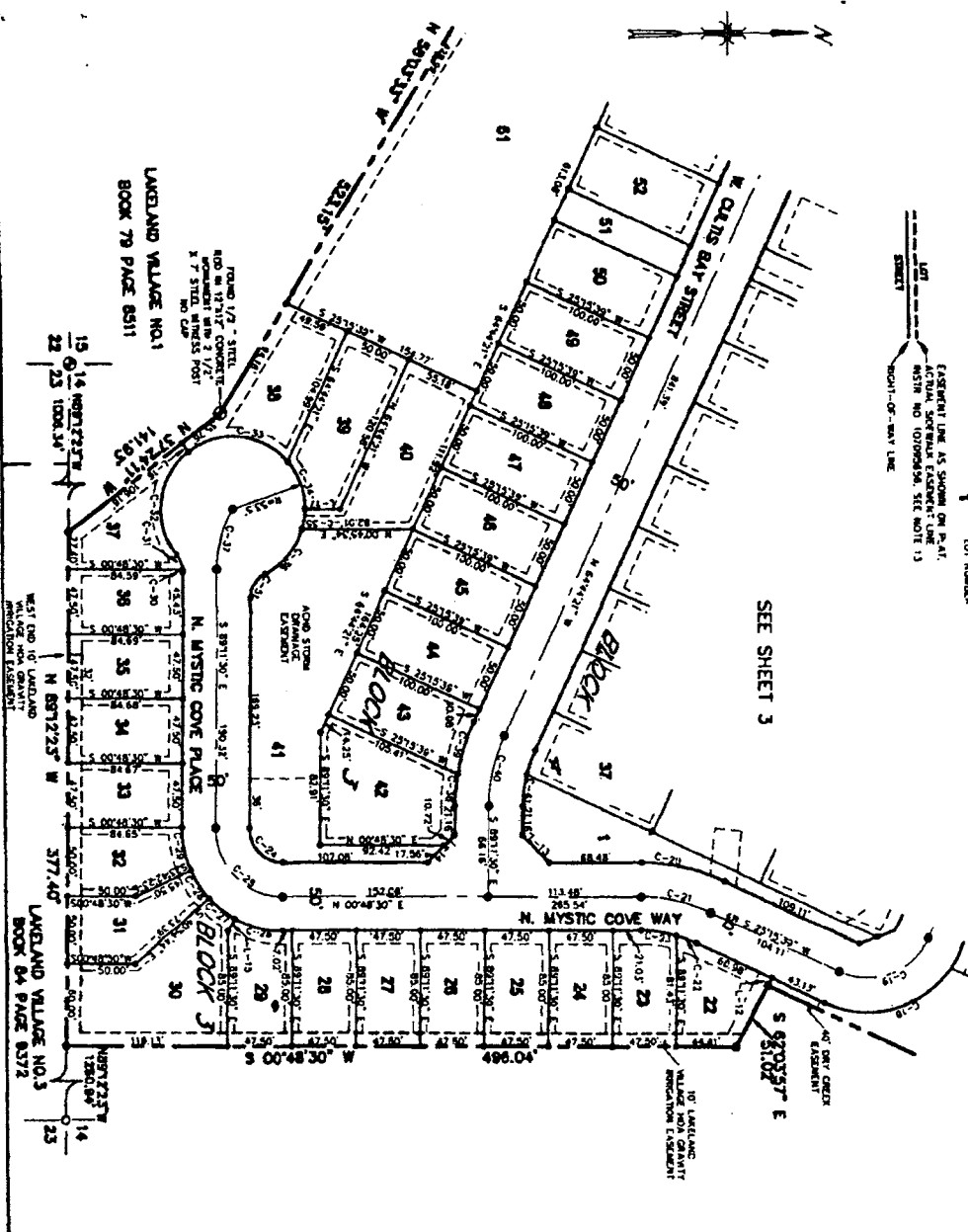
LEGEND

- FOUND BRASS CAP
- 5/8" IRON PIN WITH PLASTIC CAP PLS 4988
- 1/2" IRON PIN WITH PLASTIC CAP PLS 4988
- ⊕ FOUND CONCRETE MONUMENT AS MOND
- 1 LOT NUMBER

SECTION LINE
BOUNDARY LINE
RIGHT-OF-WAY
CENTER LINE
EASEMENT LINE

EASEMENT LINE AS SHOWN ON PLAT, ACTION SURVEYS EASEMENT LINE AS SHOWN ON 1978/08/08, 1978/08/13

LOT
SHEET
RIGHT-OF-WAY LINE



| GRAVE | LENGTH | RADIUS | DELTA | TANGENT | CHORD | BEARING | CHORD |
|-------|--------|--------|-------|-------------|-------|-------------|-------|
| C-1 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-2 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-3 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-4 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-5 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-6 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-7 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-8 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-9 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-10 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-11 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-12 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-13 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-14 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-15 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-16 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-17 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-18 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-19 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-20 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-21 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-22 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-23 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-24 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-25 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-26 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-27 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-28 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-29 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-30 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-31 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-32 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-33 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-34 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-35 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-36 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-37 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-38 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-39 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-40 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-41 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-42 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-43 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-44 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-45 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-46 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-47 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-48 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-49 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-50 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-51 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |
| C-52 | 32.12 | 12.00 | 18.71 | N 120.00° E | 32.12 | N 120.00° E | 32.12 |

LINE TABLE

| LINE | LENGTH | BEARING |
|------|--------|---------------|
| L-1 | 317.41 | S 41°31'41" E |
| L-2 | 343.48 | N 48°48'18" E |
| L-3 | 187.78 | N 55°15'37" E |
| L-4 | 187.78 | S 55°15'37" E |
| L-5 | 187.78 | S 55°15'37" E |
| L-6 | 187.78 | S 55°15'37" E |
| L-7 | 187.78 | S 55°15'37" E |
| L-8 | 187.78 | S 55°15'37" E |
| L-9 | 187.78 | S 55°15'37" E |
| L-10 | 187.78 | S 55°15'37" E |
| L-11 | 187.78 | S 55°15'37" E |
| L-12 | 187.78 | S 55°15'37" E |
| L-13 | 187.78 | S 55°15'37" E |
| L-14 | 187.78 | S 55°15'37" E |
| L-15 | 187.78 | S 55°15'37" E |
| L-16 | 187.78 | S 55°15'37" E |
| L-17 | 187.78 | S 55°15'37" E |
| L-18 | 187.78 | S 55°15'37" E |
| L-19 | 187.78 | S 55°15'37" E |
| L-20 | 187.78 | S 55°15'37" E |
| L-21 | 187.78 | S 55°15'37" E |
| L-22 | 187.78 | S 55°15'37" E |
| L-23 | 187.78 | S 55°15'37" E |
| L-24 | 187.78 | S 55°15'37" E |
| L-25 | 187.78 | S 55°15'37" E |
| L-26 | 187.78 | S 55°15'37" E |
| L-27 | 187.78 | S 55°15'37" E |
| L-28 | 187.78 | S 55°15'37" E |
| L-29 | 187.78 | S 55°15'37" E |
| L-30 | 187.78 | S 55°15'37" E |
| L-31 | 187.78 | S 55°15'37" E |
| L-32 | 187.78 | S 55°15'37" E |
| L-33 | 187.78 | S 55°15'37" E |
| L-34 | 187.78 | S 55°15'37" E |
| L-35 | 187.78 | S 55°15'37" E |
| L-36 | 187.78 | S 55°15'37" E |
| L-37 | 187.78 | S 55°15'37" E |
| L-38 | 187.78 | S 55°15'37" E |
| L-39 | 187.78 | S 55°15'37" E |
| L-40 | 187.78 | S 55°15'37" E |
| L-41 | 187.78 | S 55°15'37" E |
| L-42 | 187.78 | S 55°15'37" E |
| L-43 | 187.78 | S 55°15'37" E |
| L-44 | 187.78 | S 55°15'37" E |
| L-45 | 187.78 | S 55°15'37" E |
| L-46 | 187.78 | S 55°15'37" E |
| L-47 | 187.78 | S 55°15'37" E |
| L-48 | 187.78 | S 55°15'37" E |
| L-49 | 187.78 | S 55°15'37" E |
| L-50 | 187.78 | S 55°15'37" E |
| L-51 | 187.78 | S 55°15'37" E |
| L-52 | 187.78 | S 55°15'37" E |
| L-53 | 187.78 | S 55°15'37" E |
| L-54 | 187.78 | S 55°15'37" E |
| L-55 | 187.78 | S 55°15'37" E |
| L-56 | 187.78 | S 55°15'37" E |
| L-57 | 187.78 | S 55°15'37" E |
| L-58 | 187.78 | S 55°15'37" E |
| L-59 | 187.78 | S 55°15'37" E |
| L-60 | 187.78 | S 55°15'37" E |
| L-61 | 187.78 | S 55°15'37" E |



PAGE _____ BOOK _____

ENGINEER: **STANLEY CONSULTANTS**
 DEVELOPER: **STANLEY CONSULTANTS**
 SHEET 4 OF 5
 1974 P.L. 17/20/07

BK 100 Pg 12904

CARLTON BAY SUBDIVISION

CERTIFICATE OF OWNERS

SHOW ALL MEN BY THESE PRESENTS:

THAT S & B LAND DEVELOPMENT, U.C. AND HAWKINS COMPANIES U.C. BOTH LIMITED LIABILITY COMPANIES ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF IDAHO, HAVE CAUSED TO BE PREPARED AND FORWARDED TO THE CLERK OF THE COUNTY OF IDAHO, COUNTY OF ADA, A CERTIFICATE OF OWNERSHIP OF THE REAL PROPERTY AS DESCRIBED BELOW AND IT IS HEREBY INTENTIONED TO INCLUDE SAID REAL PROPERTY IN THIS SUBDIVISION PLAN. THE OWNERS ALSO HEREBY CERTIFY THAT THIS PLAN COMPLETES WITH DWAH CODE 30-1204, (2) ALL LOTS IN THIS SUBDIVISION WILL RECEIVE DOMESTIC WATER FROM AN EXISTING WATER SYSTEM AND GARDEN CITY HAS AGREED IN WRITING TO SERVE THE LOTS IN THIS SUBDIVISION.

A PARCEL OF LAND BEING A PORTION OF THE SW 1/4 OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 1 EAST, BOISE MERIDIAN, GARDEN CITY, ADA COUNTY, IDAHO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SW 1/4 (WEST 1/4 CORNER) OF SECTION 14, T4M, R1E, B1M, THENCE S 07°42'31" W, 073.48 FEET ALONG THE WEST LINE OF SAID SECTION 14 TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION;

ALONG THE NORTH OR WAY OF STATE STREET BE FOLLOWING:
THENCE S 64°44'47" E, 1366.25 FEET TO A POINT;
THENCE S 64°22'49" E, 370.45 FEET TO A POINT;
LEAVING THE NORTH OR WAY OF STATE STREET;
THENCE S 25°13'39" W, 577.22 FEET TO A POINT;
THENCE S 62°05'17" E, 51.02 FEET TO A POINT;
THENCE S 00°46'37" W, 498.04 FEET TO A POINT;
THENCE N 87°22'35" W, 577.40 FEET TO A POINT ON THE BOUNDARY OF LAKELAND VALLEY SUBDIVISION.

ALONG THE BOUNDARY OF LAKELAND VALLEY SUBDIVISION THE FOLLOWING:
THENCE N 37°41'11" W, 141.55 FEET TO A POINT;
THENCE N 37°41'11" W, 141.55 FEET TO A POINT;
THENCE N 47°00'00" W, 211.81 FEET TO A POINT;
LEAVING THE BOUNDARY OF LAKELAND VALLEY SUBDIVISION;
THENCE N 07°36'37" E, 468.52 FEET TO A POINT;
THENCE N 82°05'17" E, 298.04 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 14.

THENCE N 00°42'31" E, 598.47 FEET ALONG SAID WEST LINE TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION, CONTAINING 34.82 ACRES, MORE OR LESS.

THE PUBLIC STREETS AS SHOWN ON THIS PLAN ARE HEREBY DEDICATED TO THE PUBLIC AND THE EASEMENTS AS SHOWN ON THIS PLAN ARE NOT DEDICATED TO THE PUBLIC, BUT THE RIGHT TO USE SAID EASEMENTS IS RESERVED WITHIN THIS PLAN, AND FOR PUBLIC UTILITIES ARE TO BE EXERCISED WITHIN THE LINES OF SAID EASEMENTS.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR HANDS THIS 23 DAY OF April, 2002.

ACKNOWLEDGEMENT

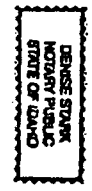
STATE OF IDAHO) S.S.
COUNTY OF ADA) S.S.
ON THIS 23 DAY OF April, 2002, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED SHAWNAN ROBERT IT, known or identified to me to be a member of S & B LAND DEVELOPMENT, U.C., the person who executed this instrument, SAID LIMITED LIABILITY COMPANY, known or identified to me to be SAID SAID LIMITED LIABILITY COMPANY, and I certified that the said instrument was executed by the said SHAWNAN ROBERT IT and SAID LIMITED LIABILITY COMPANY, and I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



NOTARY PUBLIC FOR Idaho
RESIDING IN Boise, Idaho
MY COMMISSION EXPIRES 05-09-16

ACKNOWLEDGEMENT

STATE OF IDAHO) S.S.
COUNTY OF ADA) S.S.
ON THIS 23 DAY OF April, 2002, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED DENSE STARK, known or identified to me to be the manager of HAWKINS COMPANY, known or identified to me to be the manager of HAWKINS COMPANY, and I certified that the said instrument was executed by the said DENSE STARK and HAWKINS COMPANY, and I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



NOTARY PUBLIC FOR State of Idaho
RESIDING IN Boise, Idaho
MY COMMISSION EXPIRES 05-09-16

HEALTH CERTIFICATE

SAUNTY RESTRICTIONS AS REQUIRED BY IDAHO CODE, TITLE 50, CHAPTER 13 HAVE BEEN SATISFIED ACCORDING TO THE LETTER TO BE READ ON FILE WITH THE COUNTY RECORDER ON HIS AGENT LISTING THE CONDITIONS OF APPROVAL, SAUNTY RESTRICTIONS AS REQUIRED BY IDAHO CODE, TITLE 50, CHAPTER 13, DWAH CODE, BY THE ISSUANCE OF A CERTIFICATE OF APPROVAL.



CERTIFICATE OF COUNTY SURVEYOR

I, MICHAEL E. HANNS, COUNTY SURVEYOR IN AND FOR ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT THE REAL AND THAT IT COMPLETES WITH THE STATE OF IDAHO CODE RELATING TO PLATS AND SURVEYS.



CERTIFICATE OF SURVEYOR

I, MICHAEL E. HANNS, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR LICENSED BY THE STATE OF IDAHO, AND THAT THIS PLAN AS DESCRIBED IN THE CERTIFICATE OF OWNERS WAS DRAWN FROM AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY DIRECT SUPERVISION AND ACCORDING TO THE METHODS AND PROCEDURES SET FORTH IN THE STATE OF IDAHO CODE RELATIVE TO PLATS AND SURVEYS.



APPROVAL OF CITY ENGINEER

I, THE UNDERSIGNED, CITY ENGINEER IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO, HEREBY APPROVE THIS PLAN.

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

THE FOREGOING PLAN WAS ACCEPTED AND APPROVED BY THE BOARD OF ADA COUNTY HIGHWAY DISTRICT COMMISSIONERS ON THE 11th DAY OF July, 2002.



APPROVAL OF GARDEN CITY

I, THE UNDERSIGNED, CITY CLERK IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT AT A REGULAR MEETING OF THE CITY COUNCIL HELD ON THE 22nd DAY OF June, 2002, THIS PLAN WAS DULY ACCEPTED AND APPROVED.



CERTIFICATE OF THE COUNTY TREASURER

I, THE UNDERSIGNED, COUNTY TREASURER IN AND FOR THE COUNTY OF ADA, STATE OF IDAHO, HEREBY CERTIFY THAT THE REQUIREMENTS OF LC 50-1208 DO HEREBY CERTIFY THAT ANY AND ALL CURRENT AND/OR DELINQUENT COUNTY PROPERTY TAXES FOR THE PROPERTY INCLUDED IN THIS SUBDIVISION HAVE BEEN PAID IN FULL. THIS CERTIFICATION IS VALID FOR THE NEXT THIRTY (30) DAYS ONLY.

COUNTY RECORDER'S CERTIFICATE

STATE OF IDAHO) S.S.
COUNTY OF ADA) S.S.
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD AT THE REQUEST OF S & B Land Development AT 2:31 MINUTES PAST 11 O'CLOCK A.M. ON THIS 23rd DAY OF March, 2002, IN BOOK 180 OF PLATS AT PAGES 12901 THROUGH 12905. INSTRUMENT NO. 187800583



David Newman Deputy
RECORDER



After Recording, Return To:

Hayden Homes, LLC
Attention: Tammy Harty
2464 SW Glacier Place, Suite 110
Redmond, Oregon 97756

**FIRST AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR CARLTON BAY SUBDIVISION**

THIS FIRST AMENDMENT (this "Amendment") is made effective as of the date of its recording in the Official Records for Ada County, Idaho (the "Effective Date"), by CARLTON BAY SUBDIVISION HOMEOWNER'S ASSOCIATION, INC., an Idaho nonprofit corporation (the "Association").

RECITALS:

WHEREAS, Carlton Bay, LLC created a residential subdivision known as *Carlton Bay Subdivision* (the "Subdivision") by recording that certain Declaration of Covenants, Conditions and Restrictions for Carlton Bay Subdivision on March 3, 2008 as Instrument Number 108025088 (the "Declaration") in the Official Records of Ada County, Idaho. The Declaration encumbers the real property described on attached Exhibit A (the "Property");

WHEREAS, Bank of the Cascades became the successor in interest to Carlton Bay, LLC as the "Grantor" under the Declaration by acquiring the Property (among other real property) by (a) that certain Trustee's Deed dated April 27, 2009 and recorded on April 27, 2009 as Instrument Number 109047778 in the Official Records of Ada County, Idaho; and (b) that certain Trustee's Deed dated April 27, 2009 and recorded on April 27, 2009 as Instrument Number 109047779 in the Official Records of Ada County, Idaho;

WHEREAS, Carlton Bay Villas, LLC became the successor in interest to Bank of the Cascades as "Grantor" under the Declaration by acquiring the Property (among other real property) by that certain Warranty Deed dated August 4, 2009 and recorded on August 5, 2009 as Instrument Number 109091748 in the Official Records of Ada County, Idaho;

WHEREAS, Carlton Bay Villas, LLC and Hayden Homes, LLC entered into a certain Option Agreement (Carlton Bay) dated as of December 4, 2009 (the "Option Agreement") wherein Hayden Homes, LLC was given the right to purchase most of the lots within the Subdivision owned by Carlton Bay Villas, LLC;

WHEREAS, Carlton Bay Villas, LLC desires to assign the "Grantor" rights under the Declaration to Hayden Homes Idaho, LLC (an affiliate of Hayden Homes, LLC); and

WHEREAS, the Association, on behalf of the Owners and pursuant to Section 13.2.2 of the Declaration, desires to amend the Declaration, as more particularly set forth herein.

NOW, THEREFORE, the Association, with consent of the current Grantor and other Owners, hereby amends the Declaration in the following manner:

1. **Assignment of Grantor Rights.**

1.1 Carlton Bay Villas, LLC hereby assigns to Hayden Homes Idaho, LLC all rights, powers, benefits and privileges of the “Grantor” under the Declaration as of the Effective Date. Hayden Homes Idaho, LLC hereby accepts such assignment of the “Grantor” rights, powers, benefits and privileges as of the Effective Date. It is expressly agreed that Hayden Homes Idaho, LLC shall not be liable for any violations of the Declaration or any other matters accruing with respect to the Subdivision or under the Declaration prior to the Effective Date. Carlton Bay Villas, LLC will retain the right to final approval for any changes greater than 10% from the previous years HOA assessment and reserve fund budgets. In the event that the Option Agreement terminates as the result of a material default by Hayden Homes, LLC, then all rights, powers, benefits and privileges of the “Grantor” shall automatically revert back to Carlton Bay Villas, LLC.

1.2 The rights, powers, benefits and privileges of the “Grantor” assigned to Hayden Homes Idaho, LLC include, but are not limited to, the right to use or exercise the following:

- (a) Exemptions under Section 4.21 of the Declaration;
- (b) Repurchase right under Section 4.24 of the Declaration;
- (c) Right to collect irrigation assessments under Section 5.5.2.12 of the Declaration;
- (d) Appointment right under Section 10.2 of the Declaration;
- (e) Annexation right under Section 11.1 of the Declaration; and
- (f) De-annexation right under Section 11.5 of the Declaration.

2. **Amendments to Declaration.**

2.1 That portion of the Property described on attached **Exhibit B** is hereby designated as “Common Area” under the Declaration.

2.2 The following defined term is hereby added to Article III of the Declaration:

“Property Owner” shall mean shall mean Carlton Bay Villas, LLC, an Idaho limited liability company, the owner of all or part of the Property at the time this Amendment is recorded in the Official Records of Ada County, Idaho, and its successors or assigns who are designed as such in an instrument recorded in the Official Records of Ada County, Idaho.”

2.3 Section 4.1.1 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Use of Building Lots. All Building Lots shall be used exclusively for single-family residential purposes. No Building Lot shall be improved except with a single-family dwelling unit or structure.”

2.4 The clause in Section 4.5(A) of the Declaration is hereby deleted in its entirety and replaced with the following:

“such signs as may be used by Grantor in connection with the development of the Property and the sale of Building Lots and dwelling units and structures constructed on Building Lots;”

2.5 The second to last sentence in Section 4.5 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Except for signs used by Grantor in connection with the development of the Property and the sale of Building Lots and dwelling units and structures constructed on Building Lots, no sign shall be placed on the Common Area without the written approval of the Architectural Committee or the Association.”

2.6 Section 4.14 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Campers, Boats, Recreational Vehicles and other Non-Passenger Vehicles. Campers, boats, boat trailers, recreational vehicles, commercial vehicles, or other types of non-passenger vehicles, equipment, implements, or accessories may not be kept or stored on any public street within the subdivision or on any Building Lot, except as provided below:

4.14.1 Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories may be stored or kept within an enclosed garage or on the side of a dwelling unit, provided that it is fully screened from view by a screening structure or fencing approved by the Architectural Committee; and

4.14.2 Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories may be temporarily kept on the public streets within the subdivision or on a paved driveway located on a Building Lot for a period not to exceed forty-eight (48) hours and only for purposes of cleaning, preparation for use and unloading.”

2.7 Section 5.31 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Class A Members. Owners other than Grantor and Property Owner shall be known as Class A Members, provided that Grantor and/or Property Owner shall become Class A

Members once the Class B membership ceases to exist. Each Class A Member shall be entitled to one (1) vote for each Building Lot owned by such Class A Member on the day of the vote.”

2.8 Section 5.32 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Class B Members. Grantor and the Property Owner shall be known as Class B Members, and shall be entitled to six (6) votes for each Building Lot owned by such Class B Member on the day of the vote. The Class B membership shall cease to exist, and shall be converted to Class A membership (if applicable), on the earlier to occur of the following: (i) the date on which seventy-five percent (75%) of the total Building Lots anticipated to be created within the subdivision have been conveyed to Class A Members; (ii) ten (10) years after conveyance of the first Building Lot to a Class A Member; or (iii) upon written election of Grantor.

Grantor (i.e., Hayden Homes Idaho, LLC) and Property Owner hereby enter into a voting agreement pursuant to Title 30-3-62 of the Idaho Code with respect to their respective Class B voting rights, on the following terms and conditions: (a) Grantor and Property Owner agree to vote their respective Class B voting rights in the manner determined by Grantor in its sole discretion; (b) once Grantor has made a decision regarding how it intends to vote its Class B voting rights in a particular matter and notifies Property Owner of such decision, Property Owner shall promptly either vote its Class B voting rights in the particular matter in the manner designated by Grantor or deliver to Grantor a valid and binding proxy to vote Property Owner’s Class B voting rights in respect to the particular matter; (c) if Property Owner fails to promptly comply with its obligations under clause (b), then Grantor may complete the proxy on behalf of Property Owner and as Property Owner’s attorney-in-fact, coupled with an interest, and such proxy shall be valid and binding on Property Owner as if Property Owner had actually executed the proxy; (d) Grantor and Property Owner each agree that whenever and as often as it may be requested to do so by the other party, it shall execute, acknowledge, and deliver, or cause to be executed, approvals, consents, memoranda of the subject matter hereof, duplicate originals hereof, and any and all other documents and to do any and all other acts as may be necessary or appropriate to carry out the terms of the voting agreement; and (e) the voting agreement shall terminate on the earlier of (i) ten (10) years from the Effective Date, (ii) when Property Owner no longer owns any Building Lots, (iii) when the Class B membership ceases to exist, or (iv) termination of the Option Agreement as the result of a material default by Hayden Homes, LLC.”

2.9 Section 7.2.3.2 of the Declaration is hereby deleted in its entirety and replaced with the following:

“Notwithstanding anything in Article VII to the contrary, and except as otherwise provided in this Section 7.2.3.2, neither Grantor nor Property Owner are required to pay Regular Assessments, Limited Assessments, Special Assessments or any other assessments levied by the Association on any Building Lots owned by Grantor or Property Owner (as applicable).

For a period of two (2) years following the date of the sale of the first Building Lot to a Class A Member, the Association shall assess the Property Owner for the difference between the total revenue of the Association less the total expenses of the Association for each calendar year (the “Shortfall”). Property Owner agrees to pay the Association the Shortfall from time to time, but not less than once per calendar year, and before the Association’s cash balance in its operating account is zero. After two (2) years following the date of the sale of the first Building Lot to a Class A Member, Grantor and Property Owner shall be assessed the Regular Assessment on each Building Lot owned by Grantor or Property Owner (as applicable).”

2.10 Section 13.2.2 of the Declaration is hereby deleted in its entirety and replaced with the following:

“By Owners. Except where a greater percentage is required by express provision in this Declaration, the provisions of this Declaration, other than Article XIII, may be amended by an instrument signed and acknowledged by the president and secretary of the Association certifying and attesting that such amendment was approved by the vote or written consent of Owners representing more than seventy-five percent (75%) of the votes in the Association, and such amendment shall be effective upon its recordation with the Ada County Recorder. Any amendment to this Article XIII shall require the vote or written consent of Owners holding at least ninety-five percent (95%) of the votes in the Association. Notwithstanding the foregoing to the contrary, no amendment to this Declaration shall be effective without the written consent of Grantor (i.e., Hayden Homes Idaho, LLC) so long as the Class B membership is in existence.”

3. **Miscellaneous.**

3.1 Any capitalized term not defined in this Amendment shall have the meaning ascribed to such term in the Declaration.

3.2 Except as expressly amended by this Amendment, the Declaration remains unamended and in full force and effect.

[Signature appears on the following page]

IN WITNESS WHEREOF, the undersigned President and Secretary of the Association hereby execute the Amendment as of the ___ day of _____, 2010 and certify and attest that the Amendment has been approved by the vote or written consent of Owners representing more than seventy-five percent (75%) of the votes in the Association and, with respect to the amendment to Article XIII of the Declaration, Owners representing more than ninety-five percent (95%) of the votes in the Association.

ASSOCIATION:

CARLTON BAY SUBDIVISION
HOMEOWNER'S ASSOCIATION, INC.,
an Idaho nonprofit corporation,

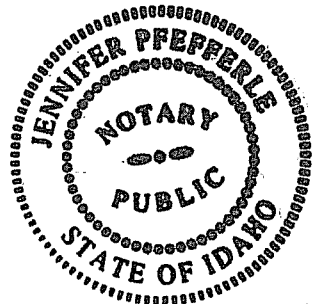
By: _____
Name: David Buich
Title: President

By: _____
Name: Jeffery Hebert
Title: Secretary

ACKNOWLEDGEMENT

STATE OF Idaho)
) ss.
COUNTY OF Ada)

On this 31st day of March, 2010, before me, the undersigned, a Notary Public, duly commissioned and sworn, personally appeared David Buich and Jeffery Hebert, known to me or identified to me to be the Present and Secretary, respectively, of CARLTON BAY SUBDIVISION HOMEOWNER'S ASSOCIATION, INC., an Idaho nonprofit corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



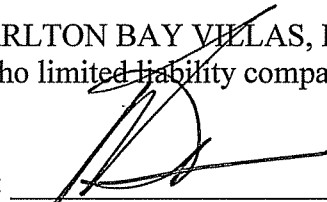
Notary Public, State of Idaho
Residing at Stau, Idaho
My Commission Expires: 8-3-2012

[Consents begin on the following page]

CONSENT OF PROPERTY OWNER

Property Owner hereby ratifies the Declaration and consents to the terms of the Amendment, including (but not limited to) the assignment of the "Grantor" rights under the Declaration to Hayden Homes and the terms of the voting agreement between Property Owner and Grantor (i.e., Hayden Homes).

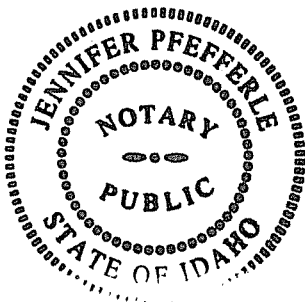
CARLTON BAY VILLAS, LLC, an
Idaho limited liability company

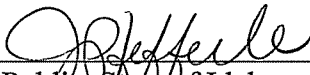
By: 
David Buich, Manager

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

On this 31st day of March, 2010, before me, the undersigned, a Notary Public, duly commissioned and sworn, personally appeared David Buich, known to me or identified to me to be a Member of CARLTON BAY VILLAS, LLC, an Idaho limited liability company, the company that executed the instrument or the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.




Notary Public, State of Idaho
Residing at Star, Idaho
My Commission Expires: 8-3-2012

[Consents continue on the following page]

CONSENT OF HAYDEN HOMES (AS THE CURRENT GRANTOR)

Hayden Homes, as the current "Grantor" under the Declaration, hereby ratifies the Declaration and consents to the terms of the Amendment, including (but not limited to) the acceptance of the "Grantor" rights under the Declaration and the terms of the voting agreement between Property Owner and Grantor (i.e., Hayden Homes).

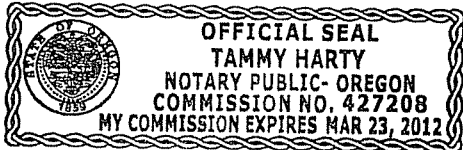
HAYDEN HOMES IDAHO, LLC,
an Oregon limited liability company

By: _____
Name: Dennis Murphy
Title: Member

ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
COUNTY OF DESCHUTES)

On this 8th day of April, 2010, before me, the undersigned, a Notary Public, duly commissioned and sworn, personally appeared Dennis Murphy, known to me or identified to me to be the Member of HAYDEN HOMES IDAHO, LLC, an Oregon limited liability company, the company that executed the instrument or the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.



Tammy Harty
Notary Public, State of Oregon
Residing at Bend, OR
My Commission Expires: Mar 23, 2012

[Consents continue on the following page]

CONSENT OF OWNER

The undersigned Owner hereby ratifies the Declaration and consents to the terms of the Amendment.

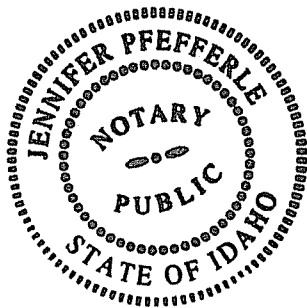
HEBERT FAMILY LLC, an Idaho limited liability company

By: Jeffery Hebert
Name: _____
Title

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF ADA)

On this 31st day of March, 2010, before me, the undersigned, a Notary Public, duly commissioned and sworn, personally appeared Jeffery Hebert, known to me or identified to me to be the member of HEBERT FAMILY LLC, an Idaho limited liability company, the company that executed the instrument or the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.



J. Pfefferle
Notary Public, State of Idaho
Residing at Star, Idaho
My Commission Expires: 8-3-2012

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

All Lots and Blocks within *Carlton Bay Subdivision*, according to the official plat thereof filed in Book 100 of Plats at Pages 12091 through 12095 in the Official Records of Ada County, Idaho.

Excepting therefrom Lots 2 through 7, Block 1; Lots 2, 3, and 5 through 20, Block 2; and Lots 1 through 20, Block 3.

EXHIBIT B

LEGAL DESCRIPTION OF COMMON AREA

Lot 1, Block 1; Lots 1, 4, 21 and 22, Block 2; Lots 1, 21, 41, 51 and 61, Block 3; and Lots 1, 10 and 20, Block 4 in *Carlton Bay Subdivision*, according to the official plat thereof filed in Book 100 of Plats at Pages 12091 through 12095 in the Official Records of Ada County, Idaho.



**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CARLTON BAY TOWNHOMES**

December 6, 2013

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES**

This Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "Declaration") is made effective this 6 day of December, 2013, by Carlton Bay Townhomes LLC, an Idaho limited liability company ("Declarant").

ARTICLE I: PROPERTY AND PURPOSE

Section 1. Property Covered. The initial property subject to this Declaration is legally described on the attached Exhibit A, which is made a part hereof ("Property"). The Property is the first phase of all the Carlton Bay Townhome lots as depicted on the attached Exhibit B, which is made a part hereof ("Carlton Bay Townhomes"). It is currently anticipated that the remainder of the Carlton Bay Townhomes shall be annexed into the Property and made subject to this Declaration. **Each Owner, as hereinafter defined, covenants and agrees that 1) the remainder of the Carlton Bay Townhomes can be annexed into the Property and made subject to this Declaration, and 2) he/she/it shall not contest any such annexation and/or subjection to this Declaration.**

The Property will also become part of the Carlton Bay Subdivision and will be subject to the terms, covenants, conditions and restrictions (including the payment of assessments and fees) of 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676 (collectively "Existing CC&Rs"). Notwithstanding the foregoing, Declarant shall have no obligation to pay any assessments to the CBHOA, as defined below, and Articles 4 and 10 in the Existing CC&Rs shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In the event of a conflict between the Existing CC&Rs and this Declaration, this Declaration shall control.

The Property will also become subject to the terms and restrictions contained in the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho ("Plat"). In addition to becoming subject to the Existing CC&Rs and the Plat, every Owner of a Lot as described herein shall, in addition to being a Member in the Association, become a member in the Carlton Bay Subdivision Homeowners' Association, Inc. ("CBHOA"), and shall become entitled to all rights, duties and obligations of all other members in the CBHOA.

This Declaration is for the benefit of the Declarant, the Association and all Owners of any portion of the Property.

Section 2. Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property, and use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, is or will in the future be held, sold, conveyed, encumbered, used, occupied and improved subject to the Existing CC&Rs (other than those inapplicable sections detailed herein) and the Plat, and is and shall be held, sold, conveyed, encumbered, used occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit C, which is made a part hereof ("Site Plan"), and further described in 1) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125468 and 2) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125469.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Sidewalks" shall mean the common sidewalks as shown on the Site Plan.

Section 6. "Common Walls" shall mean the common walls separating each Dwelling Unit, including the corresponding garage.

Section 7. "Courtyard" shall mean each courtyard located on a Lot for the use and enjoyment of such Lot Owner. Courtyards are generally depicted on the Site Plan.

Section 8. "Declarant" shall mean Carlton Bay Townhomes LLC, an Idaho limited liability company, or its designated successors and/or assigns.

Section 9. "Dwelling Unit" shall collectively mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 10. "Existing CC&Rs" shall collectively mean 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676.

Section 11. "Improvement" shall mean any structure, facility or system, or other improvement

or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 12. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 13. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 14. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 15. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 16. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 17. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 18. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit D and made a part hereof), as it may be amended from time to time.

Section 19. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 20. "Privacy Walls" shall mean the common walls separating each Courtyard.

Section 21. "Property" shall mean that certain real property legally described on the attached Exhibit A, and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 22. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Common Sidewalks, Pressurized Irrigation System, Privacy Walls, Storm Drainage System and all other exterior Improvements pursuant to Article IV, Section 3, and

all other costs and expenses incurred to conduct the business and affairs of the Association. Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 23. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 24. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 25. "Storm Drainage System" shall mean all storm drain pipes, drainage swales and all other storm drain facilities and equipment located on each Dwelling Unit and Lot as generally shown on the Site Plan.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting any sales, construction, development and related activities from Lots owned by Declarant.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. **In addition, the Board has established and shall have the right to further establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on any other Owner or Dwelling Unit.**

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. **No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board.** In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior

Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowners insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance.

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for his or her Courtyard interior (including all landscaping and other Improvements therein), all concrete surfaces (other than the Common Sidewalks), elevated exterior floors, balconies, windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. **In the event any Owner does not properly maintain, repair and/or replace his or her Courtyard interior or any other exterior item specified above, as determined by the Board in its sole discretion, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.**

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to 1) Dwelling Unit exterior colors, 2) roof type or color or 3) any other color, design or material to any other uniform exterior Improvement located on the Property and originally constructed/provided by Declarant shall require the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members.

Section 4. Garage Doors. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) hour.

Section 5. Outbuildings. Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the Declarant, is prohibited.

Section 7. Exterior Lighting and Light Bulbs. Exterior lighting in the Courtyards must be down lighting and positioned as to prohibit illuminating neighboring Courtyards. All lighting (other than the uniform landscape lighting and uniform light posts provided by Declarant) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Storm Drainage System. Each Dwelling Unit contains a drainage pipe system and related equipment and fixtures that collects and moves water from the roof and Courtyard, under the Courtyard and garage floor, and releases it into the drainage swales as shown on the Site Plan. The Association will conduct inspections of the Storm Drainage System as needed and may access an Owner's Courtyard as needed to inspect and/or repair this Storm Drainage System. In lieu of the Association inspecting a Courtyard, an Owner may provide, at his or her own expense, written verification from a licensed home inspector stating that the portion of the Storm Drainage System located in his or her Lot is functioning properly and is no threat to the Property.

For the protection of his or her Dwelling Unit, as well as adjacent Dwelling Units, each Owner is responsible for keeping all drain inlets and pipe located in his or her Courtyard free of all debris as to not restrict water flow. If any such drains or pipes will not accept water an Owner should immediately notify the Association. An Owner will be held responsible for debris removal from the Storm Drainage System contained within such Owner's Courtyard.

The drainage swales can only be altered by the Association, and can only be altered to enhance drainage. Parking within the drainage swales is strictly prohibited.

Section 10. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners must park two operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

Declarant may park any number of operative motor vehicle(s) and equipment of employees, guests, invitees and licensees, on Lots owned by the Declarant or in unenclosed parking areas without time limits provided that such vehicles are parked so as to not interfere with any Owner's right of ingress and egress to his or her Dwelling Unit.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any other

vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 11. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units will be provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 12. Courtyards. No item may be placed or stored in the Courtyards which exceeds the height of the Privacy Walls with the exceptions of 1) landscaping installed by the Declarant, 2) one patio umbrella and/or 3) any item pre-approved in writing by the Board.

Section 13. Compliance With Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 14. Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within five (5) days following a lease or sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of Property owned by Declarant.

Section 15. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 16. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search

lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 17. Flood and Other Insurance. The Property currently lies within a flood plain as shown on a federal flood plain map. Accordingly, each Owner must maintain AT ALL TIMES a proper flood insurance policy. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. **Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof. If an Owner does not provide the Association this required proof of insurance, the Association, after ten (10) days prior written notice, may purchase such insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment.** Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's, Declarant's or any other Owner's insurance.

Section 18. Garbage Pick-Up. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 19. Common Sidewalk and Drainage Easements. Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their family members, tenants, invitees and licensees, a permanent, non-exclusive access easement on, over, across and through all Common Sidewalks and adjacent benches, for access through, and the enjoyment of, the Property by such Owners and their family members, tenants, invitees and licensees. In addition, Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their invitees and licensees, a permanent, non-exclusive drainage easement on, over, across and through 1) all roofs located on the Property and 2) the Storm Drainage System, the purpose of which easement is to allow storm drainage to flow over all roofs and through the Storm Drainage System, including, without limitation, the operation, maintenance, repair and replacement of the same.

Section 20. Applicability of Existing CC&Rs. **Notwithstanding anything herein to the contrary, the Property, Lots and Dwelling Units described herein will become part of the Carlton Bay Subdivision and, accordingly, all Owners and every portion of the Property will be subject to, and shall comply with, all terms, covenants, conditions and restrictions contained in the Existing CC&Rs, including, without limitation, the payment of assessments and fees levied by the CBHOA, other than Articles 4 and 10 in the Existing CC&Rs which shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In addition, Declarant shall not be obligated to pay any assessments to the CBHOA.**

Owners of Lots will also become members in the CBHOA.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and through-out, the Property, as

well as Lot 21, Block 3 and Lot 4, Block 2, as shown on the Plat, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property and Lot 21, Block 3 and Lot 4, Block 2 (collectively the "Pressurized Irrigation System"). The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

This Pressurized Irrigation System will be run utilizing electronic sprinkling clocks. These clocks may be located on certain Lots which will access that Lot's electric meter. Owners of Lots with electronic sprinkling clocks shall be entitled to reimbursement from the Association for the electricity costs associated with operating the electronic sprinkling clocks for the benefit of the other Lots and/or Lot 21, Block 3 and Lot 4, Block 2.

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of all Lots and Lot 21, Block 3 and Lot 4, Block 2. By accepting a deed to any portion of the Property, each Owner hereby agrees to pay its proportionate share of Assessments to the Association and CBHOA and assessments levied by the Ditch Company associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Classes. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association shall maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

(a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars

(\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay to 1) the CBHOA all assessments and fees levied thereby and 2) the Association all Regular Assessments, Special Assessments, Limited Assessments and fees as levied thereby. Regular, Special and Limited Assessments, together with fees interest, costs, late fees and reasonable attorney's fees, shall be a continuing lien upon the Lot 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 Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. **Declarant has no obligation to pay any Assessments.**

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any purpose discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments: Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates

shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5. 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. 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 shall extinguish the lien of such Assessments as to payments 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 IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Declarant, the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles, by-laws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board; provided that, each Owner shall be responsible for his or her own flood, property and casualty and general liability insurance for him or her and his or her respective Lot and Dwelling Unit.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof

shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.

(f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.

(g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess of \$2,500 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property.

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to the indemnification of the Declarant and its agents while the Declarant's agents are members of the Board.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant. **The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.**

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make **minor** exterior Improvements and/or alterations. **The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval. This Article does not apply to the Declarant.**

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved

in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement of the Owner to 1) an additional assessment for the cost of maintenance, 2) the payment of an architectural review processing fee, 3) deposit with the Association a construction completion deposit and/or 4) purchase payment and/or performance bonds. The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Board. If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration may be amended by an instrument signed by Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation. **As described in Article I, Section 1, additional real property consisting of the remainder of the Carlton Bay Townhomes may be annexed into the Property. These future annexations will be accomplished by Declarant at its sole and absolute discretion without any Association, Owner or Class A Member consent.** In addition, additional residential property not currently anticipated to be a part of the Carlton Bay Townhomes may be annexed into the Property by Declarant or with the consent of two-thirds (2/3) of the Class A Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

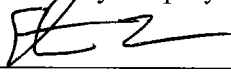
Section 5. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 6. Attorneys Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand on the date first above written.

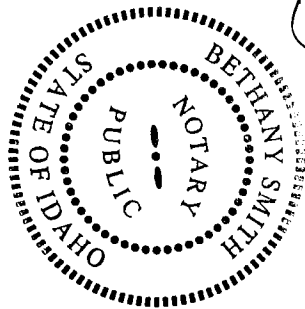
Carlton Bay Townhomes LLC,
an Idaho limited liability company

By: 
Steven E. Roth, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 6th day of December, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Steven E. Roth, known or identified to me to be the Manager of the Carlton Bay Townhomes LLC, the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.

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





Notary Public for Idaho
Residing at: Bowle, ID
My commission expires: 5/10/16

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 17, 18, 19 and 20, Block 3, Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho.

EXHIBIT B

DEPICTION OF ALL CARLTON BAY TOWNHOME LOTS

All Carlton Bay Townhome lots are Lots 2 through 20, Block 3, and Lots 5 through 21, Block 2, as shown in the cross hatched section of the attached plat.

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EXHIBIT C

SITE PLAN

See attached.

Exhibit "C"

SITE PLAN FOR CARLTON BAY TOWNHOMES

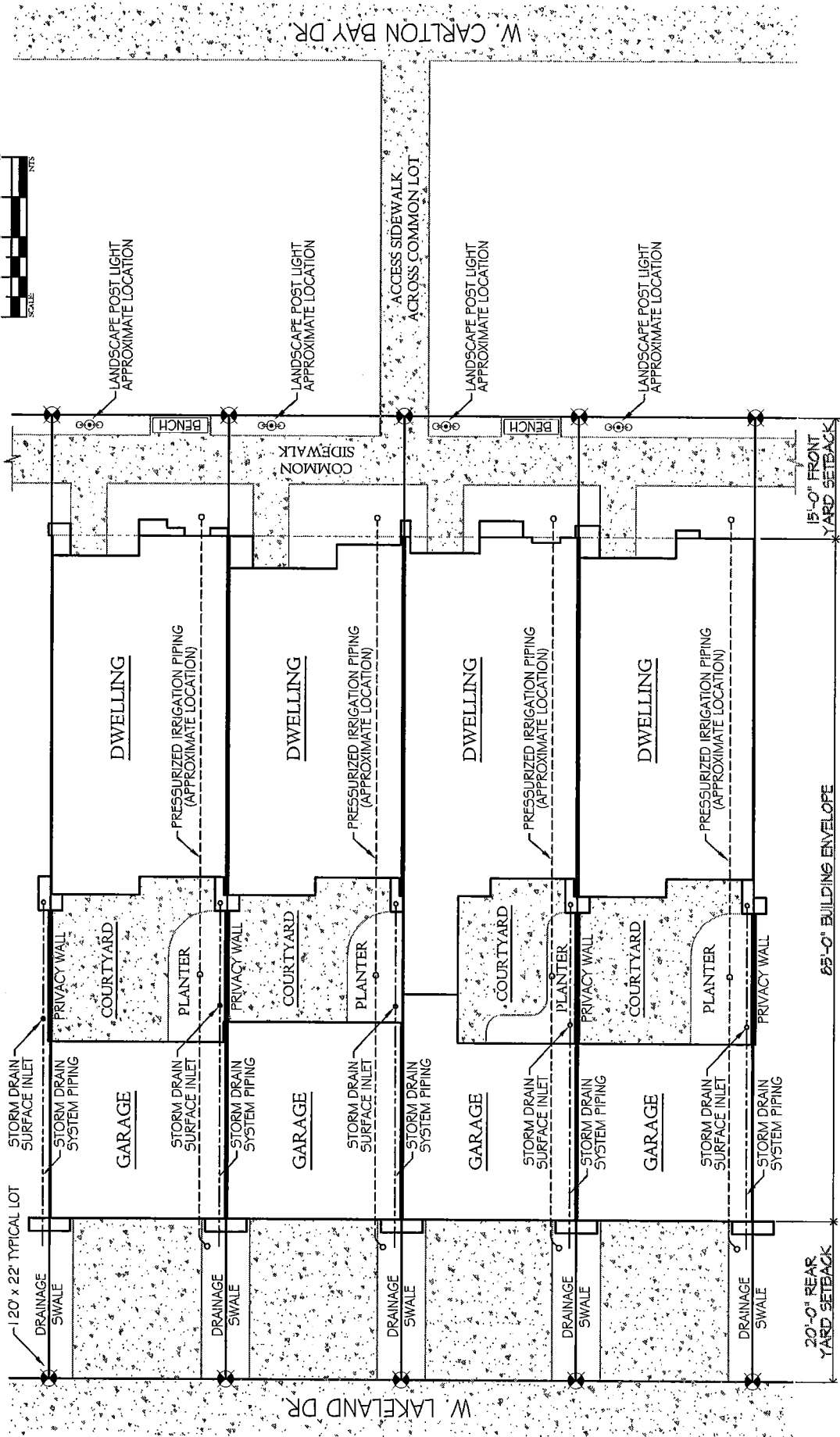
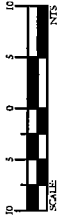


EXHIBIT D

CARLTON BAY SUBDIVISION FINAL PLAT

See attached.

Exhibit "D"

Bk 100 Pg 1290

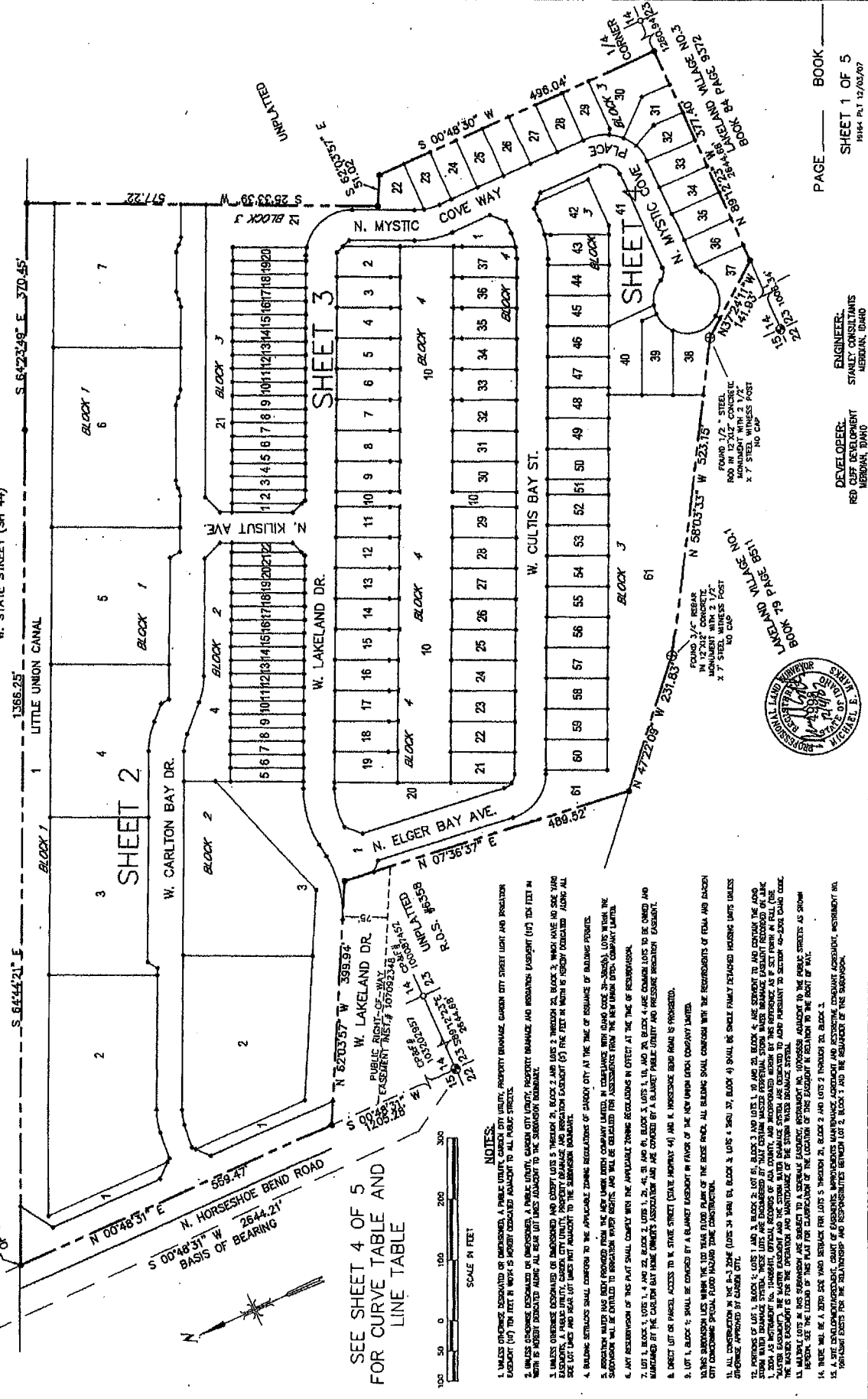
CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING
 LOCATED IN THE SW 1/4 OF
 SECTION 14, T.4N., R.1E., B.M.,
 GARDEN CITY, ADA COUNTY, IDAHO

STANLEY CONSULTANTS
 MERIDIAN, IDAHO

LEGEND

| | |
|--|---|
| | FOUND BRASS CAP |
| | SET 5/8" IRON PIN WITH PLASTIC CAP PLUS 4988 |
| | SET 1/2" IRON PIN WITH PLASTIC CAP PLUS 4988 |
| | NO CONCRETE MONUMENT AS SHOWN |
| | FOUND 5/8" REBAR IN 12"x12" CONCRETE MONUMENT WITH 2 1/2" x 7 1/2" STEEL WIRELESS POST NO CAP |
| | CALCULATED POINT |
| | LOT |
| | STREET |
| | SECTION LINE |
| | BOUNDARY LINE |
| | RIGHT-OF-WAY |
| | LOT LINE |
| | EASEMENT LINE |
| | EASEMENT LINE AS SHOWN ON P.L.A.T. ACTUAL SURVEIL EASEMENT LINE (FORM. NO. 1076562A, SEE NOTE 13) |
| | RIGHT-OF-WAY LINE |



SEE SHEET 4 OF 5
 FOR CURVE TABLE AND
 LINE TABLE

SCALE IN FEET

- ### NOTES
- UNLESS OTHERWISE SPECIFIED OR INDICATED, A PUBLIC UTILITY, GARDEN CITY UTILITY, PROPERTY BOUNDARY, GARDEN CITY STREET LIGHT AND PROTECTORS EASEMENT (NOT) 10' FEET IN WIDTH IS MOVED TO ADJACENT TO ALL PUBLIC STREETS.
 - UNLESS OTHERWISE SPECIFIED OR INDICATED, A PUBLIC UTILITY, GARDEN CITY UTILITY, PROPERTY BOUNDARY, AND RESERVATION EASEMENT (NOT) 10' FEET IN WIDTH IS MOVED TO ADJACENT TO ALL PUBLIC STREETS.
 - UNLESS OTHERWISE SPECIFIED OR INDICATED, ALL CORNER LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

PAGE BOOK
 SHEET 1 OF 5
 11/23/2007

ENGINEER:
 STANLEY CONSULTANTS
 MERIDIAN, IDAHO

DEVELOPER:
 RED CLIFF DEVELOPMENT
 MERIDIAN, IDAHO



**BYLAWS OF THE
CARLTON BAY TOWNHOMES ASSOCIATION, INC.**

**ARTICLE I
NAME**

The name of the corporation is the Carlton Bay Townhomes Association, Inc., hereinafter referred to as the "Association."

**ARTICLE II
DEFINITIONS**

All capitalized terms not otherwise defined herein shall have the same meaning as are ascribed to them in the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, as amended from time to time (hereinafter referred to as the "Declaration").

**ARTICLE III
MEETING OF MEMBERS**

Section 1. Location of Meetings. Meetings of the Members may be held at such places as may be designated by the Board.

Section 2. Annual Meetings. The first meeting of the Members shall be held within one (1) year from the date of incorporation of the Association and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock, P.M. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 4. Notice of Meetings. Notwithstanding any provision contained in the Declaration, written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by electronic communication, hand delivery or mailing a copy of such notice, postage prepaid by first class registered mail, at least fifteen (15) days, but no more than sixty (60) days, before such meeting to each Member entitled to vote thereat, addressed to the Member's physical or electronic communication address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum, Voting and Proxies. The presence at the meeting of Members entitled to cast, or proxies entitled to cast, one-fourth (1/4) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation of the Carlton Bay Townhomes Association, Inc. ("Articles of Incorporation"), the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at a meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Unless otherwise required in these Bylaws, the Declaration or Articles of Incorporation, the affirmative vote in person or by proxy of a majority of Members at a duly called meeting at which a quorum is present shall be required for Member action. There shall be no cumulative voting.

At all meetings of Members, each Member may vote in person or by proxy, but in no event shall more than one (1) vote be cast with respect to any Lot owned by more than one (1) Class A Member. All proxies shall be in writing and filed with the secretary.

Section 6. Action Without A Meeting. Any action, which under the provisions of the Idaho Nonprofit Corporation Act may be taken at a meeting of the Association, may be taken without a meeting if authorized in writing signed by all of the Members who would be entitled to vote at a meeting for such purpose, and filed with the Association's secretary. Any action so approved shall have the same effect as though taken at a meeting of the Members.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board shall be made by any Member prior to each annual meeting of the Members.

Section 2. Election. The directors shall be elected at the annual meeting of Members; and if, for any cause, the directors shall not have been elected at an annual meeting, they may be elected at a special meeting called for that purpose in the manner provided by these Bylaws. The term of each director shall expire at the next annual meeting. Despite the expiration of a director's term, the director continues to serve until the director's successor shall have been elected and qualified or until there is a decrease in the number of directors. Election to the Board shall be by secret written ballot. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Quorum and Voting. A quorum shall consist of a majority of directors, and shall be necessary for the transaction of business. Each director present at a meeting is entitled to one vote. No directors shall be entitled to accumulate his or her votes, and no director may vote by proxy. A majority vote is required for the approval of any Board action.

Section 4. Number of Directors. The authorized number of directors shall be a minimum of three directors. Subject to the foregoing sentence, the number of directors can be increased or decreased by the Members; provided, that no decrease in the number of directors shall shorten the term of any incumbent director.

Section 5. Resignations and Vacancies.

(a) Any director may resign at any time effective upon giving written notice to the president or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective. Resignations of a director shall also constitute resignation as an officer.

(b) Except as provided in Section 6, any vacancy on the Board may be filled only by the remaining directors. Each director elected to fill a vacancy shall hold office until the expiration of the term of the replaced director and until such replacement director's successor has been elected and qualified.

Section 6. Removal of Directors. All or any number of the directors may be removed, with or without cause, at a meeting called expressly for that purpose by a vote of seventy-five percent (75%) of Members entitled to vote at a meeting in which a quorum is present. In the event that any one or more of the directors shall be so removed, new directors may be elected at the same time to fill the unexpired term or terms of the director(s) so removed.

ARTICLE V MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days written notice to each director.

Section 3. Action Without A Meeting. Any action, which under the provisions of the Idaho Nonprofit Corporation Act may be taken at a meeting of the Board, may be taken without a meeting if authorized in writing signed by all of the directors of the Board who would be entitled to vote at a meeting for such purpose, and filed with the Association's secretary. Any action so approved shall have the same effect as though taken at a meeting of the Board.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board shall have the powers, duties and obligations as are enunciated in the Declaration and Articles of Incorporation.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president, who shall at all times be a member of the Board, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any

later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. More than one office may be held by the same person, provided that the offices of president and secretary may not be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall perform such other duties as are required by the Board.

Secretary

(b) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(c) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual review, compilation or audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures and shall perform such other duties as required by the Board.

**ARTICLE VIII
COMMITTEES**

The Board may appoint committees as deemed appropriate in carrying out its purposes.

**ARTICLE IX
BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost.

**ARTICLE X
AMENDMENTS**

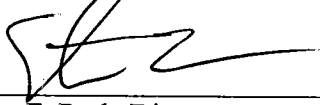
Section 1. Procedure for Amendment. These Bylaws may be amended, at a regular or special meeting of the Members at which a quorum is present, by an affirmative vote of not less than two-thirds (2/3) of each class of Members.

Section 2. Conflicting Provision. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws or the Articles, the Declaration shall control.

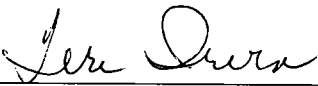
**ARTICLE XI
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

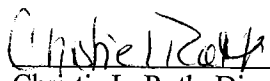
IN WITNESS WHEREOF, we, being all of the directors of the Carlton Bay Townhomes Association, Inc. have hereunto set our hands this 12 day of December, 2013.



Steven E. Roth, Director



Teri Irvin, Director



Christie L. Roth, Director

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Carlton Bay Townhomes Association, Inc., an Idaho corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board thereof, held on the 6 day of December, 2013.

IN WITNESS HEREOF, I have hereunto subscribed my name on this 6 day of December, 2013.



Teri Irvin, Secretary

RECORDING REQUESTED BY:
WHEN RECORDED MAIL TO:

Jones ♦ Gledhill ♦ Fuhrman ♦ Gourley, P.A.
225 N. 9th Street, Suite 820
Boise, ID 83701

ATTN: Kimbell D. Gourley, Esq.

(Space above this line for Recorder's use)

**NOTICE OF ADDITION OF TERRITORY
AND
SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR CARLTON BAY SUBDIVISION**

THIS NOTICE OF ADDITION OF TERRITORY AND SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR CARLTON BAY SUBDIVISION ("Supplemental Declaration") is made this 22nd day of June, 2015, by CARLTON BAY TOWNHOMES, LLC, an Idaho limited liability company, CARLTON BAY SUBDIVISION HOMEOWNER'S ASSOCIATION, INC., an Idaho corporation, CARLTON BAY TOWNHOMES ASSOCIATION, INC., an Idaho corporation, ROCK CONTRACTORS, INC., an Idaho corporation; JEFFREY T. MacDONALD and NICOLE R. MacDONALD, husband and wife; GARY C. ASIN and LORI V. ASIN, husband and wife, and TODD R. EINCK, an individual (collectively "Declarants").

RECITALS:

WHEREAS, Carlton Bay, LLC created a subdivision known as *Carlton Bay Subdivision* (the "Subdivision") by recording (i) the Carlton Bay Subdivision final plat filed in Book 100 of Plats at Page(s) 12091 through 12095, records of Ada County, Idaho (the "Plat"), and (ii) that certain Declaration of Covenants, Conditions and Restrictions for Carlton Bay Subdivision on March 3, 2008, as Instrument number 108025088 (the "Declaration") in the Official Records of Ada County, Idaho, a true and correct copy of which is attached hereto as Exhibit B, and by this reference incorporated herein. The Declaration encumbers the real property described on Exhibit A attached hereto (the "Property");

WHEREAS, Bank of the Cascades became the successor in interest to Carlton Bay, LLC and the "Grantor" under the Declaration by acquiring the Subdivision Property (among other real property) by (a) that certain Trustee's Deed dated April 27, 2009, and recorded on April 27, 2009, as Instrument Number 109047778 in the Official Records of Ada County, Idaho and (b) that certain Trustee's Deed dated April 27, 2009, and recorded on April 27, 2009, and recorded on April 27, 2009, as Instrument Number 109047779 in the Official Records of Ada County, Idaho;

WHEREAS, Carlton Bay Villas, LLC became the successor in interest to Bank of the Cascades as "Grantor" under the Declaration by acquiring the Subdivision Property (among other real property) by that certain Warranty Deed dated August 4, 2009, and recorded on August 5, 2009, as Instrument Number 109091748 in the Official Records of Ada County, Idaho;

WHEREAS, the Declaration was amended pursuant to a certain First Amendment to the Declaration of Covenants, Conditions, and Restrictions of Carlton Bay Subdivision recorded on April 15, 2010, as Instrument Number 110034465 in the Official Records of Ada County, Idaho ("First Amendment");

WHEREAS, the Plat and Declaration provide for and describe thirty-six (36) townhome lots more particularly described on Exhibit C attached hereto (the "Townhome Property");

WHEREAS, Carlton Bay Townhomes, LLC recorded that certain Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes on December 10, 2013, as Instrument Number 113131949 (the "Townhome Declaration") in the Official Records of Ada County, Idaho. The Townhome Declaration does not encumber all of the Townhome Property, but rather only encumbers Lots 17, 18, 19, and 20, Block 3, of the Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Page(s) 12901 through 12905, official Records of Ada County, Idaho;

WHEREAS, the Carlton Bay Subdivision Homeowner's Association, Inc. (the "Subdivision HOA") owns, maintains, repairs, and operates, as applicable, the common areas and pressurized irrigation system servicing the Subdivision Property and Townhome Property; and

WHEREAS, Declarants desire to have the Townhome Property be subject to the Declaration and First Amendment subject to certain provisions thereof as set forth below being not applicable and excluded.

NOW, THEREFORE, pursuant to Article XI of the Declaration, as amended by the First Amendment, Declarants hereby declare that the Townhome Property shall be held, sold, conveyed, and be subject to the Declaration, as amended by the First Amendment, which Declaration is hereby incorporated by this reference as if fully set forth herein, except the following sections of the Declaration and First Amendment shall not be applicable to the Townhome Property:

ARTICLE III: DEFINITIONS

3.1 "Architectural Committee" is not applicable to, and excluded from, this Supplemental Declaration.

3.9 "Commercial Association" is not applicable to, and excluded from, this Supplemental Declaration.

3.10 "Commercial Association Rules" is not applicable to, and excluded from, this Supplemental Declaration.

3.11 "Commercial Board" is not applicable to, and excluded from, this Supplemental Declaration.

3.12 "Commercial Bylaws" is not applicable to, and excluded from, this Supplemental Declaration.

3.13 "Commercial Property" is not applicable to, and excluded from, this Supplemental Declaration.

3.17 "Grantor" is not applicable to, and excluded from, this Supplemental Declaration.

3.23 "Carlton Bay Townhomes Subdivision" is not applicable to, and excluded from, this Supplemental Declaration.

ARTICLE IV: GENERAL AND SPECIFIC RESTRICTIONS

4.1 "Structures – Generally" is not applicable to, and excluded from, this Supplemental Declaration.

4.2 "Antennae" is not applicable to, and excluded from, this Supplemental Declaration.

4.5 "Signs" is not applicable to, and excluded from, this Supplemental Declaration.

4.7 "Exterior Maintenance: Owners Obligations" is not applicable to, and excluded from, this Supplemental Declaration.

4.9 "Grading" is not applicable to, and excluded from, this Supplemental Declaration.

4.21 "Exemption of Grantor" is not applicable to, and excluded from, this Supplemental Declaration.

4.23 "Water Rights Appurtenant to Subdivision Lands" is not applicable to, and excluded from, this Supplemental Declaration.

4.24 "Commencement of Construction" is not applicable to, and excluded from, this Supplemental Declaration.

4.25 "Commercial Property Specifications" is not applicable to, and excluded from, this Supplemental Declaration.

ARTICLE X: ARCHITECTURAL COMMITTEE

The entire Article X is not applicable to, and excluded from, this Supplemental Declaration.

ARTICLE XI: ANNEXATION OF ADDITIONAL PROPERTIES

11.1 "By Grantor" is not applicable to, and excluded from, this Supplemental Declaration.

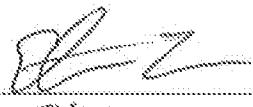
ARTICLE XIII: MISCELLANEOUS

13.2.1 "By Grantor" is not applicable to, and excluded from, this Supplemental Declaration.

This Supplemental Declaration is executed on this 22ND day of June, 2015.

/// SIGNATURES TO FOLLOW ///

CARLTON BAY TOWNHOMES, LLC,
an Idaho limited liability company



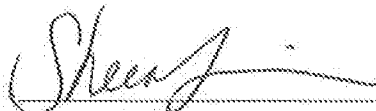
By: Steven E Roth
Its: Managing member

STATE OF IDAHO)
 : ss.
County of Ada)

On the 22nd day of June, 2015, before me, the undersigned notary public in and for said state, personally appeared Steven E Roth, known or identified to me to be the Managing member of CARLTON BAY TOWNHOMES, LLC, the limited liability company that executed the within instrument or the person who executed the same on behalf of said the limited liability company, and acknowledged to me that said limited liability company executed the same.

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




Notary Public for Idaho
Residing at Engle, ID
Commission expires: 4-6-2021

CARLTON BAY SUBDIVISION HOMEOWNER'S
ASSOCIATION, INC., an Idaho corporation,

Heater
By: Janet Bates
Its: Carlton Bay HOA President

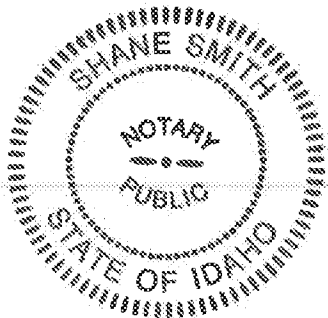
STATE OF IDAHO)

: ss.

County of Ada)

On the 13th day of ~~June~~ ^{July}, 2015, before me, the undersigned notary public in and for said state, personally appeared JANET GATES, known or identified to me to be the _____ of CARLTON BAY SUBDIVISION HOMEOWNER'S ASSOCIATION, INC., the corporation that executed the within instrument or the person who executed the same on behalf of said corporation, and acknowledged to me that said corporation executed the same.

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



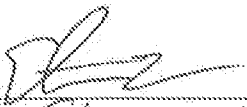
Shane Smith

Notary Public for Idaho

Residing at Castle, ID

Commission expires: 07-05-2017

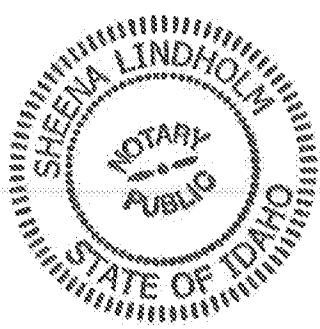
CARLTON BAY TOWNHOMES ASSOCIATION, INC.,
an Idaho corporation,

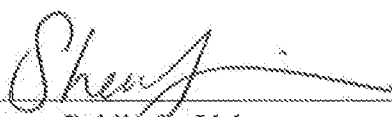

By: Steven E Roth
Its: president

STATE OF IDAHO)
 : ss.
County of Ada)

On the 22nd day of June, 2015, before me, the undersigned notary public in and for said state, personally appeared Steven E Roth, known or identified to me to be the president of CARLTON BAY TOWNHOMES ASSOCIATION, INC., the corporation that executed the within instrument or the person who executed the same on behalf of said corporation, and acknowledged to me that said corporation executed the same.

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




Notary Public for Idaho
Residing at Eagle, ID
Commission expires: 4-6-2021

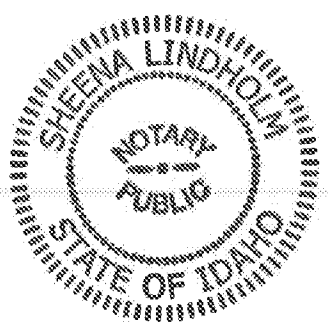
ROCK CONTRACTORS, INC.,
an Idaho corporation,

Charles W Wood
By: Charles W Wood
Its: President

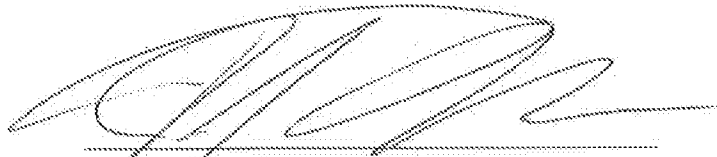
STATE OF IDAHO)
 : ss.
County of Ada)

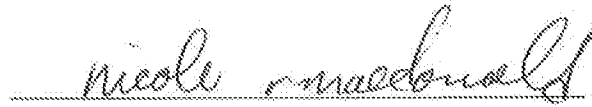
On the 22nd day of June, 2015, before me, the undersigned notary public in and for said state, personally appeared Charles W Wood, known or identified to me to be the president of ROCK CONTRACTORS, INC., the corporation that executed the within instrument or the person who executed the same on behalf of said corporation, and acknowledged to me that said corporation executed the same.

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



Sheena Lindholm
Notary Public for Idaho
Residing at Eagle, ID
Commission expires: 4-6-2021

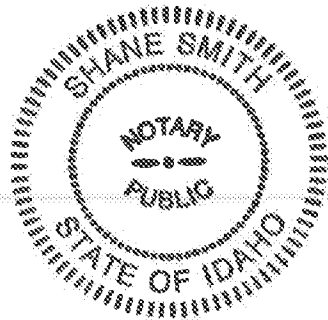

By: JEFFREY T. MacDONALD

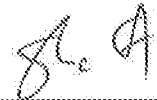

By: NICOLE R. MacDONALD

STATE OF IDAHO)
 : ss.
County of Ada)

On the 15th day of ^{JULY 33} ~~June~~, 2015, before me, the undersigned notary public in and for said State, personally appeared JEFFREY T. MacDONALD AND NICOLE R. MacCDONALD, husband and wife, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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





Notary Public for Idaho
Residing at Eagle, ID
Commission expires: 07-05-2017

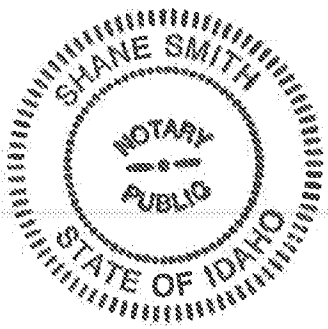
Gary C. Asin
By: GARY C. ASIN

Lori S. Asin
By: LORI S. ASIN

STATE OF IDAHO)
 : ss.
County of Ada)

On the 24th day of June, 2015, before me, the undersigned notary public in and for said State, personally appeared Gary C. Asin and Lori S. Asin, husband and wife, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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



Shane Smith
Notary Public for Idaho
Residing at Eagle, ID 83616
Commission expires: 07-05-2017

Todd R Einck

By: TODD R. EINCK

STATE OF IDAHO)
) : ss.
County of Ada)

On the _____ day of June, 2015, before me, the undersigned notary public in and for said State, personally appeared Todd R. Einck, an individual, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Notary Public for Idaho
Residing at _____
Commission expires: _____

See Attached

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Cruz

On the 25th day of June, 2015 before me, R. R. Combs a Notary Public, personally appeared Todd R. Einck, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: 

Name: R. R. Combs
(Typed or Printed)

(Seal)

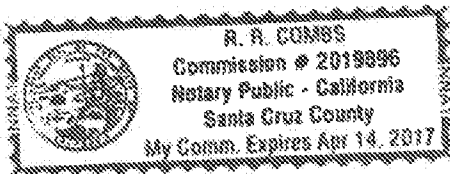


EXHIBIT A
Carlton Bay Subdivision Legal Description

EXHIBIT A
REAL PROPERTY LEGAL DESCRIPTION

All Lots and Blocks in Carlton Bay Subdivision, according to the official plat thereof filed in Book 100 of Plats at Page(s) 12091 through 12095, records of Ada County Idaho;

Excepting therefrom Lots 2 through 7, Block 1, Lots 2, 3, 5 through 20, Block 2, and Lots 1 through 20, Block 3.

EXHIBIT B
Carlton Bay Subdivision's
Declaration of Covenants, Conditions and Restrictions

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CARLTON BAY TOWNHOMES**

November 4th, 2015

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES**

This Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "Declaration") is made effective this 10 day of December, 2013, by Carlton Bay Townhomes LLC, an Idaho limited liability company ("Declarant").

ARTICLE I: PROPERTY AND PURPOSE

Section 1. Property Covered. The initial property subject to this Declaration is legally described on the attached Exhibit A, which is made a part hereof ("Property"). The Property is the first phase of all the Carlton Bay Townhome lots as depicted on the attached Exhibit B, which is made a part hereof ("Carlton Bay Townhomes"). It is currently anticipated that the remainder of the Carlton Bay Townhomes shall be annexed into the Property and made subject to this Declaration. Each Owner, as hereinafter defined, covenants and agrees that 1) the remainder of the Carlton Bay Townhomes can be annexed into the Property and made subject to this Declaration, and 2) he/she/it shall not contest any such annexation and/or subjection to this Declaration.

The Property will also become part of the Carlton Bay Subdivision and will be subject to the terms, covenants, conditions and restrictions (including the payment of assessments and fees) of 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676 (collectively "Existing CC&Rs"). Notwithstanding the foregoing, Declarant shall have no obligation to pay any assessments to the CBHOA, as defined below, and Articles 4 and 10 in the Existing CC&Rs shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In the event of a conflict between the Existing CC&Rs and this Declaration, this Declaration shall control.

The Property will also become subject to the terms and restrictions contained in the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho ("Plat"). In addition to becoming subject to the Existing CC&Rs and the Plat, every Owner of a Lot as described herein shall, in addition to being a Member in the Association, become a member in the Carlton Bay Subdivision Homeowners' Association, Inc. ("CBHOA"), and shall become entitled to all rights, duties and obligations of all other members in the CBHOA.

This Declaration is for the benefit of the Declarant, the Association and all Owners of any portion of the Property.

Section 2. Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property, and use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, is or will in the future be held, sold, conveyed, encumbered, used, occupied and improved subject to the Existing CC&Rs (other than those inapplicable sections detailed herein) and the Plat, and is and shall be held, sold, conveyed, encumbered, used occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit C, which is made a part hereof ("Site Plan"), and further described in 1) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125468 and 2) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125469.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Sidewalks" shall mean the common sidewalks as shown on the Site Plan.

Section 6. "Common Walls" shall mean the common walls separating each Dwelling Unit, including the corresponding garage.

Section 7. "Courtyard" shall mean each courtyard located on a Lot for the use and enjoyment of such Lot Owner. Courtyards are generally depicted on the Site Plan.

Section 8. "Declarant" shall mean Carlton Bay Townhomes LLC, an Idaho limited liability company, or its designated successors and/or assigns.

Section 9. "Dwelling Unit" shall collectively mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 10. "Existing CC&Rs" shall collectively mean 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676.

Section 11. "Improvement" shall mean any structure, facility or system, or other improvement

or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 12. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 13. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 14. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 15. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 16. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 17. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 18. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit D and made a part hereof), as it may be amended from time to time.

Section 19. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 20. "Privacy Walls" shall mean the common walls separating each Courtyard.

Section 21. "Property" shall mean that certain real property legally described on the attached Exhibit A, and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 22. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Common Sidewalks, Pressurized Irrigation System, Privacy Walls, Storm Drainage System and all other exterior Improvements pursuant to Article IV, Section 3, and

all other costs and expenses incurred to conduct the business and affairs of the Association. Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 23. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 24. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 25. "Storm Drainage System" shall mean all storm drain pipes, drainage swales and all other storm drain facilities and equipment located on each Dwelling Unit and Lot as generally shown on the Site Plan.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting any sales, construction, development and related activities from Lots owned by Declarant.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. In addition, the Board has established and shall have the right to further establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on any other Owner or Dwelling Unit.

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board. In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior

Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowners insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance.

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for his or her Courtyard interior (including all landscaping and other Improvements therein), all concrete surfaces (other than the Common Sidewalks), elevated exterior floors, balconies, windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. In the event any Owner does not properly maintain, repair and/or replace his or her Courtyard interior or any other exterior item specified above, as determined by the Board in its sole discretion, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to 1) Dwelling Unit exterior colors, 2) roof type or color, or 3) any other color, design or material to any other uniform exterior Improvement located on the Property and originally constructed/provided by Declarant shall require the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members.

Section 4. Garage Doors. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) hour.

Section 5. Outbuildings. Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the Declarant, is prohibited.

Section 7. Exterior Lighting and Light Bulbs. Exterior lighting in the Courtyards must be down lighting and positioned as to prohibit illuminating neighboring Courtyards. All lighting (other than the uniform landscape lighting and uniform light posts provided by Declarant) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Storm Drainage System. Each Dwelling Unit contains a drainage pipe system and related equipment and fixtures that collects and moves water from the roof and Courtyard, under the Courtyard and garage floor, and releases it into the drainage swales as shown on the Site Plan. The Association will conduct inspections of the Storm Drainage System as needed and may access an Owner's Courtyard as needed to inspect and/or repair this Storm Drainage System. In lieu of the Association inspecting a Courtyard, an Owner may provide, at his or her own expense, written verification from a licensed home inspector stating that the portion of the Storm Drainage System located in his or her Lot is functioning properly and is no threat to the Property.

For the protection of his or her Dwelling Unit, as well as adjacent Dwelling Units, each Owner is responsible for keeping all drain inlets and pipe located in his or her Courtyard free of all debris as to not restrict water flow. If any such drains or pipes will not accept water an Owner should immediately notify the Association. An Owner will be held responsible for debris removal from the Storm Drainage System contained within such Owner's Courtyard.

The drainage swales can only be altered by the Association, and can only be altered to enhance drainage. Parking within the drainage swales is strictly prohibited.

Section 10. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners must park two operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

Declarant may park any number of operative motor vehicle(s) and equipment of employees, guests, invitees and licensees, on Lots owned by the Declarant or in unenclosed parking areas without time limits provided that such vehicles are parked so as to not interfere with any Owner's right of ingress and egress to his or her Dwelling Unit.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any other

vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 11. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units will be provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 12. Courtyards. No item may be placed or stored in the Courtyards which exceeds the height of the Privacy Walls with the exceptions of 1) landscaping installed by the Declarant, 2) one patio umbrella and/or 3) any item pre-approved in writing by the Board.

Section 13. Compliance With Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 14. Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within five (5) days following a lease or sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of Property owned by Declarant.

Section 15. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 16. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search

lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 17. Flood and Other Insurance. The Property currently lies within a flood plain as shown on a federal flood plain map. Accordingly, each Owner must maintain AT ALL TIMES a proper flood insurance policy. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof. If an Owner does not provide the Association this required proof of insurance, the Association, after ten (10) days prior written notice, may purchase such insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment. Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's, Declarant's or any other Owner's insurance.

Section 18. Garbage Pick-Up. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 19. Common Sidewalk and Drainage Easements. Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their family members, tenants, invitees and licensees, a permanent, non-exclusive access easement on, over, across and through all Common Sidewalks and adjacent benches, for access through, and the enjoyment of, the Property by such Owners and their family members, tenants, invitees and licensees. In addition, Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their invitees and licensees, a permanent, non-exclusive drainage easement on, over, across and through 1) all roofs located on the Property and 2) the Storm Drainage System, the purpose of which easement is to allow storm drainage to flow over all roofs and through the Storm Drainage System, including, without limitation, the operation, maintenance, repair and replacement of the same.

Section 20. Applicability of Existing CC&Rs. Notwithstanding anything herein to the contrary, the Property, Lots and Dwelling Units described herein will become part of the Carlton Bay Subdivision and, accordingly, all Owners and every portion of the Property will be subject to, and shall comply with, all terms, covenants, conditions and restrictions contained in the Existing CC&Rs, including, without limitation, the payment of assessments and fees levied by the CBHOA, other than Articles 4 and 10 in the Existing CC&Rs which shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In addition, Declarant shall not be obligated to pay any assessments to the CBHOA.

Owners of Lots will also become members in the CBHOA.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and through-out, the Property, as

well as Lot 21, Block 3 and Lot 4, Block 2, as shown on the Plat, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property and Lot 21, Block 3 and Lot 4, Block 2 (collectively the "Pressurized Irrigation System"). The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

This Pressurized Irrigation System will be run utilizing electronic sprinkling clocks. These clocks may be located on certain Lots which will access that Lot's electric meter. Owners of Lots with electronic sprinkling clocks shall be entitled to reimbursement from the Association for the electricity costs associated with operating the electronic sprinkling clocks for the benefit of the other Lots and/or Lot 21, Block 3 and Lot 4, Block 2.

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of all Lots and Lot 21, Block 3 and Lot 4, Block 2. By accepting a deed to any portion of the Property, each Owner hereby agrees to pay its proportionate share of Assessments to the Association and CBHOA and assessments levied by the Ditch Company associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Classes. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association shall maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

(a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars

(\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay to 1) the CBHOA all assessments and fees levied thereby and 2) the Association all Regular Assessments, Special Assessments, Limited Assessments and fees as levied thereby. Regular, Special and Limited Assessments, together with fees interest, costs, late fees and reasonable attorney's fees, shall be a continuing lien upon the Lot 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 Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. Declarant has no obligation to pay any Assessments.

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any purpose discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments: Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates

shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5. 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. 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 shall extinguish the lien of such Assessments as to payments 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 IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Declarant, the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles, by-laws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board; provided that, each Owner shall be responsible for his or her own flood, property and casualty and general liability insurance for him or her and his or her respective Lot and Dwelling Unit.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof

shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.

(f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.

(g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess of \$2,500 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property.

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to the indemnification of the Declarant and its agents while the Declarant's agents are members of the Board.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant. The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make minor exterior Improvements and/or alterations. The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval. This Article does not apply to the Declarant.

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved

in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement of the Owner to 1) an additional assessment for the cost of maintenance, 2) the payment of an architectural review processing fee, 3) deposit with the Association a construction completion deposit and/or 4) purchase payment and/or performance bonds. The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Board. If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration may be amended by an instrument signed by Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation. As described in Article I, Section 1, additional real property consisting of the remainder of the Carlton Bay Townhomes may be annexed into the Property. These future annexations will be accomplished by Declarant at its sole and absolute discretion without any Association, Owner or Class A Member consent. In addition, additional residential property not currently anticipated to be a part of the Carlton Bay Townhomes may be annexed into the Property by Declarant or with the consent of two-thirds (2/3) of the Class A Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

Section 5. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 6. Attorneys Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand on the date first above written.

Carlton Bay Townhomes LLC,
an Idaho limited liability company

By: [Signature]
Steven E. Roth, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 16th day of December, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Steven E. Roth, known or identified to me to be the Manager of the Carlton Bay Townhomes LLC, the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.

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

[Signature]

Notary Public for Idaho
Residing at: Boise, ID
My commission expires: 5/10/16

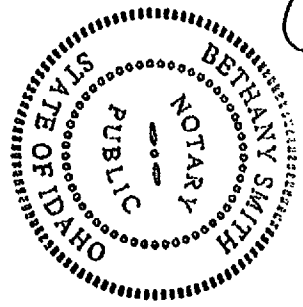


EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 16, 15, 14, 13, and 12, Block 3 Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho.

EXHIBIT B

DEPICTION OF ALL CARLTON BAY TOWNHOME LOTS

All Carlton Bay Townhome lots are Lots 2 through 20, Block 3, and Lots 5 through 21, Block 2, as shown in the cross hatched section of the attached plat.

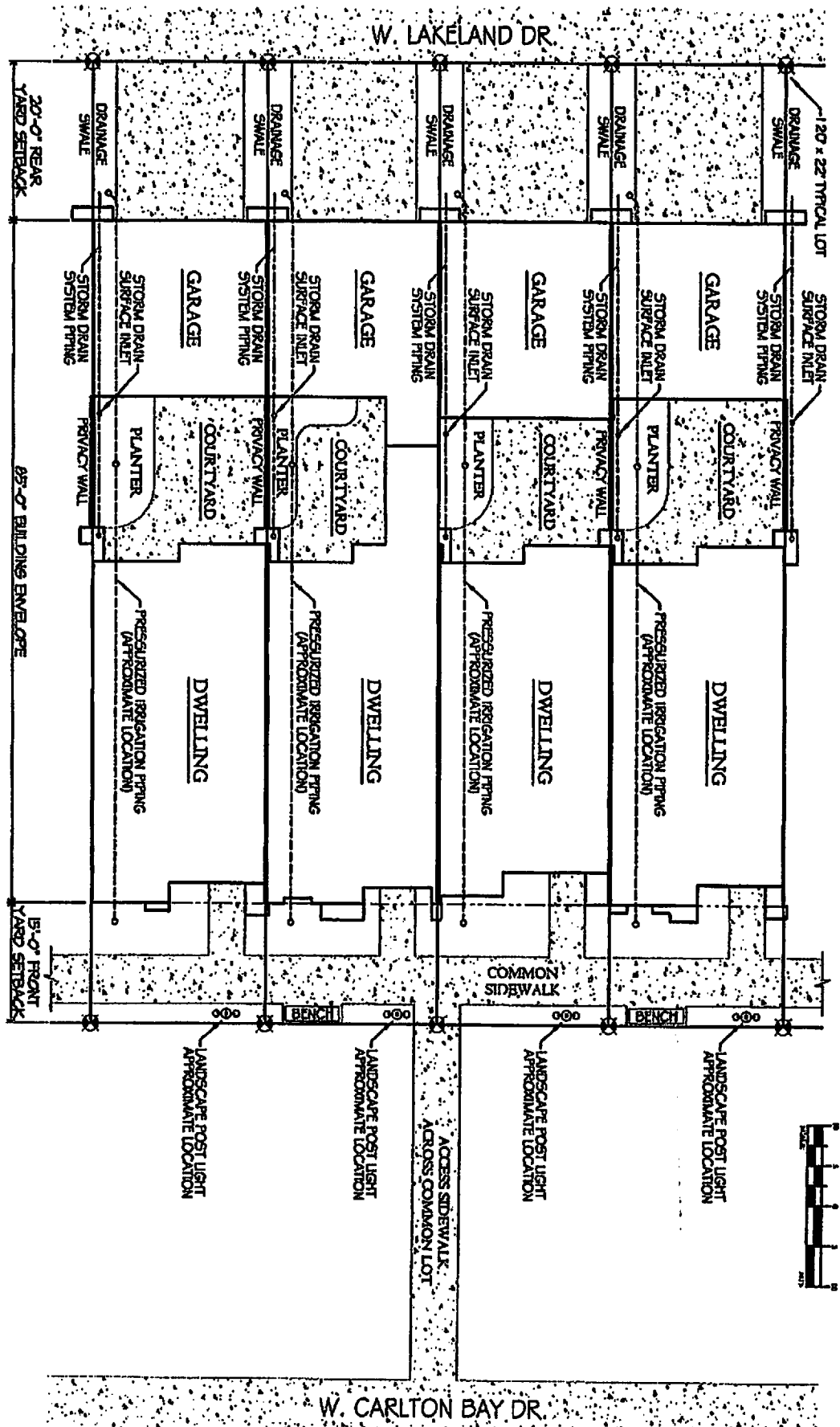
EXHIBIT C

SITE PLAN

See attached.

Exhibit 'C'

SITE PLAN FOR CARLTON BAY TOWNHOMES



W. LAKELAND DR.

W. CARLTON BAY DR.

20'-0" REAR YARD SETBACK

85'-0" BUILDING ENVELOPE

15'-0" FRONT YARD SETBACK

ACCESS SIDEWALK ACROSS COMMON LOT

COMMON SIDEWALK

LANDSCAPE POST LIGHT APPROXIMATE LOCATION

LANDSCAPE POST LIGHT APPROXIMATE LOCATION

LANDSCAPE POST LIGHT APPROXIMATE LOCATION

LANDSCAPE POST LIGHT APPROXIMATE LOCATION

PRESSURIZED IRRIGATION PIPING (APPROXIMATE LOCATION)

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STORM DRAIN SYSTEM PIPING

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1-20' x 22' TYPICAL LOT

EXHIBIT D

CARLTON BAY SUBDIVISION FINAL PLAT

See attached.

Exhibit "D"

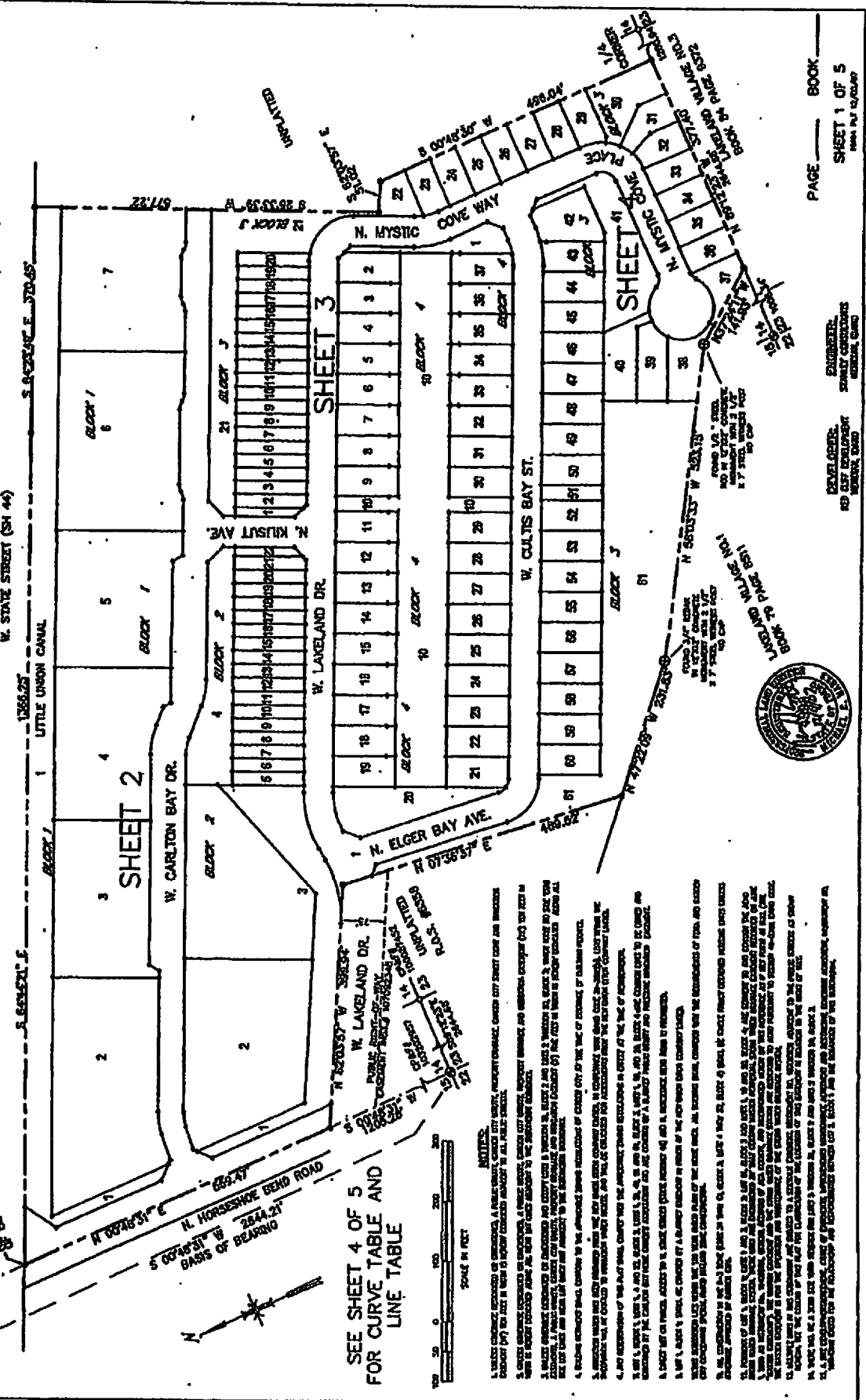
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CARLTON BAY SUBDIVISION

FINAL PLAT SHORING
 LOCATED IN THE SW 1/4 OF
 SECTION 14, T.4N., R.1E., B.M.,
 GARDEN CITY, ADA COUNTY, IDAHO

STANLEY CONSULTANTS
 MERIDIAN, IDAHO

- LEGEND**
- ① ROAD GRADE CAP
 - ② SET LOT BOUNDARY PER PERMITS
 - ③ PLACEMENT LINE
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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CARLTON BAY TOWNHOMES**

June 22nd, 2016

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES**

This Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "Declaration") is made effective this 12 day of December, 2013, by Carlton Bay Townhomes LLC, an Idaho limited liability company ("Declarant").

ARTICLE I: PROPERTY AND PURPOSE

Section 1. Property Covered. The initial property subject to this Declaration is legally described on the attached Exhibit A, which is made a part hereof ("Property"). The Property is the first phase of all the Carlton Bay Townhome lots as depicted on the attached Exhibit B, which is made a part hereof ("Carlton Bay Townhomes"). It is currently anticipated that the remainder of the Carlton Bay Townhomes shall be annexed into the Property and made subject to this Declaration. Each Owner, as hereinafter defined, covenants and agrees that 1) the remainder of the Carlton Bay Townhomes can be annexed into the Property and made subject to this Declaration, and 2) he/she/it shall not contest any such annexation and/or subjection to this Declaration.

The Property will also become part of the Carlton Bay Subdivision and will be subject to the terms, covenants, conditions and restrictions (including the payment of assessments and fees) of 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676 (collectively "Existing CC&Rs"). Notwithstanding the foregoing, Declarant shall have no obligation to pay any assessments to the CBHOA, as defined below, and Articles 4 and 10 in the Existing CC&Rs shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In the event of a conflict between the Existing CC&Rs and this Declaration, this Declaration shall control.

The Property will also become subject to the terms and restrictions contained in the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho ("Plat"). In addition to becoming subject to the Existing CC&Rs and the Plat, every Owner of a Lot as described herein shall, in addition to being a Member in the Association, become a member in the Carlton Bay Subdivision Homeowners' Association, Inc. ("CBHOA"), and shall become entitled to all rights, duties and obligations of all other members in the CBHOA.

This Declaration is for the benefit of the Declarant, the Association and all Owners of any portion of the Property.

Section 2. Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property, and use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, is or will in the future be held, sold, conveyed, encumbered, used, occupied and improved subject to the Existing CC&Rs (other than those inapplicable sections detailed herein) and the Plat, and is and shall be held, sold, conveyed, encumbered, used occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit C, which is made a part hereof ("Site Plan"), and further described in 1) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125468 and 2) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125469.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Sidewalks" shall mean the common sidewalks as shown on the Site Plan.

Section 6. "Common Walls" shall mean the common walls separating each Dwelling Unit, including the corresponding garage.

Section 7. "Courtyard" shall mean each courtyard located on a Lot for the use and enjoyment of such Lot Owner. Courtyards are generally depicted on the Site Plan.

Section 8. "Declarant" shall mean Carlton Bay Townhomes LLC, an Idaho limited liability company, or its designated successors and/or assigns.

Section 9. "Dwelling Unit" shall collectively mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 10. "Existing CC&Rs" shall collectively mean 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676.

Section 11. "Improvement" shall mean any structure, facility or system, or other improvement

or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 12. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 13. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 14. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 15. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 16. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 17. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 18. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit D and made a part hereof), as it may be amended from time to time.

Section 19. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 20. "Privacy Walls" shall mean the common walls separating each Courtyard.

Section 21. "Property" shall mean that certain real property legally described on the attached Exhibit A, and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 22. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Common Sidewalks, Pressurized Irrigation System, Privacy Walls, Storm Drainage System and all other exterior Improvements pursuant to Article IV, Section 3, and

all other costs and expenses incurred to conduct the business and affairs of the Association. Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 23. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 24. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 25. "Storm Drainage System" shall mean all storm drain pipes, drainage swales and all other storm drain facilities and equipment located on each Dwelling Unit and Lot as generally shown on the Site Plan.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting any sales, construction, development and related activities from Lots owned by Declarant.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. In addition, the Board has established and shall have the right to further establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on any other Owner or Dwelling Unit.

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board. In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior

Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowners insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance.

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for his or her Courtyard interior (including all landscaping and other Improvements therein), all concrete surfaces (other than the Common Sidewalks), elevated exterior floors, balconies, windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. In the event any Owner does not properly maintain, repair and/or replace his or her Courtyard interior or any other exterior item specified above, as determined by the Board in its sole discretion, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to 1) Dwelling Unit exterior colors, 2) roof type or color or 3) any other color, design or material to any other uniform exterior Improvement located on the Property and originally constructed/provided by Declarant shall require the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members.

Section 4. Garage Doors. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) hour.

Section 5. Outbuildings. Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the Declarant, is prohibited.

Section 7. Exterior Lighting and Light Bulbs. Exterior lighting in the Courtyards must be down lighting and positioned as to prohibit illuminating neighboring Courtyards. All lighting (other than the uniform landscape lighting and uniform light posts provided by Declarant) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Storm Drainage System. Each Dwelling Unit contains a drainage pipe system and related equipment and fixtures that collects and moves water from the roof and Courtyard, under the Courtyard and garage floor, and releases it into the drainage swales as shown on the Site Plan. The Association will conduct inspections of the Storm Drainage System as needed and may access an Owner's Courtyard as needed to inspect and/or repair this Storm Drainage System. In lieu of the Association inspecting a Courtyard, an Owner may provide, at his or her own expense, written verification from a licensed home inspector stating that the portion of the Storm Drainage System located in his or her Lot is functioning properly and is no threat to the Property.

For the protection of his or her Dwelling Unit, as well as adjacent Dwelling Units, each Owner is responsible for keeping all drain inlets and pipe located in his or her Courtyard free of all debris as to not restrict water flow. If any such drains or pipes will not accept water an Owner should immediately notify the Association. An Owner will be held responsible for debris removal from the Storm Drainage System contained within such Owner's Courtyard.

The drainage swales can only be altered by the Association, and can only be altered to enhance drainage. Parking within the drainage swales is strictly prohibited.

Section 10. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners must park two operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

Declarant may park any number of operative motor vehicle(s) and equipment of employees, guests, invitees and licensees, on Lots owned by the Declarant or in unenclosed parking areas without time limits provided that such vehicles are parked so as to not interfere with any Owner's right of ingress and egress to his or her Dwelling Unit.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any other

vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 11. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units will be provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 12. Courtyards. No item may be placed or stored in the Courtyards which exceeds the height of the Privacy Walls with the exceptions of 1) landscaping installed by the Declarant, 2) one patio umbrella and/or 3) any item pre-approved in writing by the Board.

Section 13. Compliance With Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 14. Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within five (5) days following a lease or sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of Property owned by Declarant.

Section 15. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 16. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search

lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 17. Flood and Other Insurance. The Property currently lies within a flood plain as shown on a federal flood plain map. Accordingly, each Owner must maintain AT ALL TIMES a proper flood insurance policy. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof. If an Owner does not provide the Association this required proof of insurance, the Association, after ten (10) days prior written notice, may purchase such insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment. Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's, Declarant's or any other Owner's insurance.

Section 18. Garbage Pick-Up. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 19. Common Sidewalk and Drainage Easements. Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their family members, tenants, invitees and licensees, a permanent, non-exclusive access easement on, over, across and through all Common Sidewalks and adjacent benches, for access through, and the enjoyment of, the Property by such Owners and their family members, tenants, invitees and licensees. In addition, Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their invitees and licensees, a permanent, non-exclusive drainage easement on, over, across and through 1) all roofs located on the Property and 2) the Storm Drainage System, the purpose of which easement is to allow storm drainage to flow over all roofs and through the Storm Drainage System, including, without limitation, the operation, maintenance, repair and replacement of the same.

Section 20. Applicability of Existing CC&Rs. Notwithstanding anything herein to the contrary, the Property, Lots and Dwelling Units described herein will become part of the Carlton Bay Subdivision and, accordingly, all Owners and every portion of the Property will be subject to, and shall comply with, all terms, covenants, conditions and restrictions contained in the Existing CC&Rs, including, without limitation, the payment of assessments and fees levied by the CBHOA, other than Articles 4 and 10 in the Existing CC&Rs which shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In addition, Declarant shall not be obligated to pay any assessments to the CBHOA.

Owners of Lots will also become members in the CBHOA.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and through-out, the Property, as

well as Lot 21, Block 3 and Lot 4, Block 2, as shown on the Plat, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property and Lot 21, Block 3 and Lot 4, Block 2 (collectively the "Pressurized Irrigation System"). The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

This Pressurized Irrigation System will be run utilizing electronic sprinkling clocks. These clocks may be located on certain Lots which will access that Lot's electric meter. Owners of Lots with electronic sprinkling clocks shall be entitled to reimbursement from the Association for the electricity costs associated with operating the electronic sprinkling clocks for the benefit of the other Lots and/or Lot 21, Block 3 and Lot 4, Block 2.

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of all Lots and Lot 21, Block 3 and Lot 4, Block 2. By accepting a deed to any portion of the Property, each Owner hereby agrees to pay its proportionate share of Assessments to the Association and CBHOA and assessments levied by the Ditch Company associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Classes. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association shall maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

(a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars

(\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay to 1) the CBHOA all assessments and fees levied thereby and 2) the Association all Regular Assessments, Special Assessments, Limited Assessments and fees as levied thereby. Regular, Special and Limited Assessments, together with fees interest, costs, late fees and reasonable attorney's fees, shall be a continuing lien upon the Lot 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 Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. Declarant has no obligation to pay any Assessments.

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any purpose discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments; Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates

shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5. 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. 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 shall extinguish the lien of such Assessments as to payments 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 IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Declarant, the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles, by-laws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board; provided that, each Owner shall be responsible for his or her own flood, property and casualty and general liability insurance for him or her and his or her respective Lot and Dwelling Unit.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof

shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.

(f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.

(g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess of \$2,500 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property.

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to the indemnification of the Declarant and its agents while the Declarant's agents are members of the Board.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant. The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make minor exterior Improvements and/or alterations. The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval. This Article does not apply to the Declarant.

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved

in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement of the Owner to 1) an additional assessment for the cost of maintenance, 2) the payment of an architectural review processing fee, 3) deposit with the Association a construction completion deposit and/or 4) purchase payment and/or performance bonds. The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Board. If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration may be amended by an instrument signed by Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation. As described in Article I, Section 1, additional real property consisting of the remainder of the Carlton Bay Townhomes may be annexed into the Property. These future annexations will be accomplished by Declarant at its sole and absolute discretion without any Association, Owner or Class A Member consent. In addition, additional residential property not currently anticipated to be a part of the Carlton Bay Townhomes may be annexed into the Property by Declarant or with the consent of two-thirds (2/3) of the Class A Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

Section 5. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 6. Attorneys Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand on the date first above written.

Carlton Bay Townhomes LLC,
an Idaho limited liability company

By: [Signature]
Steven E. Roth, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 10th day of December, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Steven E. Roth, known or identified to me to be the Manager of the Carlton Bay Townhomes LLC, the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.

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

[Signature]

Notary Public for Idaho
Residing at: Bowen, ID
My commission expires: 5/10/16

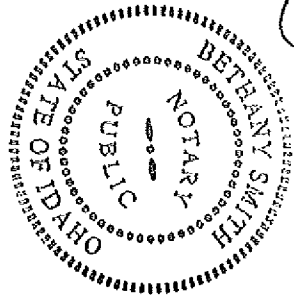


EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 11, 10, 09, 08, 07 and 06, Block 3 Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho.

EXHIBIT B

DEPICTION OF ALL CARLTON BAY TOWNHOME LOTS

All Carlton Bay Townhome lots are Lots 2 through 20, Block 3, and Lots 5 through 21, Block 2, as shown in the cross hatched section of the attached plat.

Exhibit B

bk 100 p 1290

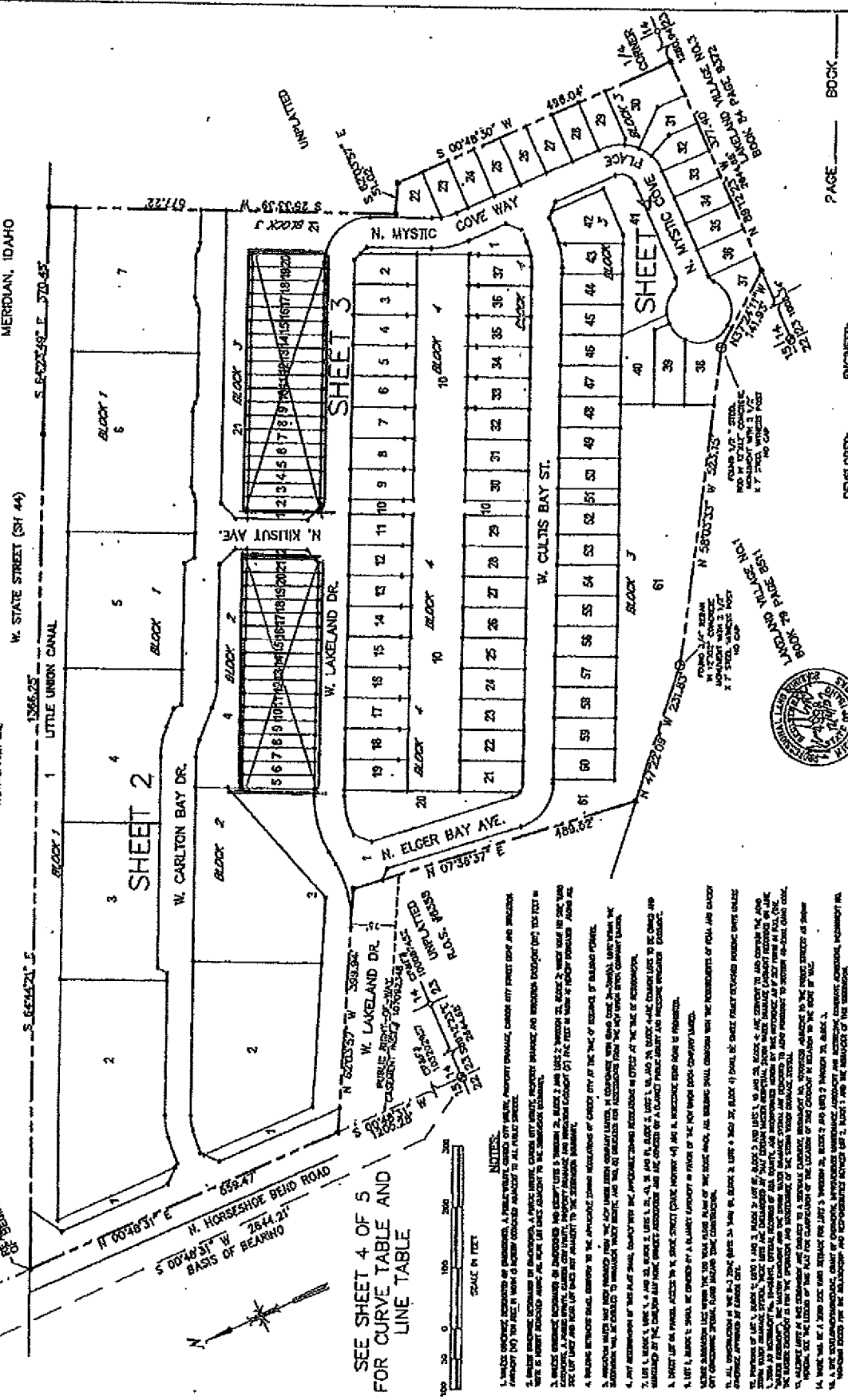
FINAL PLAT SHOWING

CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO

STANLEY CONSULTANTS
MERIDIAN, IDAHO

- LEGEND**
- FOUND BRICK CAP
 - SET 5/8" IRON PIN WITH PLASTIC CAP PER I.A.B. 408A
 - CONCRETE CURB WITH PLASTIC CAP PER I.A.B. 408A
 - FOUND CONCRETE IMPASSMENT AS NOTED
 - FOUND 5/8" IRON REBAR
 - CALCULATED POINT
 - SECTION LINE
 - BOUNDARY LINE
 - RIGHT-OF-WAY
 - LOT LINE
 - DOCUMENT LINE
 - CONCRETE CURB AS SHOWN ON PLAN
 - CONCRETE IMPASSMENT AS NOTED
 - CONCRETE IMPASSMENT AS NOTED
 - CONCRETE IMPASSMENT AS NOTED



SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE



- NOTES:**
1. ALL LOTS SHOWN HEREON ARE UNIMPROVED. A PLAT-REGISTERED SURVEYOR HAS EXAMINED THE RECORDS OF THE COUNTY CLERK AND HAS DETERMINED THAT THE PLAT IS CORRECT AND ACCURATE AND THAT THE LOTS ARE UNIMPROVED.
 2. THE SURVEYOR HAS EXAMINED THE RECORDS OF THE COUNTY CLERK AND HAS DETERMINED THAT THE PLAT IS CORRECT AND ACCURATE AND THAT THE LOTS ARE UNIMPROVED.
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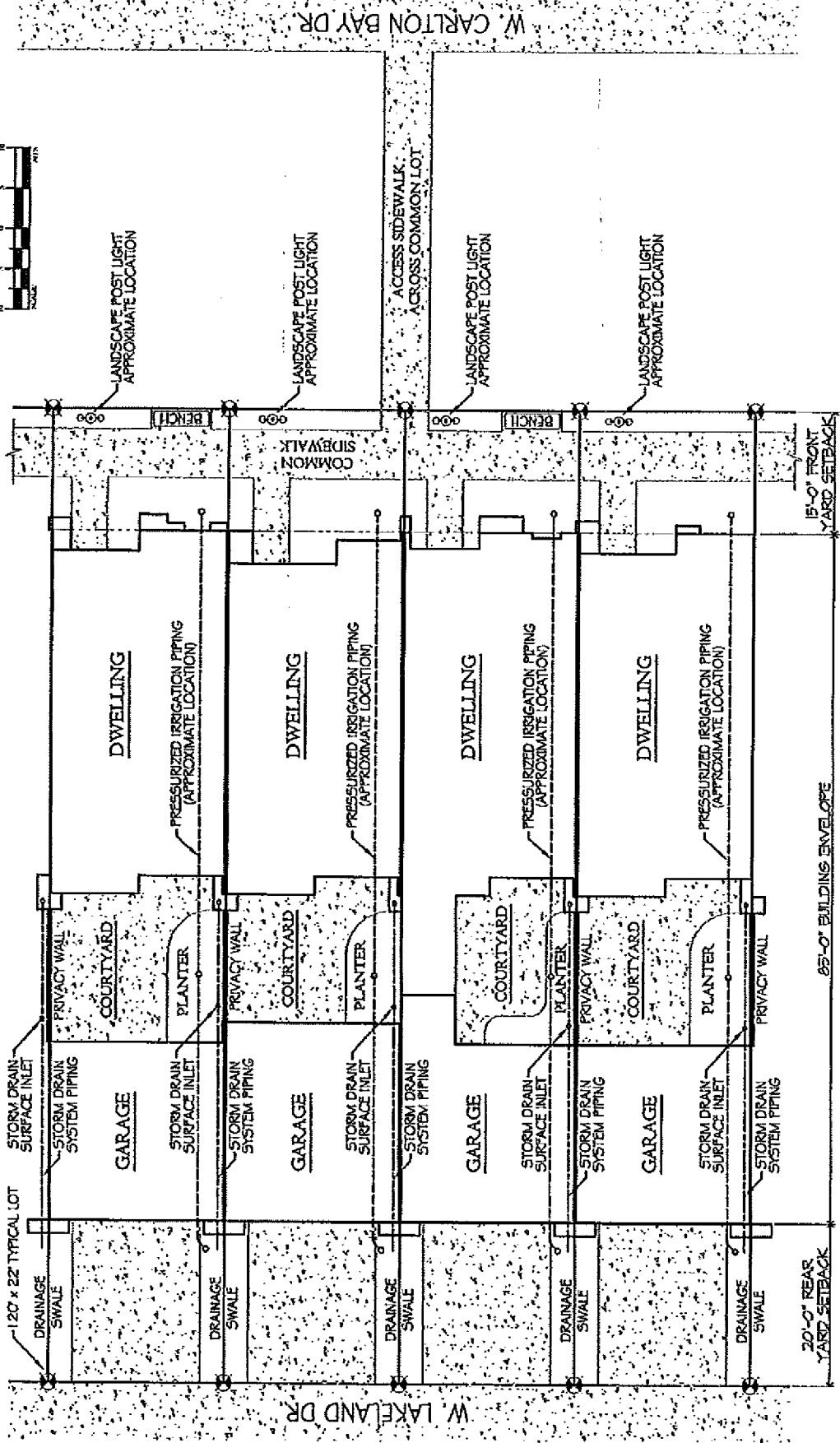
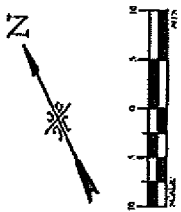
EXHIBIT C

SITE PLAN

See attached.

Exhibit "C"

SITE PLAN FOR CARLTON BAY TOWNHOMES



W. LAKELAND DR

W. CARLTON BAY DR

85'-0" BUILDING ENVELOPE

15'-0" FRONT YARD SETBACK

20'-0" REAR YARD SETBACK

EXHIBIT D

CARLTON BAY SUBDIVISION FINAL PLAT

See attached.

Exhibit "D"

Bk 100 Pg 1290

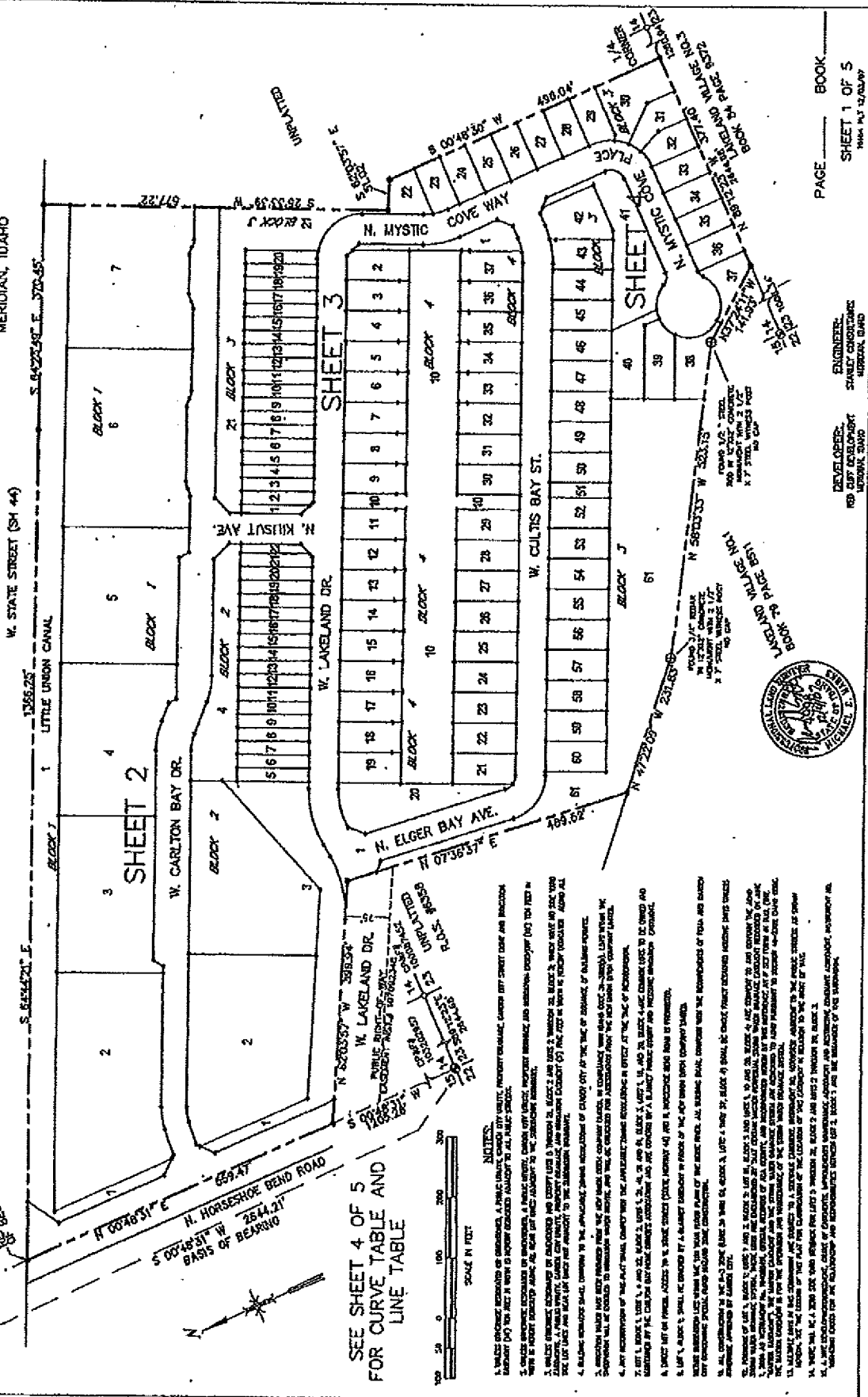
FINAL PLAN SHOWING

CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO

STANLEY CONSULTANTS
MERIDIAN, IDAHO

- LEGEND**
- FOUND BRICK CHIMNEY
 - SET 5/8" IRON PINS WITH PLASTIC CAP 1/2" DIA
 - SET 1/2" IRON PINS WITH PLASTIC CAP 1/2" DIA
 - FOUND 5/8" IRON PIN
 - CALCULATED POINT
 - 20' WIDE LANE
 - BOUNDARY LINE
 - RIGHT-OF-WAY
 - LOT LINE
 - OCCUPANT LINE
 - CUSTOMER USE AS SHOWN ON PLAN, UNLESS OTHERWISE NOTED. OCCUPANT LINE SHALL BE VERIFIED BY SURVEYOR.
 - RIGHT-OF-WAY LINE
 - LOT
 - STREET



SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE

NOTES:

1. THE SURVEYOR HAS REVIEWED THE RECORDS OF THE COUNTY AND CITY OF GARDEN CITY, IDAHO, AND HAS FOUND THAT THE RECORDS OF THE COUNTY AND CITY OF GARDEN CITY, IDAHO, DO NOT SHOW A RECORD OF THE SUBDIVISION BEING SURVEYED.
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ACCOMODATION

ADA COUNTY RECORDER Christopher D. Rich
BOISE IDAHO Pgs=28 DAWN TRIVOLIS
PIONEER TITLE COMPANY OF ADA COUNTY

2016-106514
11/02/2016 04:37 PM
\$91.00

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CARLTON BAY TOWNHOMES**

November 2, 2016

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES**

This Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "Declaration") is made effective this 10 day of December, 2013, by Carlton Bay Townhomes LLC, an Idaho limited liability company ("Declarant").

ARTICLE I: PROPERTY AND PURPOSE

Section 1. Property Covered. The initial property subject to this Declaration is legally described on the attached Exhibit A, which is made a part hereof ("Property"). The Property is the first phase of all the Carlton Bay Townhome lots as depicted on the attached Exhibit B, which is made a part hereof ("Carlton Bay Townhomes"). It is currently anticipated that the remainder of the Carlton Bay Townhomes shall be annexed into the Property and made subject to this Declaration. Each Owner, as hereinafter defined, covenants and agrees that 1) the remainder of the Carlton Bay Townhomes can be annexed into the Property and made subject to this Declaration, and 2) he/she/it shall not contest any such annexation and/or subsection to this Declaration.

The Property will also become part of the Carlton Bay Subdivision and will be subject to the terms, covenants, conditions and restrictions (including the payment of assessments and fees) of 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676 (collectively "Existing CC&Rs"). Notwithstanding the foregoing, Declarant shall have no obligation to pay any assessments to the CBHOA, as defined below, and Articles 4 and 10 in the Existing CC&Rs shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In the event of a conflict between the Existing CC&Rs and this Declaration, this Declaration shall control.

The Property will also become subject to the terms and restrictions contained in the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho ("Plat"). In addition to becoming subject to the Existing CC&Rs and the Plat, every Owner of a Lot as described herein shall, in addition to being a Member in the Association, become a member in the Carlton Bay Subdivision Homeowners' Association, Inc. ("CBHOA"), and shall become entitled to all rights, duties and obligations of all other members in the CBHOA.

This Declaration is for the benefit of the Declarant, the Association and all Owners of any portion of the Property.

Section 2. Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property, and use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, is or will in the future be held, sold, conveyed, encumbered, used, occupied and improved subject to the Existing CC&Rs (other than those inapplicable sections detailed herein) and the Plat, and is and shall be held, sold, conveyed, encumbered, used occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit C, which is made a part hereof ("Site Plan"), and further described in 1) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125468 and 2) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No. 112125469.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Sidewalks" shall mean the common sidewalks as shown on the Site Plan.

Section 6. "Common Walls" shall mean the common walls separating each Dwelling Unit, including the corresponding garage.

Section 7. "Courtyard" shall mean each courtyard located on a Lot for the use and enjoyment of such Lot Owner. Courtyards are generally depicted on the Site Plan.

Section 8. "Declarant" shall mean Carlton Bay Townhomes LLC, an Idaho limited liability company, or its designated successors and/or assigns.

Section 9. "Dwelling Unit" shall collectively mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 10. "Existing CC&Rs" shall collectively mean 1) that certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088, 2) that certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465, and 3) that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119676.

Section 11. "Improvement" shall mean any structure, facility or system, or other improvement

or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 12. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 13. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 14. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 15. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 16. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 17. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 18. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit D and made a part hereof), as it may be amended from time to time.

Section 19. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 20. "Privacy Walls" shall mean the common walls separating each Courtyard.

Section 21. "Property" shall mean that certain real property legally described on the attached Exhibit A, and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 22. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Common Sidewalks, Pressurized Irrigation System, Privacy Walls, Storm Drainage System and all other exterior Improvements pursuant to Article IV, Section 3, and

all other costs and expenses incurred to conduct the business and affairs of the Association. Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 23. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 24. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 25. "Storm Drainage System" shall mean all storm drain pipes, drainage swales and all other storm drain facilities and equipment located on each Dwelling Unit and Lot as generally shown on the Site Plan.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting any sales, construction, development and related activities from Lots owned by Declarant.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. In addition, the Board has established and shall have the right to further establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on any other Owner or Dwelling Unit.

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board. In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior

Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowners insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance.

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for his or her Courtyard interior (including all landscaping and other Improvements therein), all concrete surfaces (other than the Common Sidewalks), elevated exterior floors, balconies, windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. In the event any Owner does not properly maintain, repair and/or replace his or her Courtyard interior or any other exterior item specified above, as determined by the Board in its sole discretion, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to 1) Dwelling Unit exterior colors, 2) roof type or color or 3) any other color, design or material to any other uniform exterior Improvement located on the Property and originally constructed/provided by Declarant shall require the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members.

Section 4. Garage Doors. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) hour.

Section 5. Outbuildings. Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the Declarant, is prohibited.

Section 7. Exterior Lighting and Light Bulbs. Exterior lighting in the Courtyards must be down lighting and positioned as to prohibit illuminating neighboring Courtyards. All lighting (other than the uniform landscape lighting and uniform light posts provided by Declarant) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Storm Drainage System. Each Dwelling Unit contains a drainage pipe system and related equipment and fixtures that collects and moves water from the roof and Courtyard, under the Courtyard and garage floor, and releases it into the drainage swales as shown on the Site Plan. The Association will conduct inspections of the Storm Drainage System as needed and may access an Owner's Courtyard as needed to inspect and/or repair this Storm Drainage System. In lieu of the Association inspecting a Courtyard, an Owner may provide, at his or her own expense, written verification from a licensed home inspector stating that the portion of the Storm Drainage System located in his or her Lot is functioning properly and is no threat to the Property.

For the protection of his or her Dwelling Unit, as well as adjacent Dwelling Units, each Owner is responsible for keeping all drain inlets and pipe located in his or her Courtyard free of all debris as to not restrict water flow. If any such drains or pipes will not accept water an Owner should immediately notify the Association. An Owner will be held responsible for debris removal from the Storm Drainage System contained within such Owner's Courtyard.

The drainage swales can only be altered by the Association, and can only be altered to enhance drainage. Parking within the drainage swales is strictly prohibited.

Section 10. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners must park two operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

Declarant may park any number of operative motor vehicle(s) and equipment of employees, guests, invitees and licensees, on Lots owned by the Declarant or in unenclosed parking areas without time limits provided that such vehicles are parked so as to not interfere with any Owner's right of ingress and egress to his or her Dwelling Unit.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any other

vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 11. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units will be provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 12. Courtyards. No item may be placed or stored in the Courtyards which exceeds the height of the Privacy Walls with the exceptions of 1) landscaping installed by the Declarant, 2) one patio umbrella and/or 3) any item pre-approved in writing by the Board.

Section 13. Compliance With Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 14. Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within five (5) days following a lease or sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of Property owned by Declarant.

Section 15. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 16. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search

lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 17. Flood and Other Insurance. The Property currently lies within a flood plain as shown on a federal flood plain map. Accordingly, each Owner must maintain AT ALL TIMES a proper flood insurance policy. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof. If an Owner does not provide the Association this required proof of insurance, the Association, after ten (10) days prior written notice, may purchase such insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment. Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's, Declarant's or any other Owner's insurance.

Section 18. Garbage Pick-Up. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 19. Common Sidewalk and Drainage Easements. Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their family members, tenants, invitees and licensees, a permanent, non-exclusive access easement on, over, across and through all Common Sidewalks and adjacent benches, for access through, and the enjoyment of, the Property by such Owners and their family members, tenants, invitees and licensees. In addition, Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their invitees and licensees, a permanent, non-exclusive drainage easement on, over, across and through 1) all roofs located on the Property and 2) the Storm Drainage System, the purpose of which easement is to allow storm drainage to flow over all roofs and through the Storm Drainage System, including, without limitation, the operation, maintenance, repair and replacement of the same.

Section 20. Applicability of Existing CC&Rs. Notwithstanding anything herein to the contrary, the Property, Lots and Dwelling Units described herein will become part of the Carlton Bay Subdivision and, accordingly, all Owners and every portion of the Property will be subject to, and shall comply with, all terms, covenants, conditions and restrictions contained in the Existing CC&Rs, including, without limitation, the payment of assessments and fees levied by the CBHOA, other than Articles 4 and 10 in the Existing CC&Rs which shall not be applicable to any Owner, Declarant, the Association or any portion of the Property. In addition, Declarant shall not be obligated to pay any assessments to the CBHOA.

Owners of Lots will also become members in the CBHOA.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and through-out, the Property, as

well as Lot 21, Block 3 and Lot 4, Block 2, as shown on the Plat, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property and Lot 21, Block 3 and Lot 4, Block 2 (collectively the "Pressurized Irrigation System"). The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

This Pressurized Irrigation System will be run utilizing electronic sprinkling clocks. These clocks may be located on certain Lots which will access that Lot's electric meter. Owners of Lots with electronic sprinkling clocks shall be entitled to reimbursement from the Association for the electricity costs associated with operating the electronic sprinkling clocks for the benefit of the other Lots and/or Lot 21, Block 3 and Lot 4, Block 2.

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of all Lots and Lot 21, Block 3 and Lot 4, Block 2. By accepting a deed to any portion of the Property, each Owner hereby agrees to pay its proportionate share of Assessments to the Association and CBHOA and assessments levied by the Ditch Company associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Classes. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association shall maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

(a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars

(\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay to 1) the CBHOA all assessments and fees levied thereby and 2) the Association all Regular Assessments, Special Assessments, Limited Assessments and fees as levied thereby. Regular, Special and Limited Assessments, together with fees interest, costs, late fees and reasonable attorney's fees, shall be a continuing lien upon the Lot 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 Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. Declarant has no obligation to pay any Assessments.

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any purpose discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments; Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates

shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5. 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. 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 shall extinguish the lien of such Assessments as to payments 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 IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Declarant, the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles, by-laws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board; provided that, each Owner shall be responsible for his or her own flood, property and casualty and general liability insurance for him or her and his or her respective Lot and Dwelling Unit.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof

shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.

(f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.

(g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess of \$2,500 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property.

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to the indemnification of the Declarant and its agents while the Declarant's agents are members of the Board.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant. The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make minor exterior Improvements and/or alterations. The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval. This Article does not apply to the Declarant.

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved

in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement of the Owner to 1) an additional assessment for the cost of maintenance, 2) the payment of an architectural review processing fee, 3) deposit with the Association a construction completion deposit and/or 4) purchase payment and/or performance bonds. The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Board. If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration may be amended by an Instrument signed by Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation. As described in Article I, Section 1, additional real property consisting of the remainder of the Carlton Bay Townhomes may be annexed into the Property. These future annexations will be accomplished by Declarant at its sole and absolute discretion without any Association, Owner or Class A Member consent. In addition, additional residential property not currently anticipated to be a part of the Carlton Bay Townhomes may be annexed into the Property by Declarant or with the consent of two-thirds (2/3) of the Class A Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

Section 5. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 6. Attorneys Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand on the date first above written.

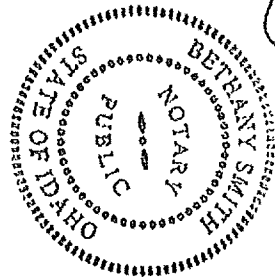
Carlton Bay Townhomes LLC,
an Idaho limited liability company

By: [Signature]
Steven E. Roth, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 6th day of December, 2013, before me, the undersigned, a Notary Public in and for said State, personally appeared Steven E. Roth, known or identified to me to be the Manager of the Carlton Bay Townhomes LLC, the person who executed the instrument on behalf of said company, and acknowledged to me that such company executed the same.

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



[Signature]
Notary Public for Idaho
Residing at: Boise, ID
My commission expires: 5/18/16

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 05, 04, 03, and 02, Block 3 Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho.

EXHIBIT B

DEPICTION OF ALL CARLTON BAY TOWNHOME LOTS

All Carlton Bay Townhome lots are Lots 2 through 20, Block 3, and Lots 5 through 21, Block 2, as shown in the cross hatched section of the attached plat.

Exhibit B

Bk 100 Pg 1290

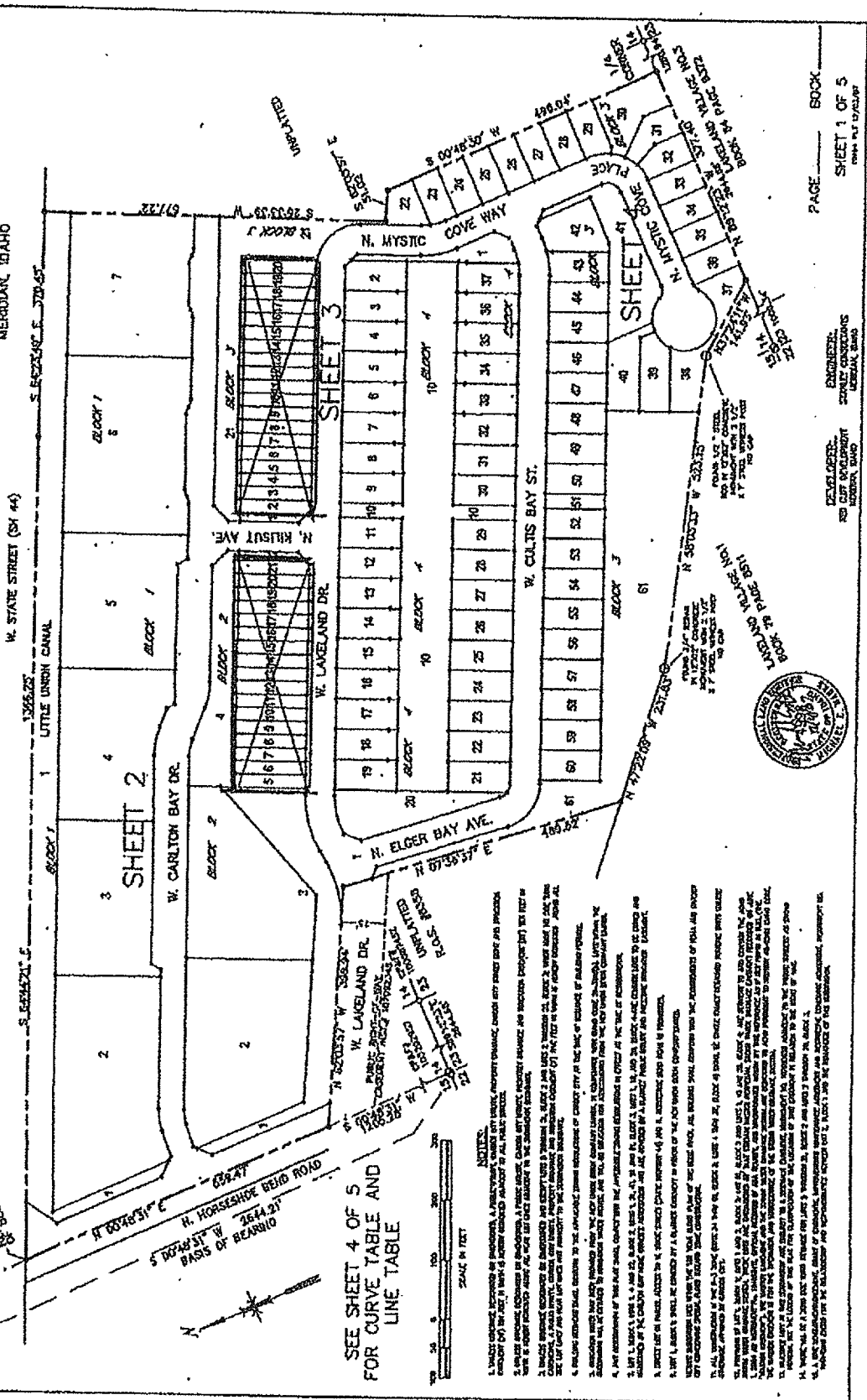
FINAL PLAN SHOWING

CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO 2008

STANLEY CONSULTANTS MERIDIAN, IDAHO

- LEGEND**
- THICK SOLID LINE SECTION LINE
 - DASHED LINE BOUNDARY LINE
 - SOLID LINE WITH DOTS RIGHT-OF-WAY
 - SOLID LINE WITH SHORT DASHES UTILITY LINE
 - SOLID LINE WITH LONG DASHES EASEMENT LINE
 - SOLID LINE WITH WIGGLY DASHES CASUALTY LINE AS SHOWN ON A.L. WORKS, INC. RECORDS, SEE PAGE 10
 - SOLID LINE WITH WIGGLY DASHES CASUALTY LINE AS SHOWN ON A.L. WORKS, INC. RECORDS, SEE PAGE 10
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 - SOLID LINE WITH WIGGLY DASHES CASUALTY LINE AS SHOWN ON A.L. WORKS, INC. RECORDS, SEE PAGE 10



SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE

NOTES:

1. THESE PLANS WERE PREPARED BY THE ARCHITECT AND ENGINEER, AND THE ARCHITECT AND ENGINEER ARE NOT RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED HEREON.
2. THE ARCHITECT AND ENGINEER HAVE CONDUCTED VISUAL SURVEYS OF THE SITE AND HAVE FOUND THAT THE INFORMATION PROVIDED HEREON IS ACCURATE.
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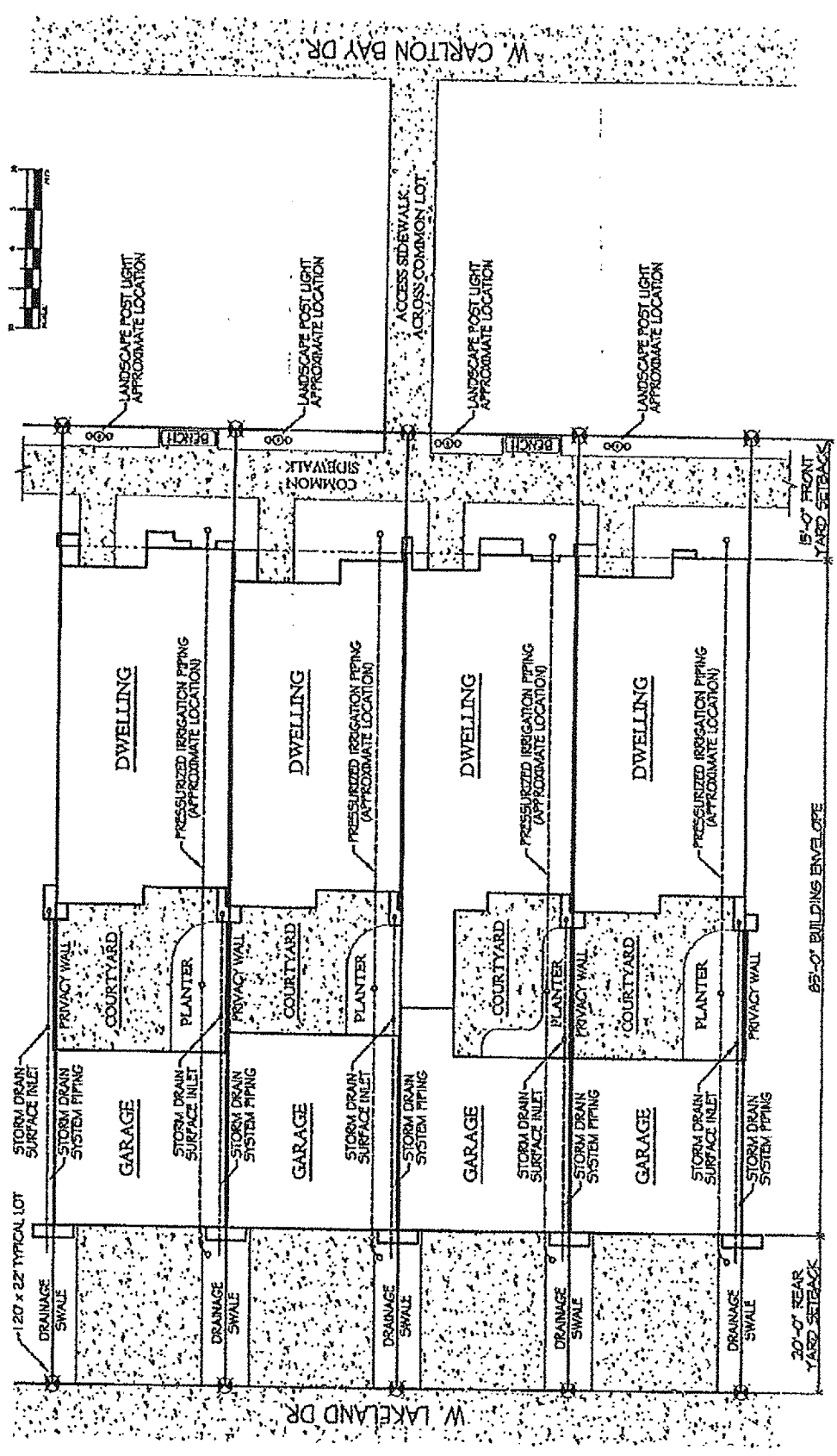
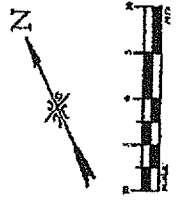
EXHIBIT C

SITE PLAN

See attached.

Exhibit 'C'

SITE PLAN FOR CARLTON BAY TOWNHOMES



Labels on the plan include: DWELLING, GARAGE, COURTYARD, PLANTER, STORM DRAIN SURFACE INLET, STORM DRAIN SYSTEM PIPING, PRESSURIZED IRRIGATION PIPING (APPROXIMATE LOCATION), PRIVACY WALL, LANDSCAPE POST LIGHT (APPROXIMATE LOCATION), COMMON SIDEWALK, ACCESS SIDEWALK ACROSS COMMON LOT, 15'-0" FRONT YARD SETBACK, 20'-0" REAR YARD SETBACK, 65'-0" BUILDING ENVELOPE, 1-20' x 22' TYPICAL LOT, DRAINAGE SWALE, and W. CARLTON BAY DR. / W. LAKELAND DR.

EXHIBIT D
CARLTON BAY SUBDIVISION FINAL PLAT

See attached.

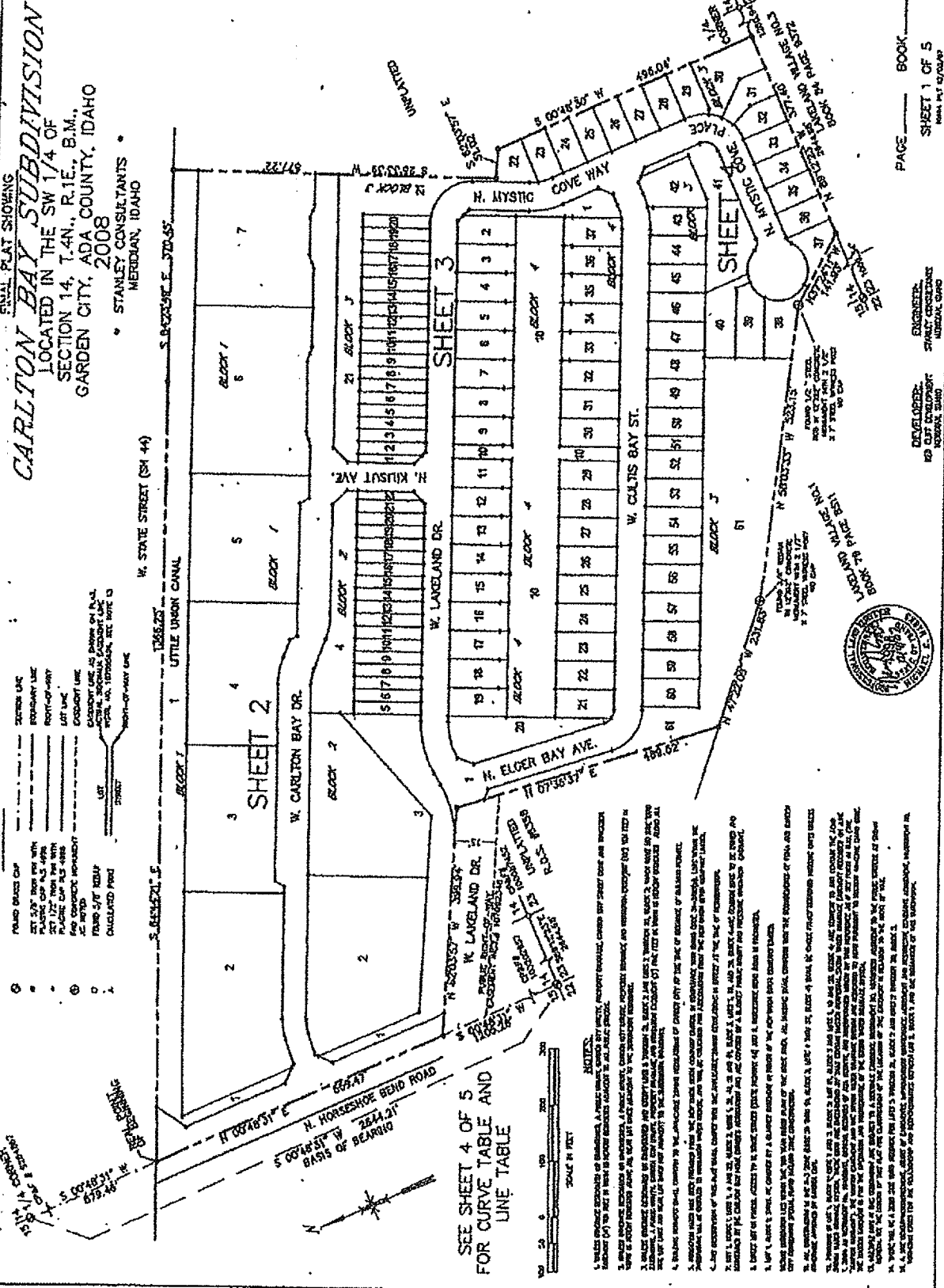
Exhibit "D"

8k 100 2 1290

CARLTON BAY SUBDIVISION
 LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO

STANLEY CONSULTANTS
 MERIDIAN, IDAHO

- LEGEND**
- FENCED BOUNDARY
 - UNFENCED BOUNDARY
 - EASEMENT
 - UTILITY
 - RIGHT-OF-WAY
 - CORNER
 - CENTER LINE
 - PROPERTY LINE
 - RIGHT-OF-WAY
 - LOT LINE
 - EASEMENT
 - CENTER LINE
 - UTILITY
 - RIGHT-OF-WAY
 - CORNER
 - CENTER LINE



SEE SHEET 4 OF 5 FOR CURVE TABLE AND LINE TABLE

NOTES

1. ALL DISTANCES SHOWN ON THIS PLAN ARE BASED ON THE SURVEY DATA PROVIDED TO STANLEY CONSULTANTS BY THE CLIENT. STANLEY CONSULTANTS HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND THE DATA TO BE REASONABLY ACCURATE. HOWEVER, STANLEY CONSULTANTS DOES NOT WARRANT THE ACCURACY OF THE DATA OR THE RESULTS OF THIS SURVEY.
2. THIS PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO CHANGE WITHOUT NOTICE. ANY CHANGES TO THIS PLAN SHALL BE MADE BY A SUPPLEMENTAL PLAN.
3. THE DISTANCES SHOWN ON THIS PLAN ARE BASED ON THE SURVEY DATA PROVIDED TO STANLEY CONSULTANTS BY THE CLIENT. STANLEY CONSULTANTS HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND THE DATA TO BE REASONABLY ACCURATE. HOWEVER, STANLEY CONSULTANTS DOES NOT WARRANT THE ACCURACY OF THE DATA OR THE RESULTS OF THIS SURVEY.
4. THE DISTANCES SHOWN ON THIS PLAN ARE BASED ON THE SURVEY DATA PROVIDED TO STANLEY CONSULTANTS BY THE CLIENT. STANLEY CONSULTANTS HAS CONDUCTED A VISUAL INSPECTION OF THE SITE AND HAS FOUND THE DATA TO BE REASONABLY ACCURATE. HOWEVER, STANLEY CONSULTANTS DOES NOT WARRANT THE ACCURACY OF THE DATA OR THE RESULTS OF THIS SURVEY.
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ENGINEER: STANLEY CONSULTANTS
 DEVELOPER: RED CLIFF DEVELOPMENT, INC.



ADA COUNTY RECORDER Christopher D Rich
BOISE IDAHO Pgs=30 CHE FOWLER
CARLTON BAY TOWNHOMES WEST

2018-104257
11/01/2018 10:04 AM
AMOUNT \$97.00



00560263201801042570300300

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
CARLTON BAY TOWNHOMES WEST**

October 2, 2018

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES WEST SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES WEST**

This Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes West (this "Declaration") is made effective this 2nd day of October, 2018, by Solitude Homes Inc., an Idaho corporation, and Rock Contractors, Inc., an Idaho corporation (collectively the "Declarant").

ARTICLE I: PROPERTY AND PURPOSE

Section 1. Property Covered. The property subject to this Declaration is legally described on the attached Exhibit A, which is made a part hereof ("Property"). The Property is the last phase of all the Carlton Bay Townhome lots as depicted on the attached Exhibit B, which is made a part hereof. This Declaration is for the benefit of the Declarant, the Association and all Owners of any portion of the Property.

Section 2. Property Subject to Additional Documents. **The Property is part of the entire Carlton Bay Subdivision. Pursuant to that certain Notice of Addition of Territory and Supplemental Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 2015-064594, the Property is subject to all, or portions of, the following (all of which shall collectively be referred to herein as the "Existing CC&Rs"):**

- 1) That certain Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 108025088;**
- 2) That certain First Amendment To The Declaration of Covenants, Conditions and Restrictions For Carlton Bay Subdivision, recorded in the records of Ada County, Idaho, as Instrument No. 110034465; and**
- 3) Any other term, covenant, condition or restriction of record affecting the Property.**

The Property is also subject to the terms and restrictions contained in the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho, attached hereto as Exhibit C, which is made a part hereof ("Plat"). In addition to being subject to the Existing CC&Rs and the Plat, every Owner of a Lot, in addition to being a Member in the Association, will be a member in the Carlton Bay Subdivision Homeowners' Association, Inc. ("CBHOA"), and shall become entitled to all rights, duties and obligations of all other members in the CBHOA.

Finally, the Property is not subject to that certain Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes, recorded in the records of Ada County, Idaho, as Instrument No. 113131949, and the Owners of Lots within the Property shall not be members in the Carlton Bay Townhomes Association, Inc.

Section 3. Purposes of Declaration. The purposes of this Declaration are to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property and the use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective

and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, shall be held, sold, conveyed, encumbered, used, occupied and improved subject to the Existing CC&Rs, the Plat, and this Declaration, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: ADDITIONAL DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit D, which is made a part hereof ("Site Plan").

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes West Homeowners' Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Walls" shall mean the common walls separating each Dwelling Unit.

Section 6. "Declarant" shall collectively mean Solitude Homes Inc., an Idaho corporation, and Rock Contractors, Inc., an Idaho corporation, or either or both of their designated successors and/or assigns.

Section 7. "Dwelling Unit" shall mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 8. "Improvement" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, Sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 9. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 10. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 11. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 12. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 13. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 14. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 15. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit D), as it may be amended from time to time.

Section 16. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 17. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Sidewalks, Pressurized Irrigation System and all other exterior Improvements pursuant to Article IV, Section 3, and all other costs and expenses incurred to conduct the business and affairs of the Association. Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 18. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 19. "Sidewalks" shall mean all sidewalks located through-out the Property.

Section 20. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the

management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting any sales, construction, development and related activities from Lots owned by Declarant.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. **In addition, the Board shall have the right to establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on any other Owner or Dwelling Unit.**

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board. In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Sidewalks, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowners insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance.

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. **In the event any Owner does not**

properly maintain, repair and/or replace any exterior item specified above, as determined by the Board in its sole discretion, the Board may levy reasonable fines against such Owner and such Owner's Lot in compliance with any provision of the Idaho Code, and/or it, or its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner, or his or her family members, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to 1) Dwelling Unit exterior colors, 2) roof type or color or 3) any other color, design or material to any other uniform exterior Improvement located on the Property and originally constructed/provided by Declarant shall require the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members.

Section 4. Garage Doors. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) day.

Section 5. Outbuildings. Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the Declarant, if any, is prohibited.

Section 7. Exterior Lighting and Light Bulbs. All lighting (other than the uniform landscape lighting and uniform light posts provided by Declarant) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners must park their operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

Declarant may park any number of operative motor vehicle(s) and equipment of employees, guests, invitees and licensees, on Lots owned by the Declarant or in unenclosed parking areas without time limits

provided that such vehicles are parked so as to not interfere with any Owner's right of ingress and egress to his or her Dwelling Unit.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any other vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 10. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units will be provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 11. Compliance With Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 12. Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within five (5) days following a lease or sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of Property owned by Declarant.

Section 13. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 14. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search

lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 15. Flood and Other Insurance. The Property currently lies within a flood plain as shown on a federal flood plain map. Accordingly, the Association on behalf of all Owners, or each Owner individually, must maintain AT ALL TIMES a proper flood insurance policy covering all the Lots. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. **Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof. If an Owner does not provide the Association this required proof of insurance, the Association, after ten (10) days prior written notice, may purchase such insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment.** Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's, Declarant's or any other Owner's insurance.

Section 16. Garbage Pick-Up. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 17. Sidewalk Easement. Declarant hereby reserves unto itself, and grants for the benefit of all Owners, and their family members, tenants, invitees and licensees, a permanent, non-exclusive access easement on, over, across and through all Sidewalks for access through, and the enjoyment of, the Property by the Declarant, the Owners and their family members, tenants, invitees and licensees.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and through-out, the Property, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property (collectively the "Pressurized Irrigation System"). The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

The Pressurized Irrigation System will be used for all irrigation of the Property. By accepting a deed to any portion of the Property, each Owner hereby agrees to pay its proportionate share of Assessments to the Association and CBHOA and assessments levied by the Ditch Company associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Declarant and every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Classes. The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association may maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

(a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;

(c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. **Each Owner, by**

acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay to 1) the CBHOA all assessments and fees levied thereby and 2) the Association all Assessments and fees as levied thereby. In addition, each Owner upon the purchase of a Lot shall pay reasonable start-up and/or transfer fee assessments for use by the Association. These start-up and transfer fee assessments shall only be used by the Association for the operation of the Association and/or the performance of its duties and obligations contained herein. Regular, Special and Limited Assessments, together with interest, costs, late fees and reasonable attorney's fees, shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs, late fees and reasonable attorney's fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. **Declarant has no obligation to pay any Assessments.**

Notwithstanding any of the foregoing, the imposition, perfection and/or foreclosure of any Association lien must also comply with any and all requirements contained in the Idaho Code.

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any other purposes discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Sidewalks, Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments; Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5. 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. 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 shall extinguish the lien of such Assessments as to payments 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 IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Declarant, the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and bylaws, shall have all powers and authority permitted to the Board under the Association's articles, bylaws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.
- (f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.
- (g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess

of \$2,500 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property.

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles or bylaws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to

the indemnification of the Declarant and its agents while the Declarant's agents are members of the Board.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant. The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make minor exterior Improvements and/or alterations. The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval. This Article does not apply to the Declarant.

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement of the Owner to 1) an additional Assessment for the cost of maintenance, 2) the payment of an architectural review processing fee, 3) deposit with the Association of a construction completion deposit and/or 4) purchase payment and/or performance bonds. The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site

plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Board. If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration may be amended by an instrument signed by Declarant (assuming Declarant owns one or more Lots) and the consent of two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 5. Attorneys Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.


Notwithstanding any other provision contained in this Declaration, the imposition and collection of any fines, as well as the award and collection of attorneys' and costs, by the Association must comply with any and all requirements contained in the Idaho Code.

Section 6. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set their hands on the date first above written.

Solitude Homes Inc.,
an Idaho corporation

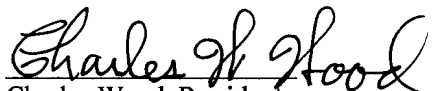
By:


Cody Weight, President


By: Bradley J. Egbert

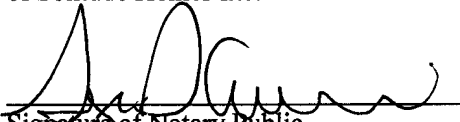
Rock Contractors, Inc.,
an Idaho corporation

By:


Charles Wood, President

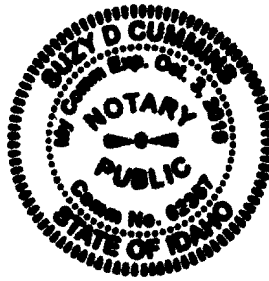
STATE OF IDAHO)
) ss.
County of Ada)

This record was acknowledged before me on October 19, 2018, by Cody Weight as the President of Solitude Homes Inc.



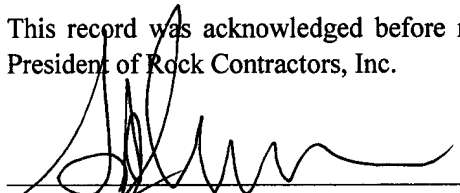
Signature of Notary Public

My commission expires: 10/03/2019



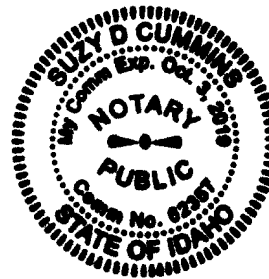
STATE OF IDAHO)
) ss.
County of Ada)

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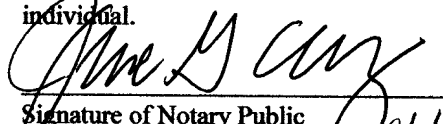
Signature of Notary Public

My commission expires: 10/03/2019



STATE OF IDAHO)
) ss.
County of Ada)

This record was acknowledged before me on October 30, 2018, by Bradly J Egbert as an individual.



Signature of Notary Public
My commission expires: 09/01/2021

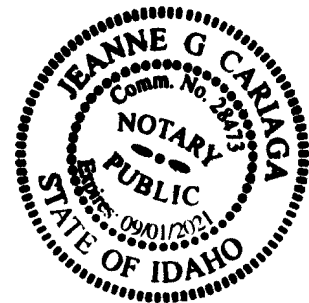


EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lots 5 through 21, Block 2, Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho.

EXHIBIT B

DEPICTION OF ALL CARLTON BAY TOWNHOME LOTS

All Carlton Bay Townhome lots are Lots 2 through 20, Block 3, and Lots 5 through 21, Block 2, as shown in the cross hatched section of the attached plat.

EXHIBIT C

CARLTON BAY SUBDIVISION FINAL PLAT

See attached.

CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING
 LOCATED IN THE SW 1/4 OF
 SECTION 14, T.4N., R.1E., B.M.,
 GARDEN CITY, ADA COUNTY, IDAHO
 2008

STANLEY CONSULTANTS
 MERIDIAN, IDAHO

LEGEND

- FOUND BRASS CAP
- SET 6"R IRON PIN WITH PLASTIC CAP P.S. 4983
- SET 1/2" IRON PIN WITH PLASTIC CAP P.S. 4983
- FOUND CONCRETE MONUMENT AS NOTED
- FOUND 5/8" IRON CALIBRATED PIN
- SECTION LINE
- BOUNDARY LINE
- RIGHT-OF-WAY
- LOT LINE
- EXHIBIT LINE
- EXHIBIT LINE AS SHOWN ON P.L.1. ACTUAL SURVEY EXHIBIT LINE
- MIN. NO. 107095668 SEE NOTE 13
- RIGHT-OF-WAY LINE
- STREET

SEE SHEET 4 OF 5
 FOR CURVE TABLE AND
 LINE TABLE



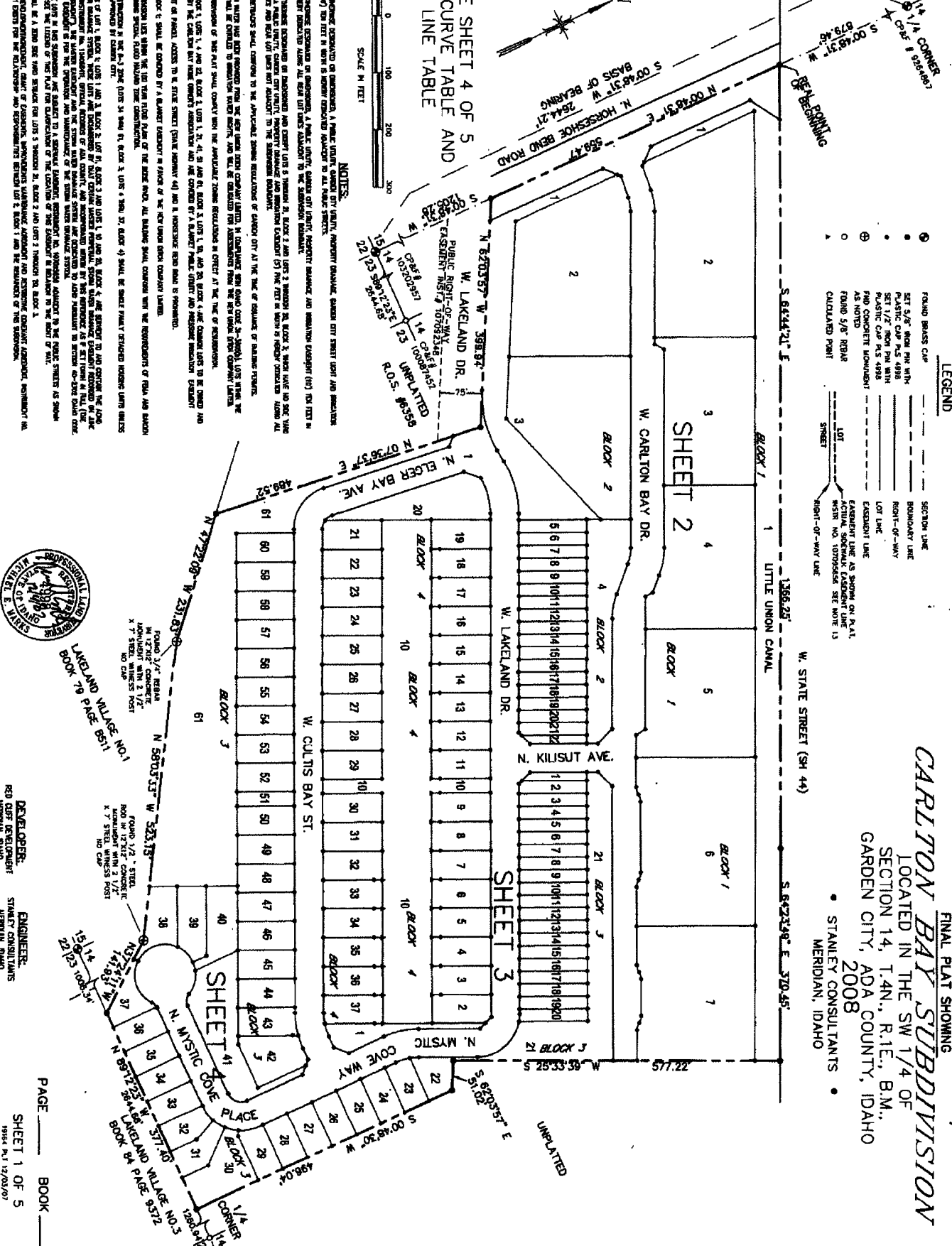
NOTES

1. UNLESS OTHERWISE SPECIFIED OR INDICATED, A PUBLIC UTILITY, CANAL OR VARIETY, PROPERTY SHOWN, SHOWN ON THIS PLAT AND INDICATED BY THE FEET IN WHICH IS SHOWN IS SHOWN FOR INFORMATION TO ALL PUBLIC UTILITIES.
2. UNLESS OTHERWISE SPECIFIED OR INDICATED, A PUBLIC UTILITY, CANAL OR VARIETY, PROPERTY SHOWN, SHOWN ON THIS PLAT AND INDICATED BY THE FEET IN WHICH IS SHOWN IS SHOWN FOR INFORMATION TO ALL PUBLIC UTILITIES.
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DEVELOPER: STANLEY CONSULTANTS
 MERIDIAN, IDAHO

PAGE 1 OF 5
 SHEET 1 OF 5
 BOOK 84 PAGE 937



BK 100 Pg 12902

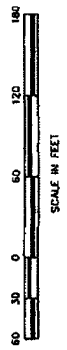
CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING
LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

- STANLEY CONSULTANTS
- MERIDIAN, IDAHO

LEGEND

- SECTION LINE
 - BOUNDARY LINE
 - RIGHT-OF-WAY
 - CENTER LINE
 - EASEMENT LINE
 - LOT NUMBER
 - 1
- EASEMENT LINE AS SHOWN ON PLAT,
ACTUAL SIDEWALK EASEMENT LINE
W/STR. H/L. 10705856. SEE NOTE 13
- RIGHT-OF-WAY LINE
- LOT
STREET



SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE

SEE SHEET 3

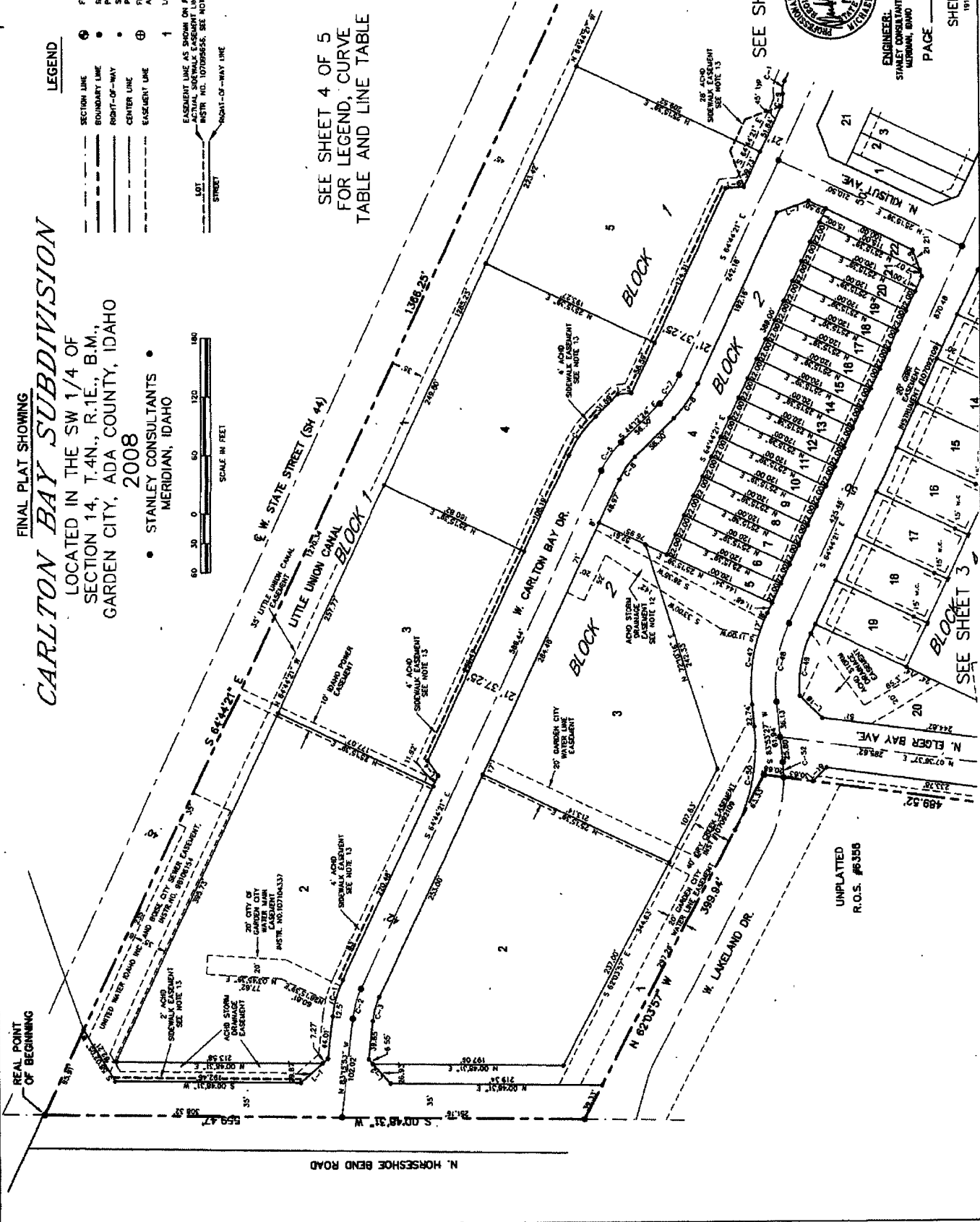


ENGINEER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER:
RED CLIFF DEVELOPMENT
MERIDIAN, IDAHO

PAGE _____ BOOK _____

SHEET 2 OF 5
1984 P.L. 12/2/07

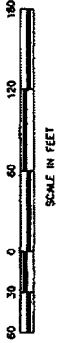


Bk 100 Pg 12903

CARLTON BAY SUBDIVISION

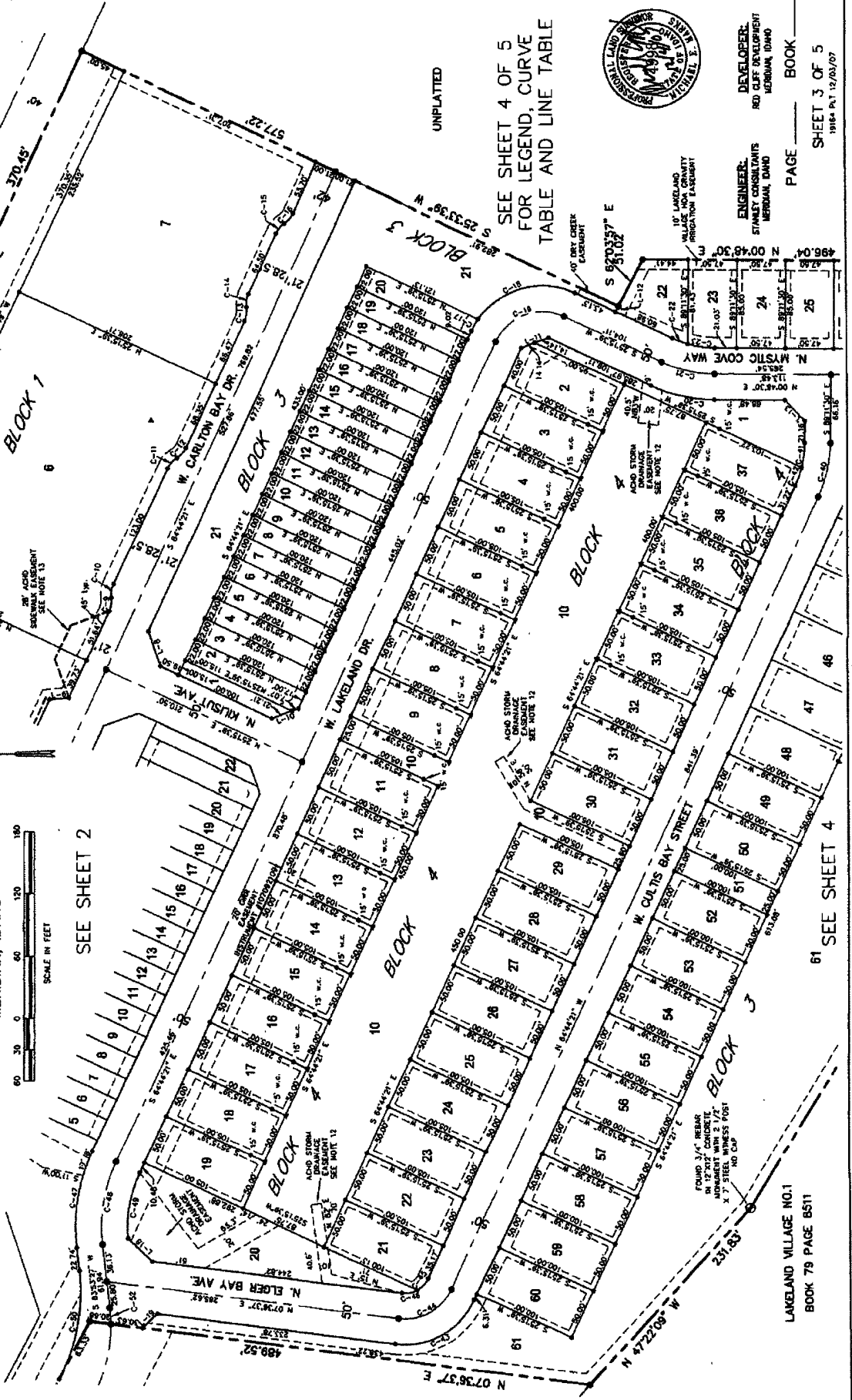
FINAL PLAT SHOWING
LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

- STANLEY CONSULTANTS
MERIDIAN, IDAHO



SEE SHEET 2

SEE SHEET 4



UNPLATED

SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE



ENGINEER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER:
RED CLIFF DEVELOPMENT
MERIDIAN, IDAHO

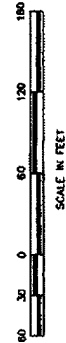
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SHEET 3 OF 5
19164 P.L. 12/03/07

LAKELAND VILLAGE NO.1
BOOK 79 PAGE 8511

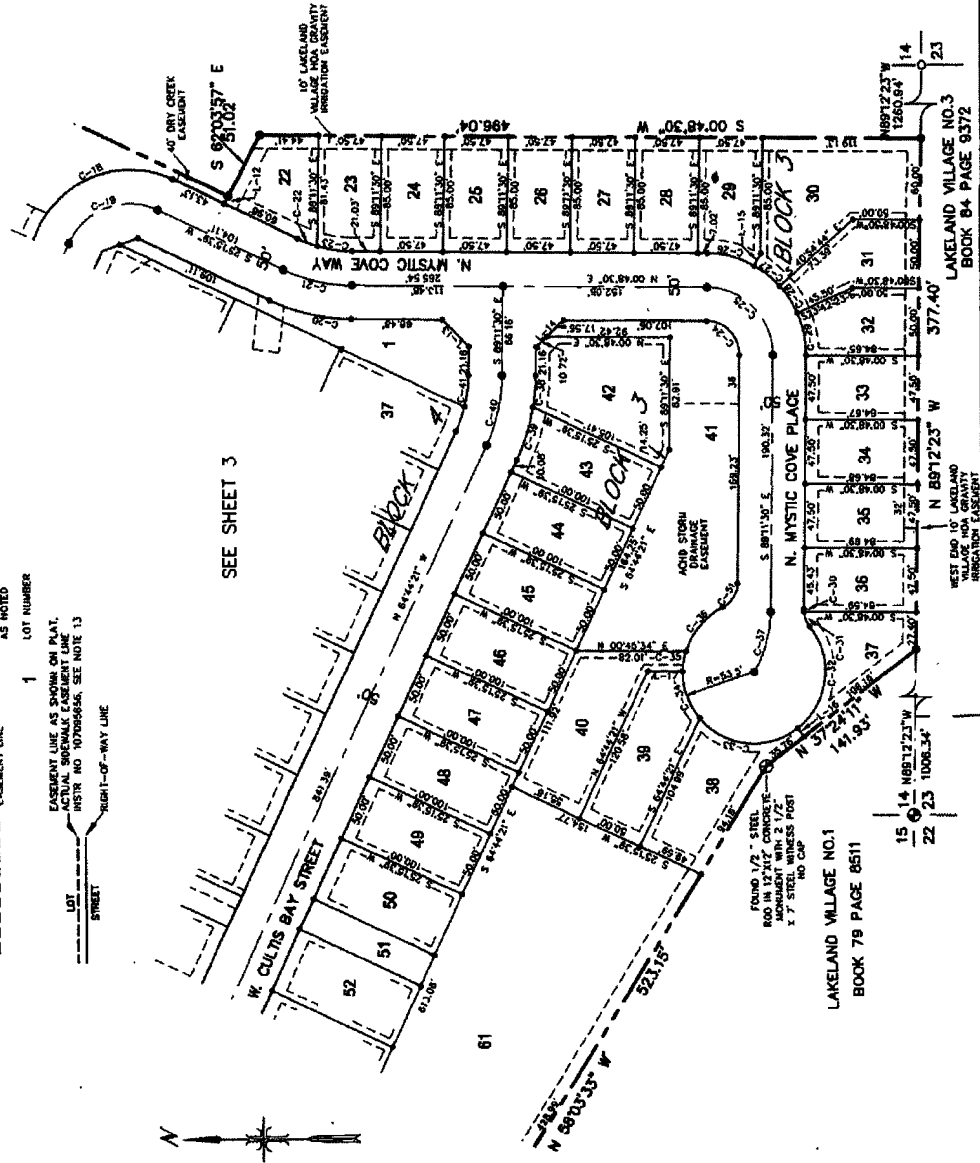
FINAL PLAT SHOWING CARLTON BAY SUBDIVISION

LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008

STANLEY CONSULTANTS
MERIDIAN, IDAHO



- LEGEND**
- SECTION LINE
 - BOUNDARY LINE
 - RIGHT-OF-WAY
 - CENTER LINE
 - EASEMENT LINE
 - ⊕ FOUND BRASS CAP
 - SET 5/8" IRON PIN WITH PLASTIC CAP PLS 4998
 - SET 1/2" IRON PIN WITH PLASTIC CAP PLS 4999
 - ⊕ PINK CONCRETE MONUMENT AS NOTED
 - 1 LOT NUMBER
 - EASEMENT LINE AS SHOWN ON PLAT, ACTUAL SIDEWALK EASEMENT LINE, INSTR NO 107096656, SEE NOTE 13
 - RIGHT-OF-WAY LINE



CURVE TABLE

| CURVE | LENGTH | RADIUS | DELTA | TANGENT | CHORD | BEARING | CHORD |
|-------|--------|--------|-------|---------------|-------|---------|-------|
| C-1 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-2 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-3 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-4 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-5 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-6 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-7 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-8 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-9 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-10 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-11 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-12 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-13 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-14 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-15 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-16 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-17 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-18 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-19 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-20 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-21 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
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| C-28 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-29 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-30 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-31 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-32 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-33 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
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| C-37 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-38 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-39 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-40 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
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| C-47 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-48 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-49 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-50 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-51 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |
| C-52 | 38.12 | 121.00 | 18.73 | N 21°00'00" W | 38.85 | | |

LINE TABLE

| LINE | LENGTH | BEARING |
|------|--------|---------------|
| L-1 | 37.14 | S 47°32'41" E |
| L-2 | 33.48 | N 85°58'33" E |
| L-3 | 18.78 | N 85°58'33" E |
| L-4 | 18.78 | N 85°58'33" E |
| L-5 | 18.78 | N 85°58'33" E |
| L-6 | 18.78 | N 85°58'33" E |
| L-7 | 18.78 | N 85°58'33" E |
| L-8 | 18.78 | N 85°58'33" E |
| L-9 | 18.78 | N 85°58'33" E |
| L-10 | 18.78 | N 85°58'33" E |
| L-11 | 18.78 | N 85°58'33" E |
| L-12 | 18.78 | N 85°58'33" E |
| L-13 | 18.78 | N 85°58'33" E |
| L-14 | 18.78 | N 85°58'33" E |
| L-15 | 18.78 | N 85°58'33" E |
| L-16 | 18.78 | N 85°58'33" E |
| L-17 | 18.78 | N 85°58'33" E |
| L-18 | 18.78 | N 85°58'33" E |
| L-19 | 18.78 | N 85°58'33" E |



ENGINEER: STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER: RED CUFF DEVELOPMENT
MERIDIAN, IDAHO

CARLTON BAY SUBDIVISION

CERTIFICATE OF OWNERS

KNOW ALL MEN BY THESE PRESENTS:

THAT S. P. LAND DEVELOPMENT, LLC AND HAWKINS COMPANIES LLC, BOTH LIMITED LIABILITY COMPANIES ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF IDAHO AND DULY QUALIFIED TO DO BUSINESS IN THE STATE OF IDAHO, DO HEREBY CERTIFY THAT THEY ARE THE OWNERS OF THE REAL PROPERTY AS DESCRIBED BELOW AND IS THEIR INTENTION TO INCLUDE IN THIS INSTRUMENT THE REAL PROPERTY AS DESCRIBED BELOW AND TO CONVEY TO THE PUBLIC BY THE ISSUANCE OF THIS INSTRUMENT THE REAL PROPERTY AS DESCRIBED BELOW TO THE PUBLIC BY THE ISSUANCE OF THIS INSTRUMENT.

ALL LOTS IN THIS SUBDIVISION WILL RECEIVE DOMESTIC WATER FROM AN EXISTING WATER SYSTEM AND GARDEN CITY HAS AGREED IN WRITING TO SERVE THE LOTS IN THIS SUBDIVISION.

A PARCEL OF LAND BEING A PORTION OF THE SW 1/4 OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 14 EAST, GARDEN CITY, ADA COUNTY, IDAHO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SW 1/4 (WEST 1/4 CORNER) OF SECTION 14, T.4N., R.1E., B.M., THENCE S 00°48'31" W, 879.46 FEET ALONG THE WEST LINE OF SAID SECTION 14 TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION;

ALONG THE RIGHT OF WAY OF STATE STREET THE FOLLOWING:

THENCE S 64°45'21" E, 1366.40 FEET TO A POINT;

LEAVING THE RIGHT OF WAY OF STATE STREET;

THENCE S 25°33'38" W, 577.22 FEET TO A POINT;

THENCE S 62°03'57" E, 51.02 FEET TO A POINT;

THENCE S 00°48'30" W, 488.04 FEET TO A POINT;

THENCE N 89°12'25" W, 377.40 FEET TO A POINT ON THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION;

ALONG THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION THE FOLLOWING:

THENCE N 37°24'11" W, 141.93 FEET TO A POINT;

THENCE N 58°10'33" W, 523.15 FEET TO A POINT;

LEAVING THE BOUNDARY OF LAKELAND VILLAGE SUBDIVISION;

THENCE N 07°26'37" E, 489.52 FEET TO A POINT;

THENCE N 62°03'57" E, 388.94 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 14;

THENCE N 00°48'31" E, 558.47 FEET ALONG SAID WEST LINE TO THE REAL POINT OF BEGINNING OF THIS SUBDIVISION, CONTAINING 34.82 ACRES, MORE OR LESS.

THE PUBLIC STREETS AS SHOWN ON THIS PLAN ARE HEREBY DEDICATED TO THE PUBLIC AND THE EASEMENTS AS SHOWN ON THIS PLAN ARE HEREBY DEDICATED TO THE PUBLIC. THE PUBLIC STREETS AND EASEMENTS ARE HEREBY DEDICATED TO THE PUBLIC FOR PUBLIC UTILITIES AND SUCH OTHER USES AS DESIGNATED WITHIN THIS PLAN, AND NO PERMANENT STRUCTURES ARE TO BE ERRECTED WITHIN THE LINES OF SAID EASEMENTS.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SET OUR HANDS THIS 23RD DAY OF APRIL, 2007.

S & P LAND DEVELOPMENT, LLC
HAWKINS COMPANIES LLC
MANAGER

SHARON ROBERTT
MEMBER

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Ronald E. Marks, HUSBAND OF Maeridian, BOTH OF WHOM ARE KNOWN TO ME TO BE THE SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIRMED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

RONALD E. MARKS
NOTARY PUBLIC FOR
RESIDING IN Maeridian
BY COMMISSION EXPIRES 05-04-18

ACKNOWLEDGEMENT

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED Ronald E. Marks, HUSBAND OF Maeridian, BOTH OF WHOM ARE KNOWN TO ME TO BE THE SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIRMED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

RONALD E. MARKS
NOTARY PUBLIC FOR
RESIDING IN Maeridian
BY COMMISSION EXPIRES 05-04-18

ACKNOWLEDGEMENT

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED GARY R. HAWKINS, KNOWN OR KNOWN TO ME TO BE MANAGER OF HAWKINS COMPANIES LLC, THE PERSON WHO EXECUTED THIS INSTRUMENT ON BEHALF OF SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIRMED MY OFFICIAL SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

DEVISE STARK
NOTARY PUBLIC
STATE OF IDAHO

NOTARY PUBLIC FOR Stark of Idaho
RESIDING IN Idaho
BY COMMISSION EXPIRES 03-31-11

HEALTH CERTIFICATE

SANITARY RESTRICTIONS AS REQUIRED BY IDAHO CODE, TITLE 50, CHAPTER 13 HAVE BEEN SATISFIED ACCORDING TO THE LETTER TO BE READ ON FILE WITH THE COUNTY RECORDER OR HIS AGENT LISTING THE CONDITIONS OF APPROVAL. SANITARY RESTRICTIONS MAY BE RE-IMPOSED, IN ACCORDANCE WITH SECTION 50-1326, IDAHO CODE, BY THE ISSUANCE OF A CERTIFICATE OF DISAPPROVAL.

Michael E. Marks 4/23/07
CENTRAL DISTRICT HEALTH DEPARTMENT

MICHAEL E. MARKS
COUNTY SURVEYOR

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, COUNTY SURVEYOR IN AND FOR ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT I HAVE CHECKED THIS PLAN AND THAT IT COMPLES WITH THE STATE OF IDAHO CODE RELATING TO PLATS AND SURVEYS.

Michael E. Marks 4/23/07
COUNTY SURVEYOR

CERTIFICATE OF COUNTY SURVEYOR

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, COUNTY TREASURER IN AND FOR THE COUNTY OF ADA, STATE OF IDAHO, DO HEREBY CERTIFY THAT ALL CURRENT AND/OR DELINQUENT COUNTY PROPERTY TAXES FOR THE PROPERTY INCLUDED IN THIS SUBDIVISION HAVE BEEN PAID IN FULL. THIS CERTIFICATION IS VALID FOR THE NEXT THIRTY (30) DAYS ONLY.

Scott J. Johnson 4/23/07
COUNTY TREASURER

SCOTT J. JOHNSON
COUNTY TREASURER

APPROVAL OF CITY ENGINEER

I, THE UNDERSIGNED, CITY ENGINEER IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO, HEREBY APPROVE THIS PLAN.

Scott J. Johnson 8-2-07
CITY ENGINEER

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

THE FOREGOING PLAT WAS ACCEPTED AND APPROVED BY THE BOARD OF ADA COUNTY HIGHWAY DISTRICT COMMISSIONERS ON THE 11TH DAY OF July, 2007.

Scott J. Johnson
STURMANT AGENT

APPROVAL OF GARDEN CITY

I, THE UNDERSIGNED, CITY CLERK IN AND FOR GARDEN CITY, ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT AT A REGULAR MEETING OF THE CITY COUNCIL HELD ON THE 23RD DAY OF April, 2007, THIS PLAT WAS DULY ACCEPTED AND APPROVED.

Scott J. Johnson
GARDEN CITY CITY CLERK

CERTIFICATE OF THE COUNTY TREASURER

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

ON THIS 23RD DAY OF APRIL, 2007, BEFORE ME, THE UNDERSIGNED, COUNTY TREASURER IN AND FOR THE COUNTY OF ADA, STATE OF IDAHO, DO HEREBY CERTIFY THAT ALL CURRENT AND/OR DELINQUENT COUNTY PROPERTY TAXES FOR THE PROPERTY INCLUDED IN THIS SUBDIVISION HAVE BEEN PAID IN FULL. THIS CERTIFICATION IS VALID FOR THE NEXT THIRTY (30) DAYS ONLY.

Scott J. Johnson 4/23/07
COUNTY TREASURER

COUNTY RECORDER'S CERTIFICATE

STATE OF IDAHO)) S.S.
COUNTY OF ADA))

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD AT THE REQUEST OF S & P Land Development, LLC AT 2:4 MINUTES PAST 11 O'CLOCK A.M. ON THIS 23RD DAY OF APRIL, 2007, IN BOOK 100 OF PLATS AT PAGES 12901 THROUGH 12905, INSTRUMENT NO. 107000583

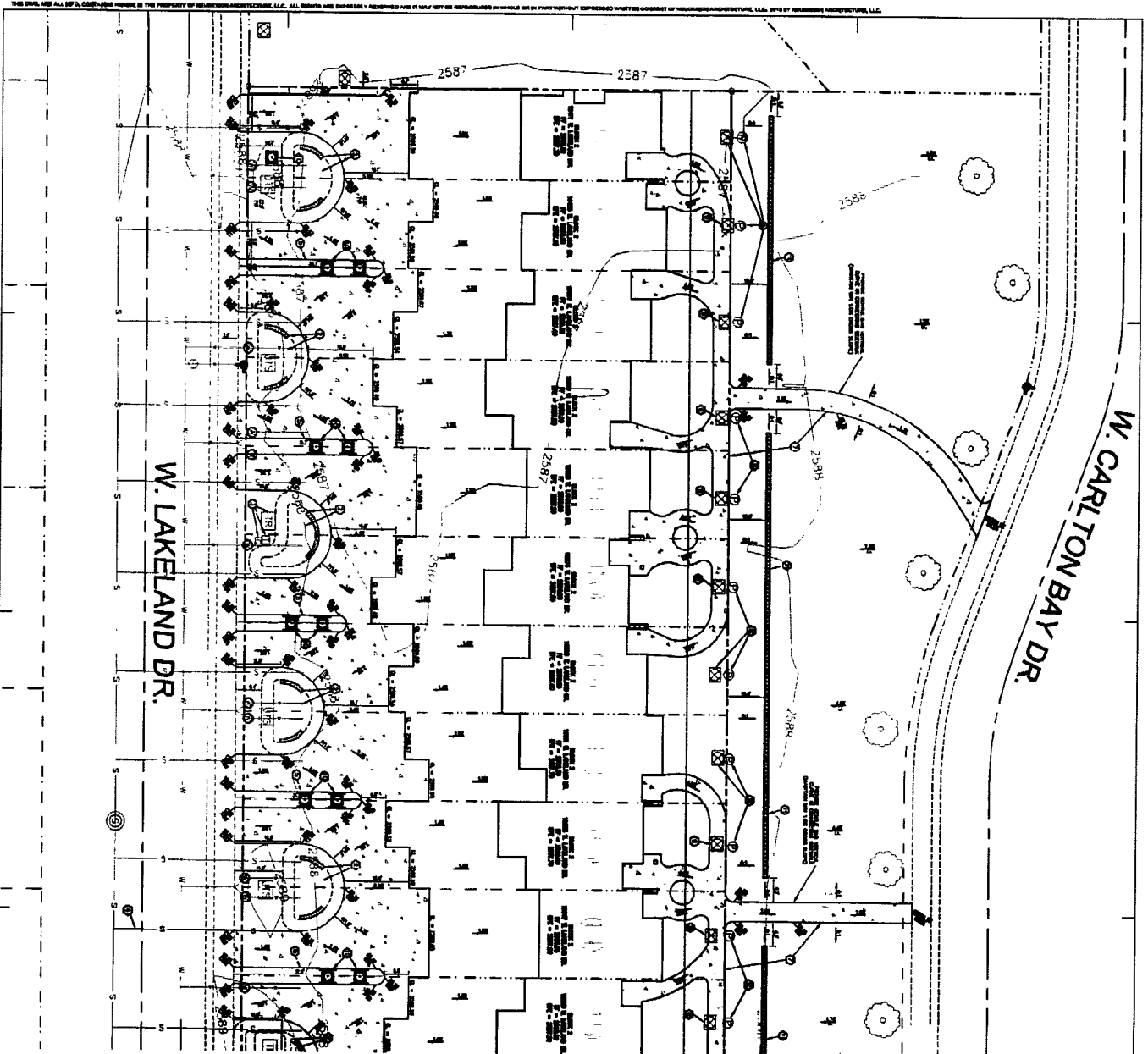
David Niswander Deputy
EX-OFFICIO RECORDER
\$26.00 FEE

EXHIBIT D

SITE PLAN

See attached.

EXHIBIT D - ACCESS SIDEWALKS



S.D. Sit Plan

SEE SHEET C2

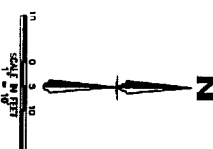
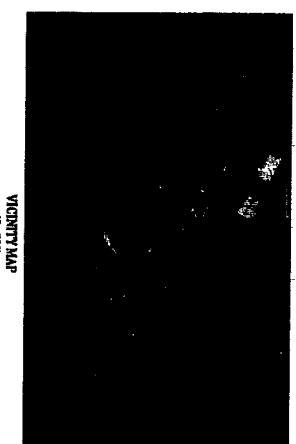
SEE SHEET C2

GENERAL NOTES:

1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
2. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
4. THE CONTRACTOR SHALL MAINTAIN THE SITE IN A SAFE AND SOUND CONDITION AT ALL TIMES.
5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE REMOVAL OF ALL DEBRIS AND WASTE MATERIALS.
6. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL TREES AND PLANTS.
7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING SIDEWALKS AND DRIVEWAYS.
8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING TREES AND PLANTS.
10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING SIDEWALKS AND DRIVEWAYS.
11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
12. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING TREES AND PLANTS.
13. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING SIDEWALKS AND DRIVEWAYS.
14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES AND STRUCTURES.
15. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING TREES AND PLANTS.

LEGEND:

- 1. EXISTING SIDEWALK
- 2. EXISTING DRIVEWAY
- 3. EXISTING UTILITY
- 4. EXISTING STRUCTURE
- 5. EXISTING TREE
- 6. EXISTING PLANT
- 7. EXISTING SIDEWALK
- 8. EXISTING DRIVEWAY
- 9. EXISTING UTILITY
- 10. EXISTING STRUCTURE
- 11. EXISTING TREE
- 12. EXISTING PLANT
- 13. EXISTING SIDEWALK
- 14. EXISTING DRIVEWAY
- 15. EXISTING UTILITY
- 16. EXISTING STRUCTURE
- 17. EXISTING TREE
- 18. EXISTING PLANT
- 19. EXISTING SIDEWALK
- 20. EXISTING DRIVEWAY
- 21. EXISTING UTILITY
- 22. EXISTING STRUCTURE
- 23. EXISTING TREE
- 24. EXISTING PLANT
- 25. EXISTING SIDEWALK
- 26. EXISTING DRIVEWAY
- 27. EXISTING UTILITY
- 28. EXISTING STRUCTURE
- 29. EXISTING TREE
- 30. EXISTING PLANT



DATE OF ISSUE: 08/11/2011
SCALE: 1" = 10'-0"
PROJECT: SOLITUDE HOMES - CARLTON BAY TOWNHOMES
DESIGNER: ROCK SOLID CIVIL
DATE: 08/11/2011

For Permit
C-1
Grading & Drainage Plan



| NO. | REVISION | DATE |
|-----|---------------------------|------------|
| 1 | ISSUE FOR PERMIT | 08/11/2011 |
| 2 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 3 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 4 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 5 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 6 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 7 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 8 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 9 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 10 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 11 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 12 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 13 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 14 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 15 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 16 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 17 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 18 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 19 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 20 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 21 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 22 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 23 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 24 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 25 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 26 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 27 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 28 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 29 | REVISED PER CITY COMMENTS | 08/11/2011 |
| 30 | REVISED PER CITY COMMENTS | 08/11/2011 |

SOLITUDE HOMES
CARLTON BAY TOWNHOMES
 1001 - 1011 Lakeland Dr. / Carlton Bay Dr. / Carlton City, ID

ROCK SOLID CIVIL
 170 E. Main Ave. #200
 Meridian, ID 83442
 208.884.2524
 www.rocksolidcivil.com

neUdesign
 ARCHITECTURE
 170 E. Main Ave. #200
 Meridian, ID 83442
 208.884.2524

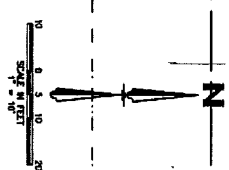
W. CARLTON BAY DR.

SEE SHEET C1

SEE SHEET C1

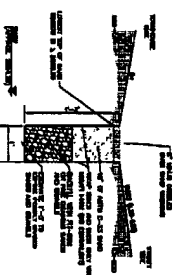
W. LAKELAND DR.

N. KILISUT AVE.

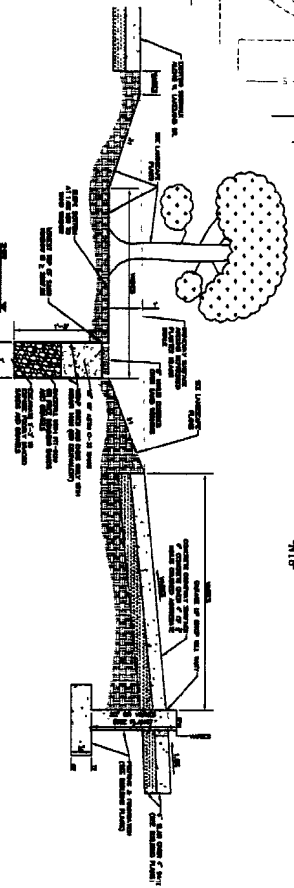
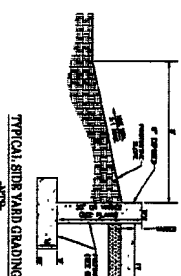


- NOTES**
1. SEE SHEET C1 FOR THE REMAINING TOWNHOMES.
 2. THE TOWNHOMES ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE 2009 INTERNATIONAL RESIDENTIAL CODE BOOK (IRC).
 3. THE TOWNHOMES ARE TO BE CONSTRUCTED ON A 10' X 10' LOTS.
 4. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 10' SIDE YARD SETBACKS.
 5. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' FRONT YARD SETBACKS.
 6. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' REAR YARD SETBACKS.
 7. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' SIDE YARD SETBACKS.
 8. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' FRONT YARD SETBACKS.
 9. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' REAR YARD SETBACKS.
 10. THE TOWNHOMES ARE TO BE CONSTRUCTED WITH A MINIMUM OF 5' SIDE YARD SETBACKS.

- LEGEND**
- 1. 1/2" = 1' SCALE
 - 2. 1/4" = 1' SCALE
 - 3. 1/8" = 1' SCALE
 - 4. 1/16" = 1' SCALE
 - 5. 1/32" = 1' SCALE
 - 6. 1/64" = 1' SCALE
 - 7. 1/128" = 1' SCALE
 - 8. 1/256" = 1' SCALE
 - 9. 1/512" = 1' SCALE
 - 10. 1/1024" = 1' SCALE



- FOUNDATION WALL REINFORCEMENT (FOOTING)**
- 1. 4#4 @ 12" O.C.
 - 2. 2#4 @ 12" O.C.
 - 3. 2#4 @ 12" O.C.
 - 4. 2#4 @ 12" O.C.
 - 5. 2#4 @ 12" O.C.
 - 6. 2#4 @ 12" O.C.
 - 7. 2#4 @ 12" O.C.
 - 8. 2#4 @ 12" O.C.
 - 9. 2#4 @ 12" O.C.
 - 10. 2#4 @ 12" O.C.



For Permit
Grading & Drainage Plan
C-2

| NO. | DATE | DESCRIPTION |
|-----|---------|--------------------|
| 1 | 1/15/11 | ISSUED FOR PERMIT |
| 2 | 1/15/11 | REVISIONS AS SHOWN |
| 3 | 1/15/11 | REVISIONS AS SHOWN |
| 4 | 1/15/11 | REVISIONS AS SHOWN |
| 5 | 1/15/11 | REVISIONS AS SHOWN |
| 6 | 1/15/11 | REVISIONS AS SHOWN |
| 7 | 1/15/11 | REVISIONS AS SHOWN |
| 8 | 1/15/11 | REVISIONS AS SHOWN |
| 9 | 1/15/11 | REVISIONS AS SHOWN |
| 10 | 1/15/11 | REVISIONS AS SHOWN |

| | |
|--------------|--|
| PROJECT NO. | 10291-10411 |
| CLIENT | SOLITUDE HOMES |
| PROJECT NAME | CARLTON BAY TOWNHOMES |
| ADDRESS | 10291-10411 Lakeland Dr., Carlton Bay Dr., Garden City, ID |
| DATE | 1/15/11 |
| SCALE | 1/2" = 1' |
| DRAWN BY | J. S. ROSSBERG |
| CHECKED BY | J. S. ROSSBERG |
| DATE | 1/15/11 |
| SCALE | 1/2" = 1' |

ROCK SOLID CIVIL
Civil Engineering and Land Development Consulting
100 N. 2nd Street, Suite 200
Garden City, ID 83429
www.rocksolidcivil.com

neUdesign ARCHITECTURE
308 E. Main Ave., 4290
Meridian, ID 83442
208.866.2924

ADA COUNTY RECORDER Phil McGrane
BOISE IDAHO Pgs=33 DAN RYALLS
MATTHEW PARKS

2019-045560
05/30/2019 12:30 PM
AMOUNT \$106.00



00629401201900455600330335

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES**

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE CARLTON BAY TOWNHOMES SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON THE OWNERS THEREIN.

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AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES

This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "Amended Declaration") is made effective this 30 day of May, 2019, by Carlton Bay Townhomes Association, Inc. (the "Association"), an Idaho non-profit corporation.

WHEREAS, the Association is acting on behalf of the Owners of the Property referred to in Article I of this Amended Declaration and described in Exhibit A attached hereto; and

WHEREAS, the Association desires to provide for the preservation of the values and amenities within the Carlton Bay Townhomes Community and for the maintenance of the open spaces, utilities and other common facilities within said community; and to this end, desires to subject the real property described in Article II to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are intended for the mutual benefit of said property and of each owner of a portion thereof; and

WHEREAS, the Association was formed and incorporated under the laws of the State of Idaho, as a nonprofit corporation, for the purpose of exercising the powers and responsibilities of administering and enforcing the covenants, conditions and restrictions, and collecting and disbursing the assessments and charges hereinafter created;

THE ASSOCIATION HEREBY declares that the real property described in Article II of this Declaration, and such additions thereto as may hereafter be made pursuant to Article II hereof, is held and shall be held, conveyed, hypothecated, encumbered, mortgaged, leased, rented, used, managed, operated, occupied, and improved subject to the declarations, limitations, covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, and in any amendments to this Declaration as may be made from time to time, and in such other rules and regulations as are instituted pursuant to the provisions of this Declaration. All such declarations, limitations, covenants, conditions, and restrictions shall constitute covenants running with the real property described in said Exhibit A attached hereto, and such additions thereto as may be made pursuant to Article II hereof, and equitable servitudes and liens, and shall be binding upon and for the benefit of each such Lot conveyed, as that term is herein defined, and the Owner of each such Lot, and upon and for the benefit of all parties having or acquiring any right, title, interest, or estate in the Property, or any part thereof, including without limitation the heirs, executors, administrators, successors, and assigns of any such parties and all subsequent owners of all or any part of the Property.

This Amended Declaration, subject to any and all limitations herein, supersedes and replaces: the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on December 10, 2013, as instrument No. 113131949; Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on June 22, 2016, as instrument No. 2016-054702; the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on November 4, 2015, as instrument No. 2015-101904; and the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on November 2, 2016, as instrument No. 2016-106514 (collectively the "Superseded Declarations").

This Amended Declaration is made pursuant to Article XI, Section 3, respectively, of the Superseded Declarations with the approval of at least sixty percent (60%) of the Owners (as such term is defined in Section 3.13 below).

This Amended Declaration does not amend or vacate any easements or rights granted by the Declarant (as defined in the Superseded Declarations) to the Owners or the Association in the Superseded Declarations.

ARTICLE I. PROPERTY AND PURPOSE

Section 1. Covered Property.

The property subject to this Amended Declaration is legally described on the attached Exhibit A. which is made apart hereof ("**Property**"). The Property has been developed and is commonly known as the Carlton Bay Townhomes ("**Carlton Bay Townhomes**").

The Property is subject to that certain Declaration of Restrictive Covenant, recorded in the records of Ada County, Idaho, as Instrument No. 108119616. In the event of a conflict between the Declaration of Restrictive Covenant and this Declaration, this Declaration shall control.

The Property will also become subject to the terms and restrictions contained In the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County, Idaho ("**Plat**").

The Owner of a Lot as described herein shall be a Member in the Association. However, the owners of Lots in the Carlton Bay Townhomes are not members in the Carlton Bay Subdivision Homeowners' Association, Inc ("**CBHOA**").

This Declaration is for the benefit of the Association and all Owners of any portion of the Property.

Section 2. Purpose of Declaration.

The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "**Restrictions**") that will apply to the Property and use of any and all portions thereof. The Restrictions are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II. DECLARATION

The Property, and each Lot, Dwelling Unit, parcel or portion thereof, is or will in the future be held, sold, conveyed, encumbered, used, occupied and improved subject to the Amended Declaration and the Plat, and is and shall be held, sold, conveyed, encumbered, used occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof.

ARTICLE III: DEFINITIONS

Section 1. "Access Sidewalks" shall mean those sidewalks providing access between the Property and W. Carlton Bay Drive as shown on the Site Plan attached hereto as Exhibit B, which is made a part hereof ("**Site Plan**"), and further described in: (1) that certain Deed of Easement recorded In the records of Ada County, Idaho, as Instrument No. 112125468 and (2) that certain Deed of Easement recorded in the records of Ada County, Idaho, as Instrument No, 112125469.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean the Carlton Bay Townhomes Association, Inc., its successors and assigns.

Section 4. "Board" shall mean the Board of Directors of the Association.

Section 5. "Common Sidewalks" shall mean the common sidewalks as shown on the Site Plan.

Section 6. "Common Walls" shall mean the common walls separating each Dwelling Unit, including the corresponding garage.

Section 7. "Courtyard" shall mean each courtyard located on a Lot for the use and enjoyment of such Lot Owner. Courtyards are generally depicted on the Site Plan,

Section 8. "Declarant" shall mean Carlton Bay Townhomes LLC, an Idaho limited liability company, or its designated successors and/or assigns.

Section 9. "Dwelling Unit" shall collectively mean the single-family, attached townhome and corresponding garage constructed on each Lot.

Section 10. "Improvement" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, irrigation systems, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, road construction, utility improvements, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 11. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, his or her family, tenants, invitees and/or licensees, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to any portion of the Property, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 12. "Lot" shall mean any and all lots legally described on the attached Exhibit A.

Section 13. "Member" shall mean each Person holding a membership in the Association.

Section 14. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 15. "Owner" shall mean the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 16. "Person(s)" shall mean any individual, partnership, corporation or other legal entity.

Section 17. "Plat" shall mean the Carlton Bay Subdivision final plat, filed in Book 100 of Plats, at Pages 12901 through 12965, official records of Ada County, Idaho (a copy of which is attached hereto as Exhibit C and made a part hereof), as it may be amended from time to time.

Section 18. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article V.

Section 19. "Privacy Walls" shall mean the common walls separating each Courtyard.

Section 20. "Property" shall mean that certain real property legally described on the attached **Exhibit A** and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 21. "Regular Assessments" shall mean the cost of maintaining, improving, repairing, managing and operating the Access Sidewalks, Common Sidewalks, Pressurized Irrigation System, Privacy Walls, Storm Drainage System and all other exterior Improvements pursuant to Article IV, Section 3, and all other costs and expenses incurred to conduct the business and affairs of the Association, Regular Assessments shall also include reasonable operating and capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration,

Section 22. "Restrictions" shall mean the restrictions, covenants, limitations, conditions and equitable servitudes that will apply to the Property and use of any and all portions thereof as specified in this Declaration,

Section 23. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages In Regular Assessments levied against the Lot of each Owner by the Association pursuant to the terms of this Declaration or any supplemental declaration. Special Assessments shall also include reasonable capital improvement reserves held by the Association for its future use in conducting all its duties and obligations contained in this Declaration.

Section 24. "Storm Drainage System" shall mean all storm drain pipes, drainage swales mid all other storm drain facilities and equipment located on each Dwelling Unit and Lot as generally shown on the Site Plan.

ARTICLE IV: USE AND REGULATION OF USES

Section 1. Single Family Residences. Each Lot shall be used for attached, single-family town home residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Association. Lots may be used for the purposes of operating the Association and for the management of the Association.

Section 2. Home Occupations. Assuming all governmental laws, rules, regulations and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units as long as such occupations do not unreasonably interfere with any other Owner's use and enjoyment of his or her Dwelling Unit. If the Board determines, in its sole and absolute discretion, that a home occupation is unreasonably interfering with another Owner's use and enjoyment of his or her Dwelling Unit, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. In addition, the Board has established and shall have the right to further establish and enforce rules and regulations regarding home occupations, including, without limitation, the right to prohibit specific home occupations. It is each Owner's responsibility to receive, review, understand and comply with all rules and regulations regarding home occupations.

Section 3. Exterior Improvements, Uniform Appearance and Emergency Maintenance. No Owner shall install, place or remove any item or construct or remove any exterior Improvement on any Lot or the exterior of his or her Dwelling Unit without the prior written consent of the Board. In order to preserve a uniform exterior appearance of the Lots and Dwelling Units, the Association shall provide exterior maintenance and repair for standard wear and tear, upon each Lot and Dwelling Unit, including repair, replacement, and care for all Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System and all gates, fences, roofs, gutters, down spouts, exterior Dwelling Unit surfaces (siding, stucco, painting, etc.), trees, shrubs, grass, lawns, uniform landscape lighting provided by Declarant, uniform light posts provided by Declarant, and all other landscaping and all other exterior Improvements.

The cost of all the aforementioned maintenance, repair or replacement by the Association shall be paid by all Owners in the form of Assessments. Each Owner acknowledges and agrees to pay all Assessments therefore (Regular, Special and Limited) and each Owner acknowledges that certain Dwelling Unit exteriors and other Improvements will require more maintenance than others due to weather, location, and other extraneous factors. In the event that any such maintenance or repair is caused by the willful or negligent acts of an Owner or his/her family, tenants, invitees or licensees, the cost of such exterior maintenance, repair or replacement shall be treated as a Limited Assessment and charged only to said Owner. In the event that any such maintenance or repair is caused by fire, theft, or acts of God and/or other loss or damage covered by the Owner's homeowner's insurance, then the cost of such exterior maintenance shall be the responsibility of the Owner and the Owner's homeowner's insurance,

Notwithstanding the foregoing, the Association reserves the right to withhold any of the aforementioned maintenance, repair and/or replacements for any Lot or Dwelling Unit exterior until such time as the Owner of such Lot has paid all Assessments associated with such Lot. In addition, each Owner shall be responsible for maintaining, repairing, replacing and caring for his or her Courtyard interior (including all landscaping and other Improvements therein), all concrete surfaces (other than the Common Sidewalks), elevated exterior floors, balconies, windows, window framing, glass, doors and lights (other than uniform landscape lighting and uniform light posts) located on said Owner's Lot, and for electrical and mechanical door bells, knockers and other such devices located on such Owner's Lot and for any and all maintenance required for his or her Dwelling Unit interior, including, without limitation, maintaining, repairing, replacing and caring for Common Wall interiors, electrical wiring and fixtures, plumbing pipes and conduits, all fixtures and appliances, whether built-in or freestanding, air conditioning, heating, sewage disposal and interior fire protection systems, if any, and all amenities and hardware located within the interior of his or her Dwelling Units. In the event any Owner does not properly maintain, repair and/or replace his or her Courtyard interior or any other exterior item specified above, as determined by the Board in its sole discretion, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot and/or Dwelling Unit to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

In the event an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, their family, tenants, invitees or licensees, or an immediate risk of

harm or damage to any Lot, Dwelling Unit or any other part of the Property, the Board and its agents or employees, may enter any Lot and/or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Owner in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). If the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Finally, changes to (1) Dwelling Unit exterior colors, (2) roof type or color or (3) any other color, design or material to any other uniform exterior Improvement located on the Property shall require the consent of two-thirds (2/3) of the Members.

Section 4. Garage Door. To the extent possible, garage doors must remain closed at all times, but in no event shall garage doors remain open for longer than one (1) hour.

Section 5. Outbuildings. Outbuildings, Storage and other outbuildings are prohibited.

Section 6. Fences. Fencing, other than fencing provided by the original developer of the Townhomes, is prohibited unless otherwise approved by the Board in writing.

Section 7. Exterior Lighting and Light Bulbs. Exterior lighting all the Courtyards must be down lighting and positioned as to prohibit illuminating neighboring Courtyards. All lighting (other than the uniform landscape lighting and uniform light posts provided by the original developer) shall be maintained by the Owner thereof, provided, that replacements of any exterior light fixtures must be pre-approved in writing by the Board. Light bulbs shall be replaced by an Owner within seventy-two hours of failure.

Section 8. Antennas and Satellite Dishes. Antennas shall be located in the attic of a Dwelling Unit and satellite dishes must be as small as possible and must be located in areas with the least amount of visibility from all other Owners and W. Lakeland Drive.

Section 9. Storm Drainage System. Each Dwelling Unit contains a drainage pipe system and related equipment and fixtures that collects and moves water from the roof and Courtyard, under the Courtyard and garage floor, and releases it into the drainage swales as shown on the Site Plan. The Association will conduct inspections of the Storm Drainage System as needed and may access an Owner's Courtyard as needed to inspect and/or repair this Storm Drainage System. In lieu of the Association inspecting a Courtyard, an Owner may provide, at his or her own expense, written verification from a licensed home inspector stating that the portion of the Storm Drainage System located in his or her Lot is functioning properly and is no threat to the Property.

For the protection of his or her Dwelling Unit, as well as adjacent Dwelling Units, each Owner is responsible for keeping all drain inlets and pipe located in his or her Courtyard free of all debris as to not restrict water flow. If such drains or pipes will not accept Water an Owner should immediately notify the Association. An Owner will be held responsible for the costs of debris removal from the Storm Drainage System contained within such Owner's Courtyard.

The drainage swales can only be altered by the Association and can only be altered to enhance drainage. Parking within the drainage swales is strictly prohibited.

Section 10. Parking. Unless otherwise provided herein or as provided by rules or regulations adopted by the Board, Owners may park up to two operative motor vehicle(s) in their garages. The parking of inoperative motor vehicles, equipment, motor homes, campers, trailers, vehicles in excess of one ton hauling capacity, boats, recreational vehicles or any other items on the Property is strictly prohibited, unless parked within an Owner's garage; provided that loading and unloading of such vehicles, equipment or

items is allowed if such loading and unloading does not exceed two (2) hours per vehicle, per seven (7) day period.

The Board may require removal of any inoperative vehicle, unsightly vehicle, and/or any vehicle, motor home, camper, trailer, vehicle in excess of one ton hauling capacity, boat, equipment or item improperly parked or stored. If the same is not removed after one (1) day's written notice, the Board may cause removal at the risk and expense of the owner thereof. Any other item or equipment determined by the Board to be objectionable may be similarly removed.

Section 11. Mail Boxes. Mail box kiosks providing mail to all Dwelling Units have been provided by the Declarant in conjunction with the United States Postal Service. The Association shall be responsible for maintaining all kiosks.

Section 12. Courtyards. No item may be placed or stored in the Courtyards which exceeds the height of the Privacy Walls with the exceptions of (1) landscaping installed by the original developer, (2) one patio umbrella and/or (3) any item pre-approved in writing by the Board.

Section 13. Compliance with Laws. No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit which would be in violation of any laws, rules, regulations or ordinances.

Section 14, Signs. One (1) business or Owner name sign shall be allowed at the front entry of each Dwelling Unit with lettering style, size and location as pre-approved in writing by the Board. No other sign of any kind shall be displayed on any Lot or Dwelling Unit except for two signs (maximum one sign in the front of a Lot and one in the rear of a Lot) of not more than four (4) square feet each advertising a Lot/Dwelling Unit for sale or lease. The sign shall be removed within **five (5)** days following a lease or sale.

Section 15. Pets. No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit or Lot, whether as pets or otherwise, except as may be allowed by rules and regulations adopted by the Board; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs; two (2) cats; or one (1) dog and one (1) cat). The Board May at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 16. Nuisance. No noxious or offensive activity shall be carried on in any Dwelling Unit or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions of pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law, rule, regulation or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Board), flashing lights or search lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without

limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, doghouses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times, No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 17. Flood and Other Insurance. The Property currently lies within a flood plain as shown a federal flood plain map, Accordingly, each Owner must maintain AT ALL TIMES a proper flood insurance policy. Each Owner must also maintain AT ALL TIMES a homeowner's insurance policy insuring the homeowner and Dwelling Unit from loss by fire, theft, and other loss or damage. Each Owner must provide the Association with proof of this insurance, including, without limitation, all renewals thereof, If an Owner does not provide. the Association this required proof of Insurance, the Association, after ten (10) days prior written notice, may purchase such Insurance for the Owner and charge the Owner for this purchase in the form of a Limited Assessment. Nothing shall be done or kept in any Dwelling Unit or Lot which will increase the rate of the Association's or any other Owner's insurance.

Section 18. Garbage Collection. Garbage and recycle containers can be placed on the appropriate sidewalks or driveways on garbage and recycle collection days, but such containers must be removed no later than 8:00pm that evening.

Section 19. Common Sidewalk and Drainage Easements. This Amended Declaration is subject to the following easements granted and or reserved in the Superseded Declaration: (1) the Declarant's reservation for the benefit of all Owners, and their family members, tenants, invitees and licensees, of a permanent, non-exclusive access easement on, over, across and through all Common Sidewalks and adjacent benches, for access through, and the enjoyment of, the Property by such Owners and their family members, tenants, invitees and (2) Declarant's reservation and grant for the benefit of all Owners, and their invitees and licensees, a permanent, non-exclusive drainage easement on, over, across and through 1) all roofs located on the Property and 2) the Storm Drainage System, the purpose of which easement is to allow storm drainage to flow over all roofs and through the Storm Drainage System, including, without limitation, the operation, maintenance, repair and replacement of the same.

ARTICLE V: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied to, and throughout, the Property, as well as Lot 21, Block 3 and Lot 4, Block 2, as shown on the Plat, by the New Union Ditch Company Limited and/or the New Dry Creek Ditch Company, Limited (collectively "Ditch Company") utilizing a pressurized irrigation system owned by the Association and CBHOA, which may include main lines, pumps, sprinklers, sprinkling clocks, electrical components, service lines, valves, and other facilities located on the Property and Lot 21, Block 3 and Lot 4, Block 2 (collectively the "Pressurized Irrigation System"), The Association, CBHOA and/or the Ditch Company will operate, maintain, repair and/or replace this Pressurized Irrigation System.

This Pressurized Irrigation System will be run utilizing electronic sprinkling clocks. These clocks may be located on certain Lots which will access that Lot's electric meter. Owners of Lots with electronic sprinkling clocks shall be entitled to reimbursement from the Association for the electricity costs associated with operating the electronic sprinkling clocks for the benefit of the other Lots and/or Lot 21, Block 3 and Lot 4, Block 2.

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of all Lots and Lot 21, Block 3 and Lot 4, Block 2. By accepting a deed to any portion of the Property, each

Owner hereby agrees to pay its proportionate share of Assessments to the Association associated with the operation and maintenance of the Pressurized Irrigation System and covenants and agrees to hold the Association harmless from any and all liability for damages or injuries to their family members, tenants, invitees or licensees caused by the Pressurized Irrigation System.

ARTICLE VI: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.

Section 2. Voting Rights. Members shall be all Owners and shall be entitled to one vote for each Lot owned. 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 as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE VII: INSURANCE

Section 1. Insurance. The Association shall maintain in effect any insurance policy the Association deems necessary or advisable, which may include, without limitation, the following policies to the extent possible for the Association to obtain the same:

- (a) Comprehensive general liability insurance insuring the Association and its agents, employees, invitees and licensees against any liability incident to the management, maintenance and/or use of the Property, Limits on liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;
- (b) Full coverage directors' and officers' liability insurance for the Association's directors and officers with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances;
- (c) Such other insurance, including motor vehicle insurance and worker's compensation insurance, to the extent necessary to comply with all applicable laws, and indemnity, faithful performance, fidelity and other bonds as the Association 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.

Section 2. Premiums Included in Assessments. Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE VIII: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner, by acceptance of a deed to any portion of the Property, is deemed to covenant and agree to pay the Association all Regular Assessments, Special Assessments, Limited Assessments and fees as levied thereby. Regular, Special and Limited Assessments, together with fees interest, costs, late fees

and reasonable attorney's fees, shall be a continuing lien upon the Lot 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 Lot at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them. Declarant has no obligation to pay any Assessments.

Section 2. Purposes of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and for any purpose discussed herein, including, without limitation, the operation, maintenance, repair and/or replacement of the Lots, Dwelling Unit exteriors, Access Sidewalks, Common Sidewalks, Privacy Walls, the Storm Drainage System, the Pressurized Irrigation System, as well as the operation of the Association.

Section 3. Uniform Rate of Assessment. Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments: Due Dates. Regular Assessments provided for herein shall commence as to all Lots on the closing date of the sale of a Lot and Dwelling Unit from Declarant to an Owner. The first Regular Assessment for any Owner shall be pro-rated according to the number of days remaining in the calendar year corresponding to the Regular Assessment. The Board shall fix the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto at least thirty (30) days in advance of each annual Regular Assessment period. The due dates shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. 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 specific 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.

Section 5 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 date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee equal to ten (10%) of the overdue amount shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein.

Section 6. Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first Mortgage. The sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such Assessments as to payments 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.

Section 7. Purpose of Regular Annual Assessments. Regular assessments levied by the Association shall be used exclusively to defray expenses attributable to ownership, operation and furnishing of common interests by the Association, to promote the recreation, health, safety and welfare of the Members, and to defray other expenditures incurred by the Association in the performance of its duties as set forth in the Articles, this Declaration and the Association Bylaws. Annual assessments shall be levied for but not limited to the following:

- (a) Maintenance, repair and operation of the Common Areas and Facilities.

(g) A standard fidelity bond covering all members of the Board of Directors of the Association and all other employees of the Association in an amount to be determined by the Board of Directors.

Section 8. Increased Annual Assessments: The regular annual assessment shall be prescribed by the Board without a vote of the membership in accordance with the Association budget requirements, provided however that the maximum annual assessment may be increased above twenty percent (20%) of that levied for the immediately preceding fiscal year only with the approval of at least two-thirds of Association Members entitled to vote, who vote in person or by proxy at a meeting called for that purpose and/or who vote by written ballot pursuant to the Bylaws, and when a quorum is represented.

Section 9. Special Assessments: In addition to the annual assessment authorized herein the Association may levy in any assessment year a special assessment against all Owners, applicable to that year only for the purpose of defraying, in whole or in part, any inadequacy of the annual assessment, the cost of any construction or reconstruction, unexpected repair or replacement of a capital improvement upon the Common Areas and Facilities, including the necessary fixtures and personal property related thereto; provided however that if the special assessment levied to defray the costs of any action or undertaking on behalf of the Association in the aggregate exceeds Five Percent (5%) of the budgeted gross expenses of the Association for that fiscal year, such assessment may not be levied absent the approval of at least two-thirds of Association Members entitled to vote, who vote in person or by proxy at a meeting called for that purpose and/or who vote by written ballot pursuant to the Bylaws, and when a quorum is represented.

Section 10. Effect of Nonpayment of Assessment; Remedies: By acceptance of conveyance of a Lot subject to this Declaration each Lot Owner covenants and agrees to make payment to the Association of assessments levied pursuant hereto promptly as due, and further covenants and agrees to enforcement of such payment, in the event of default, by the remedies provided herein.

(a) **Late Charges And Interest:** Imposition of late charges or interest by the Association for the delinquent payment of regular and special assessments, provided however that the charges so imposed shall be equal to the greater of the following: Twenty-Five Dollars (\$25.00); or, One and One-Half Percent (1.5%) per month computed on the outstanding balance which shall include any late charges previously assessed and unpaid from month to month.

No charge may be imposed more than once for the delinquency of the same payment, provided, however, that the imposition of a late charge on any delinquent payment shall not eliminate or supersede charges imposed on prior delinquent payments. The payment of an assessment is not delinquent for the purpose of this Section until at least thirty (30) days following the due date of the assessment. When an assessment is paid more than thirty (30) days after the due date of the assessment, late charges shall accrue from the first day following the due date of the assessment.

The late charge permitted by this Section shall constitute full compensation for any additional bookkeeping, billing, or other administrative costs that may be incurred by the Association as the result of the late payment of an assessment.

(b) **Enforcement by Suit:** By commencement and maintenance of an action at law or in equity against any Owner or owners personally obligated to pay assessments, for collection of such delinquent assessments as to which they are personally obligated. Any judgment rendered hereunder shall include interest, reasonable attorneys' fees and court costs against the delinquent Owner in such amount as the Court may determine. Suit to recover judgment for unpaid assessments may be maintained without foreclosing or waiving the lien hereby created.

(c) **Enforcement by Foreclosure of Lien:** There is hereby created a claim of lien with power of sale to secure payment of any annual or special assessment levied pursuant to this Declaration

together with accrued interest, reasonable attorneys' fees and costs. Enforcement of said lien shall be in accordance with the following procedures and the laws of the State of Idaho:

(i) Said lien shall attach to an individual Lot upon recordation by the Association in the Office of the County Recorder of Ada County, Idaho, of the notice of default and claim of lien which shall be executed and acknowledged by any officer of the Association and set forth the name of the defaulting Owner, the amount of the assessment and the other charges properly levied hereunder, the description of the Lot assessed; that the notice of default and claim of lien is made by the Association pursuant to this Declaration; and that a lien is claimed and will be foreclosed against the Lot in an amount equal to the amount stated.

(ii) Upon recordation of a duly executed original or copy of each notice of default and claim of lien, and mailing a copy thereof to the defaulting Owner, first class, postage prepaid, said lien shall immediately attach and become effective. Any such lien may be foreclosed by appropriate action in Court or in the manner provided by law for the foreclosure of a Deed of Trust by exercise of a power of sale contained therein or in the manner provided by law for the enforcement of a judgment; provided, however, that initiation of such foreclosure shall not be commenced prior to fifteen (15) days following delivery to the Lot Owner a copy of such notice of default and claim of lien. Any action brought to foreclose such lien shall be commenced within one (1) year following such recordation; provided, however, that said period may be extended by the Association for a period not to exceed one (1) additional year by recording a written extension thereof.

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

(iv) The proceeds of any foreclosure, trustee's or judgment sale provided for in this Declaration shall first be paid to discharge court costs, Court Reporter charges, reasonable attorneys' fees, title costs, and costs of the sale, and all other expenses of the proceedings and sale, and the balance of the proceeds, after satisfaction of such charges and unpaid assessments hereunder or any liens, shall be paid to the defaulting Owner. The purchaser at any such sale shall obtain title to the Lot free from the sums claimed, but otherwise subject to the provisions of this Declaration, the Bylaws, and the Rules and Regulations; and no such sale or transfer shall relieve such Lot or the purchaser thereof from liability for any assessments, other payments, or performances thereafter becoming due, or from the lien therefore as provided for herein.

(v) Upon the timely curing of any default for which a notice or claim of lien was filed by the Association, the officers are hereby authorized to record an appropriate release of such lien in the Office of the County Recorder of Ada County, Idaho.

No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or by abandonment of his Lot. The lien for assessments provided for herein shall be subordinate to the lien of any first mortgage or first Deed of Trust placed upon the Subdivision interests of the Owner. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to the exercise of a power of sale in any such first mortgage or trust deed or of judicial foreclosure of the first mortgage or trust deed shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer of the Subdivision interest as the result of a foreclosure or exercise of a power of sale shall relieve the new Owner(s) whether it be the former beneficiary of first encumbrance or another person, from liability for any assessments thereafter becoming due or from any lien thereof.

(d) Suspension: No Member shall be entitled to vote or be counted for purposes of a quorum unless they are then current in the payment of assessments which have been levied by the Association. Additionally, during any period in which an Owner shall be in default in the payment of any assessment levied by the Association, the Owner's rights as a member of the Association may be suspended, provided however that the Association shall have no right to interfere with an Owner's right of ingress to or egress from his Lot.

All rights and remedies granted to the Association in this Section shall be cumulative and the exercise of one or more rights or remedies shall not constitute a waiver or election preventing the use of other rights or remedies. The Association shall be entitled to collect from a default Owner all costs and attorneys' fees incurred in connection with pursuing the collection of said assessment and/or the enforcement of said lien.

ARTICLE IX: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board. The Board, for the benefit of the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles, by-laws and this Declaration, and may acquire and pay for as part of Regular Assessments, all goods and services requisite for the proper functioning of the Association and the Property, including, but not limited to, the following:

- (a) Operation, maintenance and management of the Property as detailed herein.
- (b) Policies of insurance as determined by the Board; provided that, each Owner shall be responsible for his or her own flood, property and casualty and general liability insurance for him or her and his or her respective Lot and Dwelling Unit.
- (c) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property,
- (d) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.
- (e) Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Dwelling Units or their Owners, the cost thereof shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.
- (f) Maintenance and repair of any Lot or Dwelling Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner of said Lot or Dwelling Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner, provided that the Board shall levy a Limited Assessment against the Lot and Dwelling Unit of such Owner for the cost of such maintenance or repair.
- (g) Payment of any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and

expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Dwelling Units responsible to the extent of their responsibility.

Notwithstanding the foregoing, the Board shall not make any non-budgeted expenditure in excess of \$2,500 without the approval thereof by two-thirds (2/3) of the Members voting thereon at a meeting called for such purpose, except for an emergency threatening any Owner or any portion of the Property,

Section 2. Easement. The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot (including the corresponding Dwelling Unit) for the purposes of performing repairs, maintenance and care of the Property as provided herein and for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Inspections/Entry for Repairs. The Board shall have the right to inspect any Lot Improvement and/or Dwelling Unit exterior at any reasonable time it deems appropriate. In addition, in the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Owners, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees may enter any Lot or Dwelling Unit to make repairs or perform maintenance. Such entry shall be repaired by the Board and paid for by Assessments levied against the Owners (unless the emergency was caused by an Owner, his or her family, tenants, invitees or licensees, in which case the cost shall be treated as a Limited Assessment and charged only to that Owner). In addition, if the repairs or maintenance were requested by an Owner, the costs thereof shall be treated as a Limited Assessment to such Owner.

Section 4. Non-Waiver. The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, the Plat, or the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term or Restriction, but such term or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 5. Limitation of Liability. Neither the Board nor Declarant shall be liable for any failure of any utility or other service to be obtained and paid for by the Board and/or Declarant, or for injury or damage to a Person or property caused by the elements, or by any Owner or other Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of Assessments shall be claimed or allowed for inconveniences or discomfort arising from the linking of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority.

Section 6. Indemnification of Board Members. Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorney's fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful.

Section 7. Rules and Regulations/Retention of Third Parties Including Declarant.

The Board shall have the absolute right to adopt any rules, regulations, or policies it deems to be in the best interest of the Property and/or the Owners. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties (including Declarant) to operate, maintain and manage the Association, including, to perform any right, duty or obligation of the Board or Association as contained herein. In the event the Board retains the services of Declarant to perform property management or other services, the Declarant shall be entitled to reasonable compensation for such services.

Section 8. Borrowing Money. The Board shall have the right to borrow money from Declarant or any other third party upon such commercially reasonable terms as determined by the Board.

ARTICLE X: ARCHITECTURAL REVIEW

Section 1. Charter of the Board. As it relates to architectural review, the Board is to represent the collective interests of all Owners, and to help Owners wishing to make minor exterior Improvements and/or alterations. The Board shall not approve exterior Improvement additions, removals or any other modifications which materially alter the uniform appearance of the Lots, Dwelling Unit exteriors or any other uniform Improvements constructed/provided by Declarant, without the consent of two-thirds (2/3) of the Members. Each Owner is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including the standards and process of architectural review and approval.

Section 2. Architectural Control. No exterior Improvement, including, without limitation, Dwelling Unit exterior modifications, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Board and same has been approved in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other Dwelling Units or residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said Dwelling Units.

Section 3. Review of Proposed Improvements. The Board shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration and perform such other duties from time to time as it or the Declarant may deem advisable, including the inspection of construction in progress. The Board may condition its approval of proposals upon the agreement, of the Owner to (1) an additional assessment for the cost of maintenance, (2) the payment of an architectural review processing fee, (3) deposit with the Association a construction completion deposit and/or (4) purchase payment and/or performance bonds, The requirements of numbers 3 and 4 in the previous sentence are to ensure the completion of construction by an Owner. The Board may require submission of additional plans or review by a professional architect. The Board may issue design guidelines and guidelines setting forth procedures for the submission of plans for approval. The Board may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Board of any required plans and specifications the Board may postpone review of plans. Decisions of the Board and the reasons therefor shall be transmitted by the Board, in writing, to the applicant at the address set forth in the application for approval within thirty (30) *days* after filing *all* materials required by the Board, If the Board has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved,

Section 4. Inspection of Approved Improvements. Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Board.

(b) Within sixty (60) days thereafter, the Board, or its duly authorized representative, may inspect such Improvement. If the Board finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of *this* Declaration by proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 5. Review of Unauthorized Improvements. The Board may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Board or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Board finds that the work is in noncompliance with this Declaration and/or its standards or guidelines, it shall notify the Owner in writing of such noncompliance and its request to remedy such noncompliance.

(c) If the Owner has not remedied such noncompliance within a period of not more than ten (10) days from his or her receipt of the noncompliance notice, then the Board may, at its option, exercise its right to enforce the provisions of this Declaration by a proceeding at law or in equity on behalf of the Association and/or correcting such noncompliance itself, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XI: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant and/or any Owner shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or by any Owner to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The Association has the power to adopt a policy or policies concerning the imposition of fines or penalties to be charged to Members for violations of the Declaration or other rules and regulations adopted by the Association.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by Judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms 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. This Declaration

may be amended by the vote and consent of two-thirds (2/3) of the Members. Amendments shall be in the form of supplemental declarations and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation. Additional residential property not currently a part of the Carlton Bay Townhomes may be annexed into the Property by the affirmative vote and consent of two-thirds (2/3) of the Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

Section 5. Duration and Applicability to Successors. The terms and Restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Lot Owners and their successors in interest.

Section 6. Attorney's Fees. In the event it shall become necessary for the Association, Declarant or any Owner to retain legal counsel to enforce any term or Restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

Section 8. Conflicts. In the event of any inconsistency between the Bylaws or the Articles and this Declaration, the Declaration shall control.

IN WITNESS WHEREOF the undersigned (i) certify and attest that, pursuant to Article 11, Section 3 of the respective Superseded Declarations, the foregoing AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CARLTON BAY TOWNHOMES has been approved by at least sixty percent (60%) of those members present or represented by ballot or proxy at a meeting of the membership held on May 20th - 2019 which was scheduled for the purpose of considering such amendments, at which a quorum was present, and (ii) execute this Declaration effective the 20th day of May 2019.

CARLTON BAY TOWNHOMES ASSOCIATION, INC.

By: Doreen J. Lukhart
Doreen J. Lukhart President

By: JENNIFER M KAU
Jennifer M Kau Secretary

Exhibits

Exhibit A – Legal Description

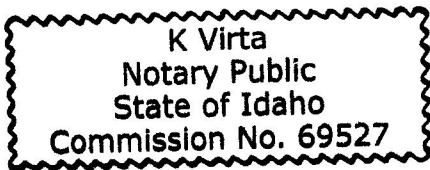
Exhibit B – Site Plan


Exhibit C – Plat

STATE OF IDAHO,)
(ss
County of Ada .)

On this 22nd day of May, 2019, before me, K Virta,
a Notary Public in and for said State, personally appeared Darun J Lukenhart,
PRESIDENT of Carlton Bay Townhomes Association, Inc., known or identified to me to be the
person whose name is subscribed to the within instrument and acknowledged to me that he/she
executed the same for and on behalf of said corporation.

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

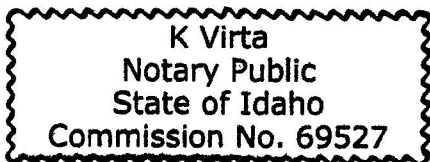



NOTARY PUBLIC FOR IDAHO
Residing at: Eagle, ID
My Commission Expires: 03/13/2023

STATE OF IDAHO,)
(ss
County of Ada .)

On this 22nd day of May, 2019, before me, K Virta,
a Notary Public in and for said State, personally appeared Jennifer M. Kau,
SECRETARY of Carlton Bay Townhomes Association, Inc., known or identified to me to be the
person whose name is subscribed to the within instrument and acknowledged to me that he/she
executed the same for and on behalf of said corporation.

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




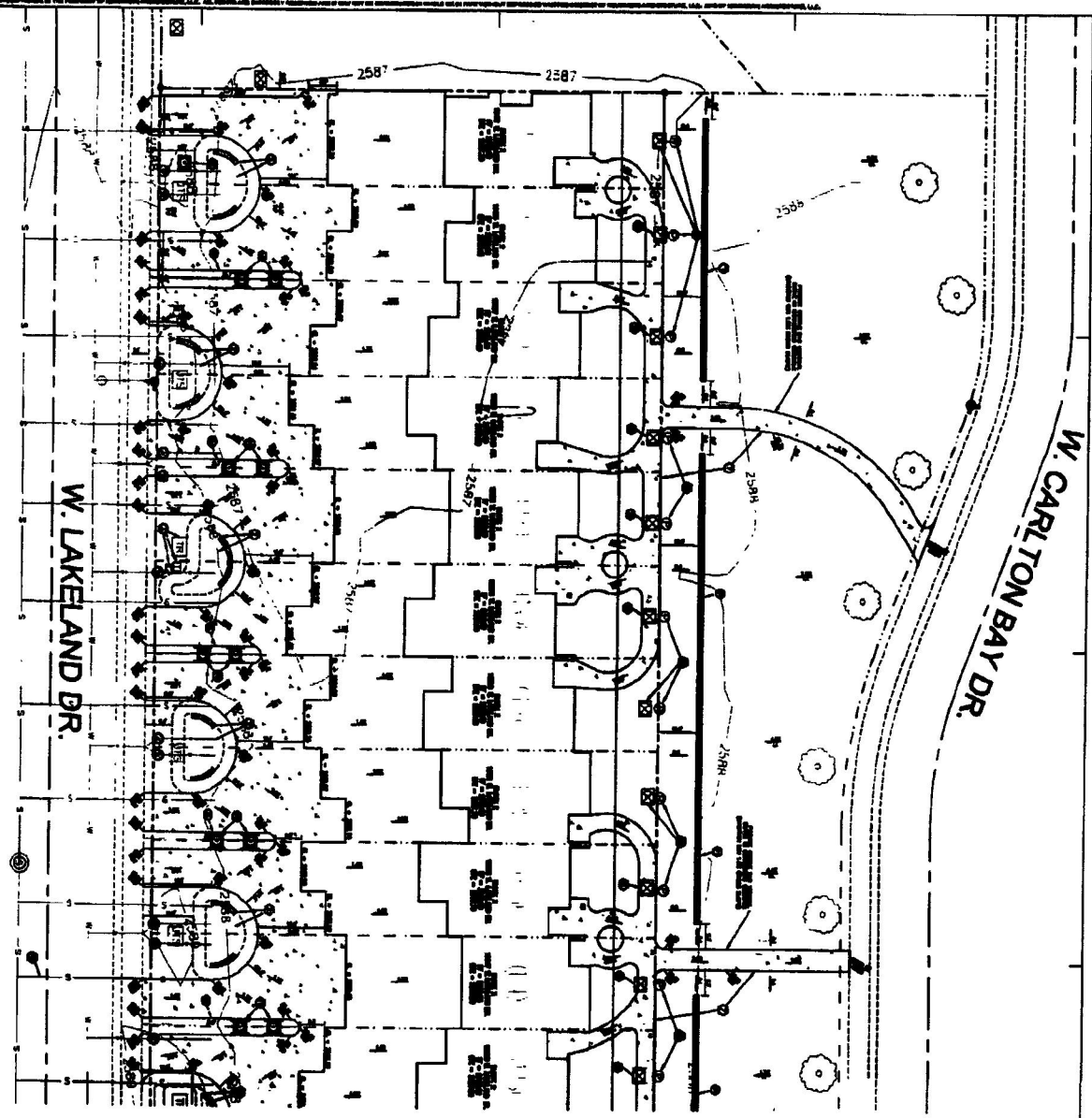

NOTARY PUBLIC FOR IDAHO
Residing at: Eagle, ID
My Commission Expires: 03/13/2023

Exhibit A – Legal Description

Lots 1-20, Block 3, Carlton Bay Subdivision, according to the official plat thereof, filed in Book 100 of Plats, at Pages 12901 through 12905, official records of Ada County.

Exhibit B – Site Plan

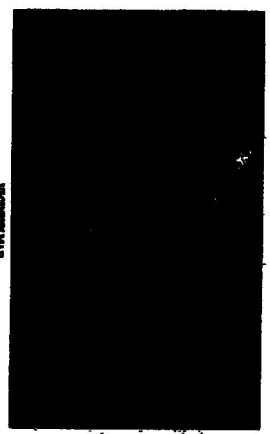
S.21 Sit Plan



SEE SHEET C2

SEE SHEET C2

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Professional seals and stamps for the project, including a date stamp '10/1/2011' and a signature area.

For Permit
 C-1



SOLITUDE HOMES
CARLTON BAY TOWNHOMES
 1001 - 1001 1/2 Lakeland Dr. / Carlton Bay Dr. / Carlton Bay, BC

ROCK SOLID CIVIL
 100 E. Main Ave. #200
 Victoria, BC V8V 2E2
 (250) 383-1111

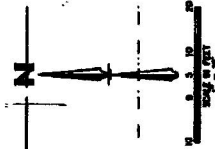
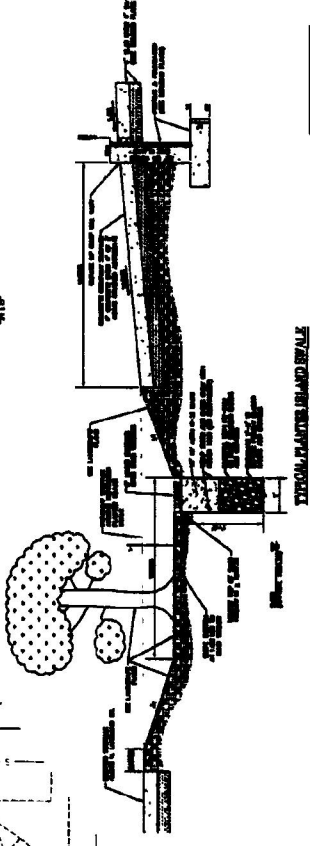
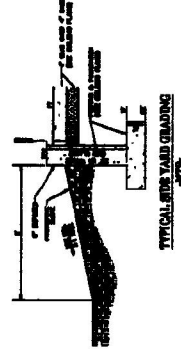
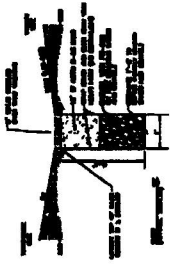
neUdesign
 ARCHITECTURE
 100 E. Main Ave. #200
 Victoria, BC V8V 2E2
 (250) 383-1111



DATE: 11/15/11
 PROJECT: CARLTON BAY TOWNHOMES
 SHEET: C-2
 FOR PERMIT

NOTES:

1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE IBC AND ALL APPLICABLE LOCAL ORDINANCES.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS FROM THE LOCAL JURISDICTION.
3. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
4. ALL UTILITIES SHALL BE LOCATED AND DEPTH MARKED PRIOR TO CONSTRUCTION.
5. THE CONTRACTOR SHALL PROTECT ALL EXISTING UTILITIES AND STRUCTURES.
6. ALL MATERIALS AND WORKMANSHIP SHALL BE SUBJECT TO INSPECTION AND APPROVAL BY THE LOCAL AUTHORITY.
7. THE CONTRACTOR SHALL MAINTAIN PROPER RECORDS OF ALL CONSTRUCTION ACTIVITIES.
8. ALL DISTURBED AREAS SHALL BE RESTORED TO ORIGINAL OR BETTER CONDITION.
9. THE CONTRACTOR SHALL MAINTAIN PROPER EROSION CONTROL MEASURES THROUGHOUT CONSTRUCTION.
10. ALL CONSTRUCTION SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
11. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY INSURANCE COVERAGE.
12. ALL MATERIALS SHALL BE STORED PROPERLY ON-SITE.
13. THE CONTRACTOR SHALL MAINTAIN PROPER SAFETY MEASURES THROUGHOUT CONSTRUCTION.
14. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE IBC AND ALL APPLICABLE LOCAL ORDINANCES.
15. THE CONTRACTOR SHALL MAINTAIN PROPER RECORDS OF ALL CONSTRUCTION ACTIVITIES.
16. ALL DISTURBED AREAS SHALL BE RESTORED TO ORIGINAL OR BETTER CONDITION.
17. THE CONTRACTOR SHALL MAINTAIN PROPER EROSION CONTROL MEASURES THROUGHOUT CONSTRUCTION.
18. ALL CONSTRUCTION SHALL BE COMPLETED WITHIN THE SPECIFIED TIME FRAME.
19. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY INSURANCE COVERAGE.
20. ALL MATERIALS SHALL BE STORED PROPERLY ON-SITE.



W. CARLTON BAY DR.

N. KILISUT AVE.

W. LAKELAND DR.

SEE SHEET C1

SEE SHEET C1

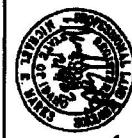
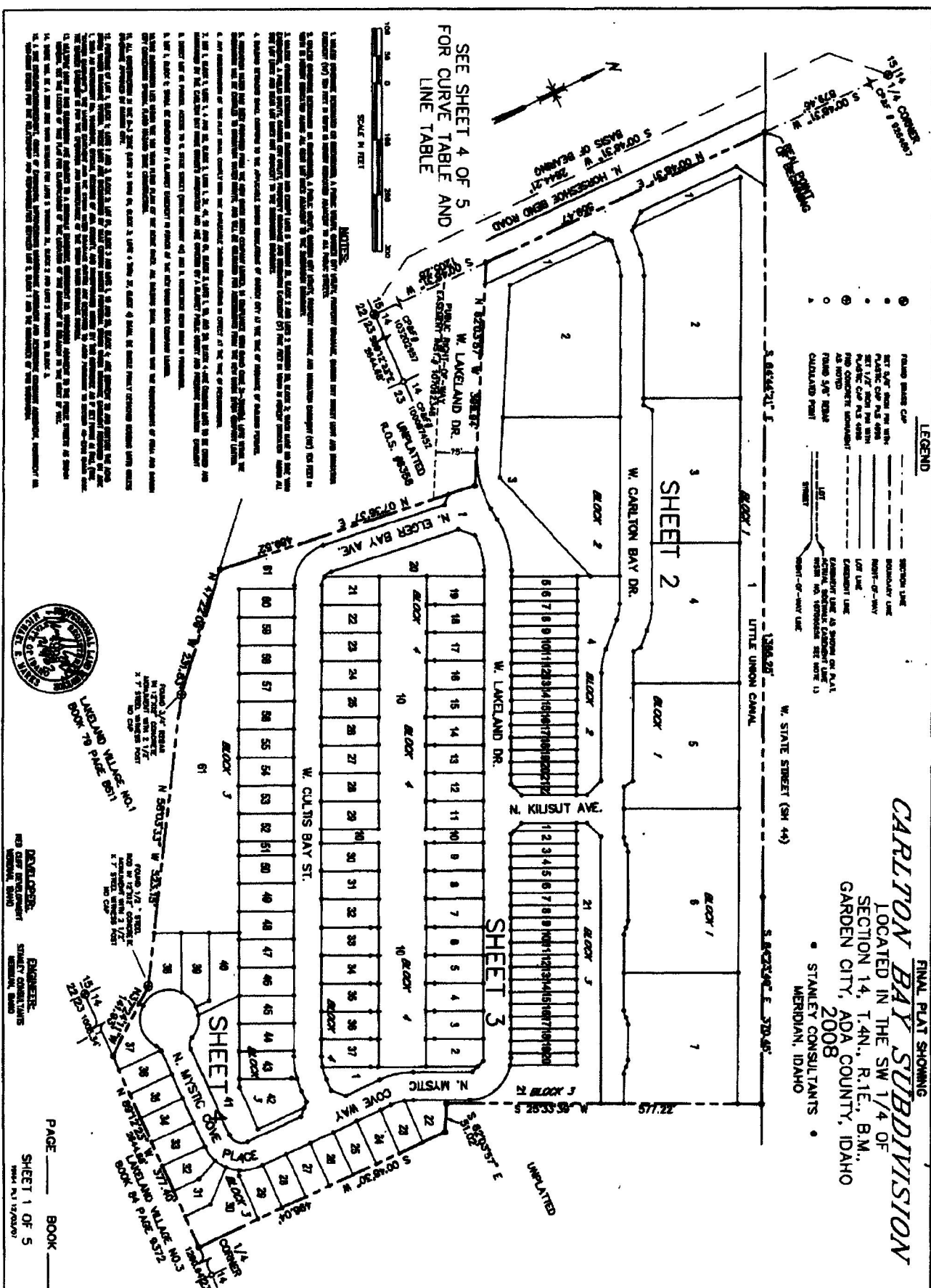
Exhibit C – Plat

CARLTON BAY SUBDIVISION

FINAL PLAT SHOWING
LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008
STANLEY CONSULTANTS
MERIDIAN, IDAHO

LEGEND

| | | | |
|---|-------------------------|---|----------------------------------|
| ● | ROAD GRADE CAP | — | SECTION LINE |
| ○ | SET BACK FROM THE | — | BOUNDARY LINE |
| ○ | PLASTIC CAP FOR 4" DIA | — | RIGHT-OF-WAY |
| ○ | SET 1/2" CAP FOR 4" DIA | — | LEFT LINE |
| ○ | NO CONCRETE TYPING | — | FRONTLINE LINE |
| ○ | AS NOTED | — | REARLINE LINE AS SHOWN ON P.L.T. |
| ○ | ROAD 5/8" REAR | — | REARLINE LINE AS SHOWN ON P.L.T. |
| ○ | OUTLINED POINT | — | REARLINE LINE AS SHOWN ON P.L.T. |
| ○ | | — | REARLINE LINE AS SHOWN ON P.L.T. |



DEVELOPER: RED CREEK DEVELOPMENT COMPANY, INC.
ENGINEER: STANLEY CONSULTANTS, MERIDIAN, IDAHO

PAGE: _____ BOOK: _____
SHEET 1 OF 5
DATE: 11/12/2008

BK 100 Pg 12902

CARLTON BAY SUBDIVISION

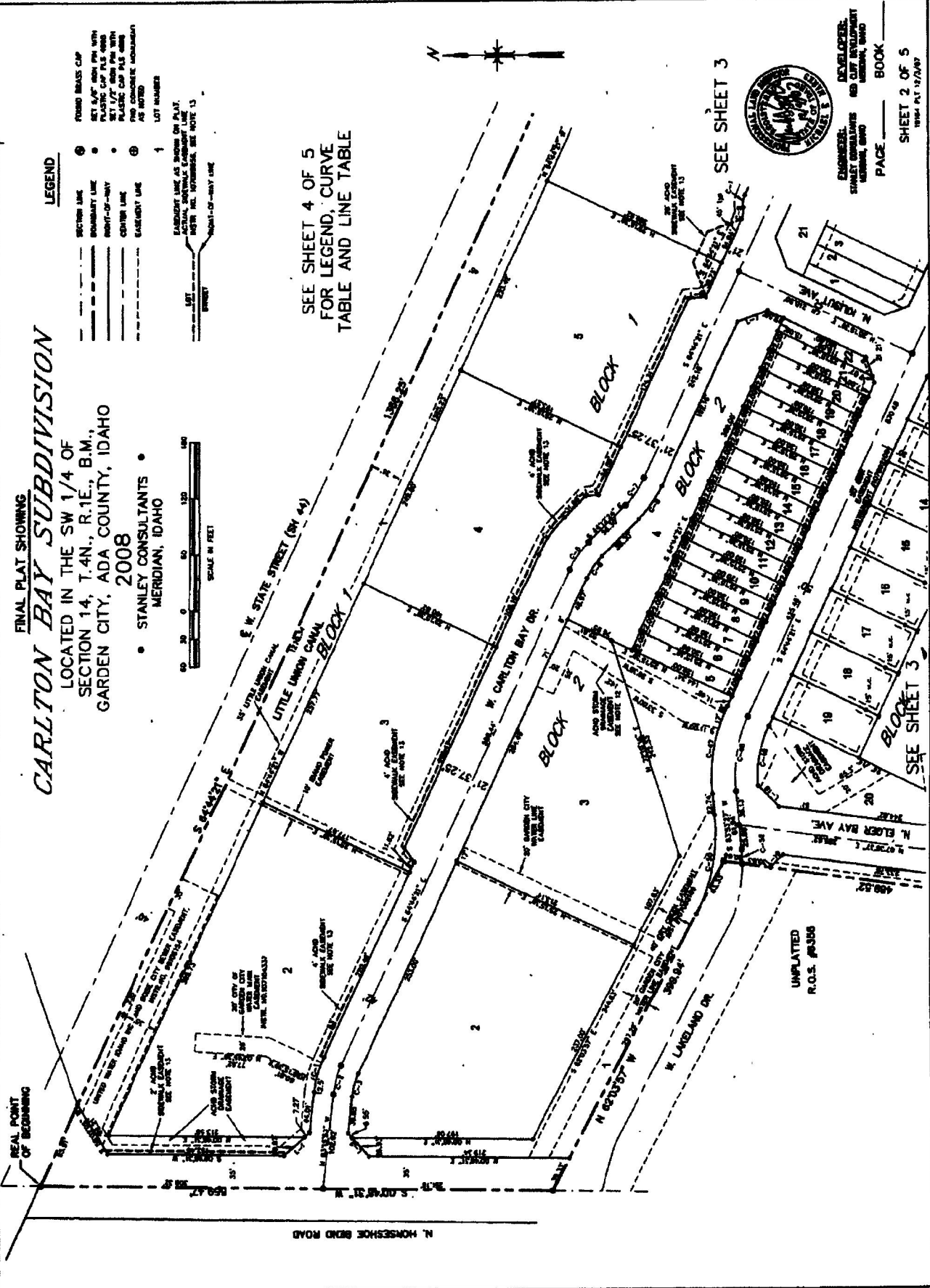
FINAL PLAT SHOWING
LOCATED IN THE SW 1/4 OF
SECTION 14, T.4N., R.1E., B.M.,
GARDEN CITY, ADA COUNTY, IDAHO
2008
STANLEY CONSULTANTS
MERIDIAN, IDAHO

LEGEND

- SECTION LINE
- BOUNDARY LINE
- RIGHT-OF-WAY
- CENTER LINE
- EASEMENT LINE
- LOT NUMBER
- EASEMENT LINE AS SHOWN ON PLAT
ACTUAL, SHOWN IN EASEMENT LINE
NOTE THE IMPROVEMENT SEE NOTE 13
- RIGHT-OF-WAY LINE



SEE SHEET 4 OF 5
FOR LEGEND, CURVE
TABLE AND LINE TABLE



ENGINEER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

DEVELOPER:
STANLEY CONSULTANTS
MERIDIAN, IDAHO

PAGE _____ BOOK _____

SHEET 2 OF 5
ISSUED MAY 12/2007

SEE SHEET 3

SEE SHEET 3

BL 100 P 1A903

FINAL PLAT SHOWING

CARLTON BAY SUBDIVISION

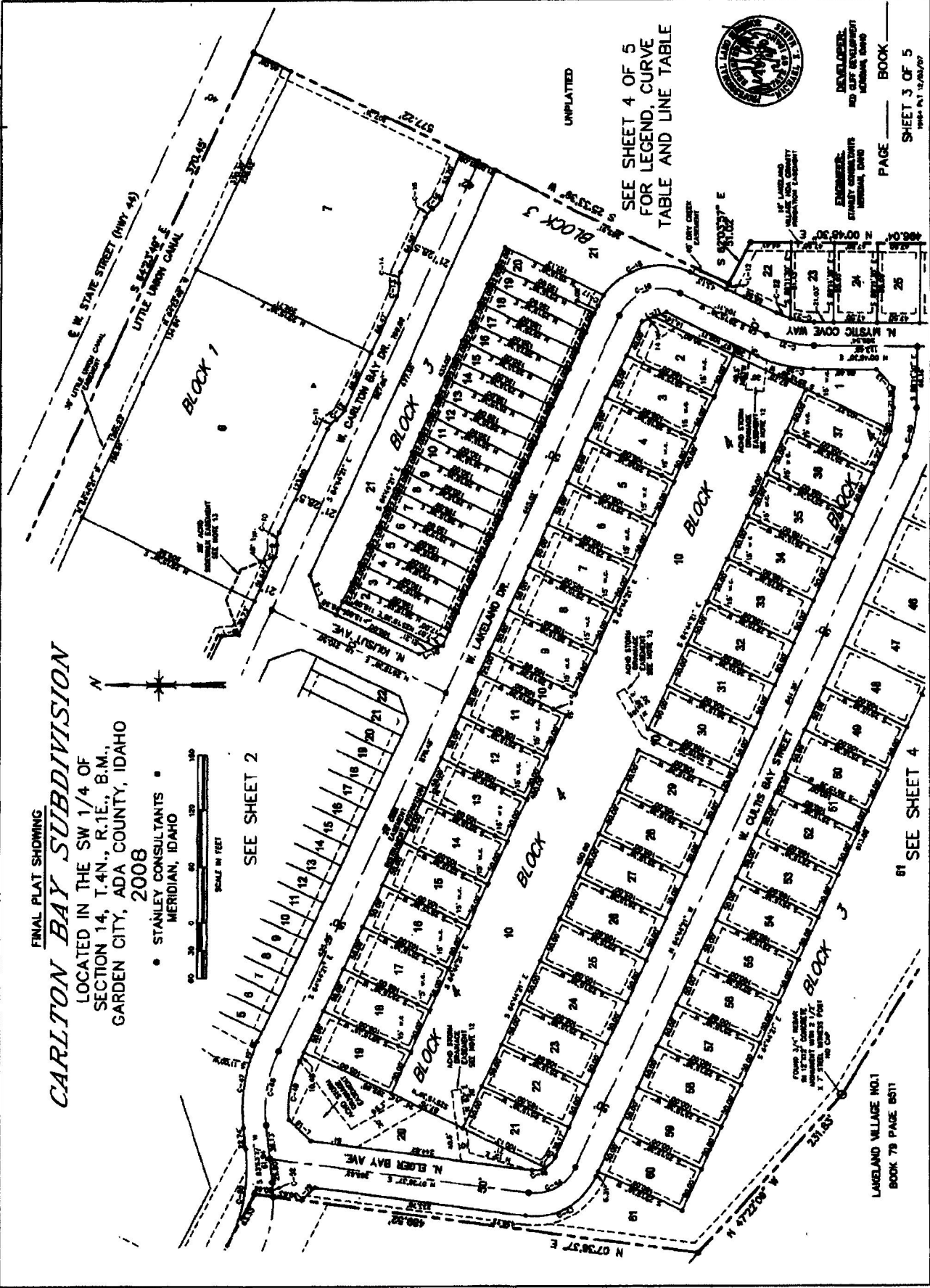
LOCATED IN THE SW 1/4 OF SECTION 14, T.4N., R.1E., B.M., GARDEN CITY, ADA COUNTY, IDAHO

• STANLEY CONSULTANTS
MERIDIAN, IDAHO



SEE SHEET 2

SEE SHEET 4



UNPLATTED

SEE SHEET 4 OF 5 FOR LEGEND, CURVE TABLE AND LINE TABLE



DEVELOPER: RED OXF DEVELOPMENT MERIDIAN, IDAHO
ENGINEER: STANLEY CONSULTANTS MERIDIAN, IDAHO

PAGE BOOK

SHEET 3 OF 5
1998 JAN 12/20/07

LAKELAND VILLAGE NO.1
BOOK 79 PAGE 8811

CORRECTION TO THE AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CARLTON BAY TOWNHOMES

This Correction to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes (this "**Correction**") is made effective this 20 day of October, 2021, by Carlton Bay Townhomes Association, Inc. (the "**Association**"), an Idaho non-profit corporation.


WHEREAS, the Association caused to be recorded the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Carlton Bay Townhomes on May 30, 2019, Ada County Recorder's Office Instrument No. 2019-045560 (the "**Amended Declaration**"); and


WHEREAS, the purpose of the Amended Declaration was to amend, replace, and supersede: the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on December 10, 2013, as instrument No. 113131949; Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on June 22, 2016, as instrument No. 2016-054702; the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on November 4, 2015, as instrument No. 2015-101904; and the Declaration of Covenants, Conditions, and Restrictions for Carlton Bay Townhomes, recorded on November 2, 2016, as instrument No. 2016-106514 (collectively the "**Superseded Declarations**").

WHEREAS, this Correction is being recorded to certify that the Amended Declaration was approved by an excess of 2/3 of the Members (as defined in the Superseded Declarations) by a vote of the Members of the Association on May 20, 2019.

IN WITNESS WHEREOF the undersigned (i) certify and attest that, pursuant to Article 11, Section 3 of the respective Superseded Declarations, the Amended Declaration was approved by at least two-thirds (2/3rds) of the members (either in person or represented by ballot or proxy) at a meeting of the membership held on May 20, 2019, which was scheduled for the purpose of considering such Amended Declaration, at which a quorum was present, and (ii) execute this Correction retroactively effective the 20th day of May, 2019.

CARLTON BAY TOWNHOMES ASSOCIATION, INC.

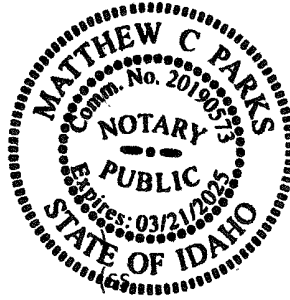
By: 
Jaelyn Lukehart, President

By: 
Brent J. Curry, Secretary

STATE OF IDAHO,)
(ss
County of Ada)

On this 20 day of October, 2021, before me, Matthew Parks,
a Notary Public in and for said State, personally appeared Daryn Lukehart,
PRESIDENT of Carlton Bay Townhomes Association, Inc., known or identified to me to be the
person whose name is subscribed to the within instrument and acknowledged to me that he/she
executed the same for and on behalf of said corporation.

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

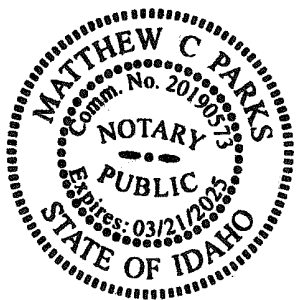


Matthew Parks
NOTARY PUBLIC FOR IDAHO
Residing at: Boise ID
My Commission Expires: 3/21/2025

STATE OF IDAHO,
County of Ada)

On this 20 day of October, 2021, before me, Matthew Parks,
a Notary Public in and for said State, personally appeared Brent Curry,
SECRETARY of Carlton Bay Townhomes Association, Inc., known or identified to me to be the
person whose name is subscribed to the within instrument and acknowledged to me that he/she
executed the same for and on behalf of said corporation.

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



Matthew Parks
NOTARY PUBLIC FOR IDAHO
Residing at: Boise ID
My Commission Expires: 3/21/2025