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MASTER DECLARATION
OF
COVENANTS, RESTRICTIONS, AND CONDITIONS
OF
OLYMPUS HEIGHTS PLANNED UNIT DEVELOPMENT

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DECLARATION is made this 25th day of August, 1986, by Billy B. Isley, dba ISLEY INVESTMENTS, hereinafter referred to as Declarant.

RECITALS

1. Declarant is the owner of a 42.5 acre tract of real property located within the incorporated city boundary of Pocatello, Idaho, said tract is legally described in Exhibit A.
2. On April 17, 1986 the Pocatello City Council approved the Olympus Heights Planned Unit Development hereinafter referred to as Olympus Heights or the Property.
3. Olympus Heights consists of single family residential areas, commercial areas, common areas, high density residential areas and single family manufactured housing residential areas.
4. This declaration shall not apply to the commercial area or common areas except where specific inclusion of those areas is stated in this declaration and then only to the extent specifically stated.
5. This declaration and the conditions herein shall not attach to the property described in Exhibit A unless and until a plat is recorded as part of the Olympus Heights PUD as the same may be amended.
6. There will be a system of self government by owners of Olympus Heights as a whole, hereinafter referred to as the Association, and by owners of the different areas, hereinafter referred to as Sub-Associations. While sub-associations may promulgate certain policies and make certain decisions relating to their certain areas, the ultimate management responsibilities shall rest with the Association.
7. Olympus Heights is contiguous to Surrey Ridge and Surrey Ridge 1st Addition Subdivisions. It is Declarant's desire to encourage the property owner's of those areas to join the Olympus Heights Homeowner's Association.

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WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in Bannock County, State of Idaho, hereinafter referred to as "the properties", more particularly described as follows:

SURREY RIDGE 2ND ADDITION, a subdivision according to the official plat thereof, recorded as instrument number 778745, book 11, page 58 on the 22nd day of August, 1986, records of Bannock County, Idaho, as shown in Exhibit B; and;

WHEREAS, Declarant desires to subject the above described properties to certain protective covenants, conditions, restrictions, reservations, easements, liens and charges for the benefit of the properties and their present and subsequent owners as hereinafter specified, and will convey the properties subject thereto;

NOW, THEREFORE, Declarant hereby declares that all of the properties above described shall be held, sold and conveyed upon and subject to the easements, conditions, covenants, restrictions and reservations hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of, and which shall run with the properties and be binding on all parties now or hereafter having any right title or interest therein or to any part thereof, and shall inure to the benefit of each owner thereof.

FURTHER, this Master Declaration shall not be construed as to prevent or limit Declarant's right to maintain model homes, conduct sales and development activities, nor to post signs incidental to construction, sales or leasing.

ARTICLE I

DEFINITIONS

AECC: The Architectural and Environmental Control Committee.

AECC RULES AND STANDARDS: The Rules and Standards promulgated by the AECC as described herein.

ARCHITECTURAL AND ENVIRONMENTAL CONTROL COMMITTEE: That committee created pursuant to Article VIII hereof and referred to as the AECC with power to approve, disapprove and correct the construction, alteration, modification, destruction or removal of any improvements on Olympus Heights.

ASSESSMENTS: Those payments required of Association members and Sub-Association members including both regular, special and limited assessments.

ASSOCIATION: Shall mean and refer to Olympus Heights Home-owners Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

BENEFICIARY: A mortgagee under a mortgage or beneficiary under a deed of trust, as the case may be, and or the assignees of such mortgage, beneficiary or holder, which mortgage or deed of trust encumbers parcels or real property on Olympus Heights.

BOARD: The Board of Directors and Managers of the Association.

BYLAWS: The Bylaws of the Association which have been or shall be adopted by the Board.

COMMON AREA: Shall mean all real property and improvements thereon (including private streets, drives, parking areas and recreational facilities) owned by the Association for the common use and enjoyment of the Owner's. The Common Area to be owned by the Association at the time of conveyance of the first lot is Lot 1 in Block 2 of SURREY RIDGE 2ND ADDITION.

DECLARANT: Shall mean and refer to the undersigned, his successors, heirs and assigns, if such successors, heirs or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development as part of the Olympus Heights PUD.

DECLARATION: Shall mean and refer to the Master Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the office of the County Recorder of Bannock County, State of Idaho.

DWELLING: Means that portion or part of any structure intended to be occupied by one family as a dwelling unit, together with the vehicular parking garage next thereto, and all projectures therefrom.

FIRST MORTGAGEE: Shall mean any Mortgagee, as defined herein possessing a lien on any Dwelling first and prior to any other Mortgage.

INSTITUTIONAL HOLDER: Shall mean a Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, or any federal or state agency.

LIENHOLDER: A mortgagee or beneficiary of a Deed of Trust encumbering parcels of real property on Olympus Heights.

LOT: A portion of Olympus Heights which is a legally described parcel of real property or is designated as a Lot on any

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recorded subdivision plat. Lot shall not include any Common Area or Recreational Area. However, easements reserved or granted by Declarant for use of certain real property may include portions of certain lots.

MAINTENANCE AREAS: Are designated landscaped areas that are to be maintained by the Association.

MEMBER: Any person who is an owner of a lot or unit on Olympus Heights is a member of the Association. Any person who is an owner of a lot or unit on Olympus Heights subject to a Supplemental Declaration which applies to a certain tract is also a member of that Sub-Association provided for in such Supplemental Declaration.

MORTGAGE: Shall mean any mortgage, deed of trust or other security instrument by which a Dwelling or any part thereof is encumbered.

MORTGAGEE: Shall mean any person or any successor to the interest of such person named as the mortgagee, trust beneficiary of creditor under any mortgage, as mortgage is defined herein.

OWNER: Shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

PROPERTIES: Shall mean and refer to that certain real property hereinbefore described, Surrey Ridge 2nd Addition at the time of initial recording of this document, and to any other properties which may be annexed to said property under the terms set forth in this document.

STANDING COMMITTEES: Those committees made up of Association members which report to the Board, as a minimum there will be the AECC, the finance committee and the capital improvements committee.

SUPPLEMENTAL DECLARATIONS: Any declaration of covenants, conditions and restrictions which may be recorded by Declarant pursuant to provisions of this Master Declaration applicable to certain individual tracts.

ARTICLE II

PROPERTY RIGHTS

Section 1: Enjoyment of Common Area. Each Owner shall have a right and easement of enjoyment in and to the Common Areas, and

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such easement shall be appurtenant to and shall pass with the title to every lot, subject, however, to the following provisions:

- A. The right of the Association to charge reasonable maintenance and other fees for the use and maintenance of any landscaping improvement or facility situated upon the Common Areas;
- B. The rights of the Association, in Accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities; and, in aid thereof, to place a mortgage or trust deed thereon, which shall be a first and prior lien thereagainst;
- C. The right of the Directors of the Association to promulgate reasonable rules and regulations governing such right of use, from time to time, in the interest of securing maximum safe usage of such Common Area by the members of the Association without unduly infringing upon the privacy or enjoyment of the Owner or occupant of any part of said property, including, without being limited thereto, rules restricting persons under or over designated ages from using certain portions of said property during certain times; and reasonable regulations and restrictions regarding vehicle parking.

Section 2: Delegation of Use. Any member may delegate, in accordance with the rules and regulations adopted from time to time by the directors, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers, provided they reside on the property.

Section 3: Parking Rights. Any automobile or other vehicle used by any Owner shall be in the driveway or garage on his lot. All parking spaces situated in any Common Area are reserved for guests and are not intended for the use of the owners for their own vehicles.

ARTICLE III

MEMBERSHIP

Every Owner of a lot which is subject to assessment shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the payment of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. Such ownership shall be the sole quali-

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fication for membership and shall automatically commence upon a person becoming such Owner and shall automatically terminate and lapse when such ownership in said property shall terminate or be transferred.

ARTICLE IV

VOTING RIGHTS

The Association shall have two classes of voting membership:

CLASS A: Class A members shall be all Owners, with the exception of the Declarant, unless Declarant is also an owner resident, 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 vote be cast with respect to any one lot. Fractional votes shall not be allowed. The vote applicable to any said lot being sold under contract of purchase shall be exercised by the contract purchaser, unless the contract expressly provides otherwise.

CLASS B: Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- A. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership for each phase as recorded, or
- B. Two years after a phase is recorded.

In no event will the Association be able to control, through voting or otherwise, the development or development plans of Declarant. The Association matters only concern properties which have been deeded to the Association or properties which have actually been recorded under the Olympus Heights PUD.

ARTICLE V

ASSESSMENTS

Upon the sale of each lot \$500 is to be paid to the Association (this is called initial fund) for use by the Association according to the conditions and limitations set forth as follows. The payment of the \$500 can be deferred by a contractor purchaser until the lot has been built on and the house has been sold or occupied, whichever occurs first. Otherwise the \$500 is due when the sale is completed to the end user.

Should owners of Surrey Ridge and Surrey Ridge 1st Addition choose to join the Association; upon the terms and conditions contained herein, including the consent that the terms of this Master Declaration attach to and encumber their property; they will be required to pay an initial fee of \$500 per lot. Said payment can be made at the rate of \$10 per month, without interest.

The Association can use any and all income produced by the initial fund monies to defray the need for regular assessments. Further, the Association can use up to 25% of the initial fund monies to defer the need for special assessments. The Association is specifically prohibited from depleting at any time the initial fund monies below 75% of the total of initial fund monies collected. Additionally, any initial fund principal used by the Association must be paid back to the initial fund over a period not exceeding 10 years, without interest, from income or by special assessment.

Section 1: Creation of Lien and Personal Obligation of Assessments. Each Owner of any lot, by acceptance of a deed therefor (whether or not it shall be so expressed in such deed), or by consenting to be included in the case of Surrey Ridge and Surrey Ridge 1st Addition owners, is deemed to covenant and agree to pay to the Association:

- A. Regular annual or other regular periodic assessments or charges; and
- B. Special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided.

The regular and special assessments, together with interest, costs of collection and reasonable attorney's fees shall be a charge on the lot and shall be a continuing lien upon the lot against which such assessment is made. Each such assessment, together with interest, costs of collection and reasonable attorney's fees, shall also be the personal obligation of the owner of such lot at the time when the assessment fell due. The obligation shall remain a lien on the lot until paid or foreclosed, but shall not be a personal obligation of successors in title, unless expressly assumed.

Section 2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in said property and Common Areas, the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including, without being limited thereto, the payment of taxes, domestic water and sewage charges and insurance and improvement and maintenance of the Common Areas.

Section 3: Annual Assessment. Is to be determined by the Board of Directors, said assessment shall be payable to the Association in regular monthly installments.

Section 4: Special Assessments for Capital Improvements. In addition to the regular assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of sixty percent (60%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. Any such special assessment shall be payable over such a period as the Association shall determine.

Section 5: Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for non-exempt lots and may be collected on a monthly basis.

Section 6: Effect of a Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 7: Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien or any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to 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 8: Exempt Property. The following property, subject to this Declaration, shall be exempt from the assessments created herein:

- A. All property expressly dedicated to and accepted by a local public authority;
- B. The Common Areas; and
- C. All other properties owned by the Declarant or the Association.
- D. All lots owned by Declarant, until title is transferred to another, or until occupancy, whichever occurs first.

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ARTICLE VI

EASEMENTS AND MAINTENANCE RESPONSIBILITY

Section 1: Future Easements. The Association shall have the future right to provide for such easements across, upon and under surface of the Common Area as platted herein as may be reasonable necessary to serve the interests and convenience of the property owners of this subdivision for public or private ways, public utilities (including cable television), drainage, access, subterranean irrigation lines, eave and balcony overhangings.

Section 2: Maintenance Responsibility. The Association shall provide maintenance to the Common Areas and improvements thereon. In the event the need for maintenance or repair is caused through the willful or negligent act of an Owner, his family, guests or invitees, the costs of such maintenance or repairs shall be added to and become part of the assessment to which such Owner's Lot is subject. Each Owner shall be responsible for maintaining and keeping in good order and repair the exterior of his Dwelling and any private decks, fences, courtyards, landscaping and lawn contiguous to his Dwelling. In the event of damage or destruction of a Dwelling by fire or other casualty, the Owner must complete repair and/or replacement of the Dwelling within 180 days of the damage or destruction.

ARTICLE VII

ASSOCIATION BYLAWS

TITLE

THESE ARE THE BYLAWS OF THE
OLYMPUS HEIGHTS HOMEOWNER'S ASSOCIATION

APPLICATION

All present or future lot owners, occupants, or any other person or persons who might use the common area or facilities of Olympus Heights in any way are subject to the regulations set forth in these bylaws. The mere acquisition or rental of any of said lots or the common areas will signify that these bylaws are accepted, ratified, and will be complied with by such persons.

ADMINISTRATION

1. Place of Meetings. Meetings of the members of the Olympus Heights Owners Association shall be held in Pocatello, Idaho at a location the board of managers specifies in the notice.

2. Annual Meeting. The annual meeting of the Association shall be held on the first Tuesday in May of each year, at a place the Association shall specify.

3. Special Meetings. Special meetings of the Association may be called at any time by written notice served by the board of managers, or by members having 20% of the Association's total votes, delivered not less than seven (7) days prior to the date fixed for such meeting.

4. Notices. Any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered 48 hours after a copy of the same has been deposited in the United States Mail, postage prepaid, addressed to each member at the address given by such person to the Association or to the last address of such person if no address has been given. Such address may be changed from time to time by notice in writing to the Association.

5. Quorum. At any meeting of the members attendance by members having 30% of the total votes shall constitute a quorum.

6. Voting. When a quorum is present at any meeting, the vote of members representing a majority of the votes present shall decide any question of business brought before such meeting, including the election of officers, unless the question is one upon which a different vote is required by law or by the covenants or bylaws. Written proxies can be given by any member to any person, such proxy must be signed by the member.

7. Waiver of Notice. The voluntary presence of a member in person at any meeting shall be deemed a waiver of any notice required.

BOARD OF MANAGERS & OFFICERS

The Association shall be managed by a board of managers having nine (9) members, three (3) of whom will be elected each year to serve a three year term. The first board will have three members serving one year terms, three members serving two year terms and three members serving three year terms. The board shall elect from their members officers whose duties are designated below. The board of managers shall meet as often as necessary at least once per month, attendance by (5) members of the board of managers shall constitute a quorum.

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The Board of Managers shall be elected from and by the various areas as follows:

Olympus Heights Single Family Residential	2
Olympus Heights Manufactured Home Area (51 lots)	2
Olympus Heights High Density Single Family Area	1
Olympus Heights NCP	1
Olympus Heights At Large (nonowner/nonresident)	1
Surrey Ridge & Surrey Ridge 1st Subdivisions	2

During the development phases some areas will not have members to vote or serve on the Board of Managers. Until these areas are developed the Declarant has the right to appoint representatives to the Board of Managers so that a full board can function from the initial stages of development. Should any area not wish to have their own representative on the Board the other areas will fill such positions by an election at large.

1. Designation and Election. The principal officers of the board of managers shall be a president, a vice-president and a secretary-treasurer, all of whom shall be elected by and from the board members. No officer shall receive compensation for services performed by him. Officers shall be elected at the annual meeting and shall serve until elections for officers are again held. An officer can be removed by the affirmative vote of a majority of the board of managers. The officers of the Association shall be bonded.

2. President. The president shall be the chief executive of the Association, and shall exercise general supervision over its property and affairs. He shall preside at all meetings of the Association and the board of managers.

3. Vice-President. The vice-president shall take the place of the president and perform his duties whenever the president shall be absent, or unable to act.

4. Secretary-Treasurer. The secretary-treasurer shall keep the minutes of all meetings of the Association; he shall have charge of the books and papers as the Association may direct; and he shall in general, perform all the duties incident to the office of secretary. The secretary-treasurer shall also have responsibility for the funds and securities of the Association and shall be responsible for keeping full and accurate accounts of all receipts and of all disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and all other valuable effects in the name, and to the credit of, the Association in such depositories as may be from time to time designated by the board of managers.

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ACCOUNTING

1. Books and Accounts. The books and accounts of the Association shall be kept under the direction of the secretary-treasurer using reasonable accounting standards.
2. Reports. At the close of each accounting year, the books and records of the Association shall be reviewed by a person or firm approved by the board of managers. Report of such review shall be prepared and submitted to the members at or before the annual meeting.
3. Inspection of Books. Financial reports, such as are required to be furnished, shall be available at the principle office of the Association for inspection at reasonable times by any member.
4. Principle Office. The principle office of the Association shall be located at P.O. Box 1285, 403 North Main #5, Pocatello, Idaho 83204, which address may change from time to time as the Association sees fit.
5. Annual Budget. The board of managers shall annually estimate expenses and outlays for the coming fiscal year arising out of and in connection with the maintenance, operation, and repair of the common area and facilities. The board of managers may revise the annual budget as it deems necessary or prudent. Once the budget is determined it shall be divided by the total number of assessable lots in Olympus Heights, which amount shall be the individual lot owner's share. Each lot owner's share is due in advance and shall be paid at least monthly, in advance on or before the 5th day of the month. These and any other assessments of the members shall be collected by the Association in the manner specified in the Declaration.

MISCELLANEOUS

1. Administrative Rules. The Association may, from time to time, adopt and amend previously adopted administrative rules and regulations of the Association; provided, however, that no such rules and regulations shall conflict with the declaration, these bylaws, or provisions of the Idaho Code.
2. Amendment of Bylaws. These bylaws may be amended at any duly constituted meeting of the members called for the purpose of amending the bylaws by an affirmative vote of a majority of the votes represented at the meeting.
3. Manager. The board of directors can hire a manager to manage Association property and affairs if the board feels a manager is necessary.

4. Statement of Account. Upon giving the board of managers 10 day written notice any lot owner is entitled to receive a statement of account showing the amount of any unpaid assessments or other charges due and owing from such owner.

5. Standing Committees. The Board of Managers shall appoint 3 members to each of the standing committees at the first meeting. Each Committee shall also have one member from the Board and the other members are to be appointed to create a cross section of the project areas. The Standing Committees are:

ARCHITECTURAL AND ENVIRONMENTAL CONTROL
FINANCE
CAPITAL IMPROVEMENTS

ARTICLE VIII

STANDING COMMITTEES

Section 1: Architectural and Environmental Control. The architectural and environmental control committee referred to hereafter as "AECC", shall consist of three (3) members. These members are to be appointed and removed at the sole discretion of the Declarant until such time as 60% of the lots in Olympus Heights have been sold, at which time the members will be appointed and removed by the board of managers of the Association, who will also establish terms of office for said members.

The AECC shall meet from time to time as necessary and shall have the responsibility to oversee the enforcement of the terms and conditions of the Master Declaration and any Supplemental Declarations. Violations are to be brought to the Board of Managers for enforcement.

Section 2: Finance. The Finance Committee shall be responsible to advise the Board of Managers on accounting matters including how to invest initial fund monies. This committee will also help create the budgets and oversee the spending on capital improvements.

Section 3: Capital Improvements. The Capital Improvement Committee shall seek resident input on possible improvements to the properties. They will formulate cost estimates of improvements and will prepare a priority list of all improvements suggested by members with the help of advisory ballots from all members. The priority list with estimated costs will be provided to the Board of Managers and will be updated and reviewed each year.

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ARTICLE IX

PROPERTY USE AND RESTRICTIONS

The following restrictions shall be applicable to the properties and shall be for the benefit of and limitations upon all present and future Owners of said property, or of any interest therein:

Animals: No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of said property, except that dogs, cats or other household pets may be kept, provided they are not kept, bred, or maintained for any commercial purposes.

Garbage and Refuse Disposal: No part of said property shall be used or maintained as a dumping ground for rubbish, trash or other waste. No garbage, trash or other waste shall be kept or maintained on any part of said property except in a sanitary container.

Landscaping Requirements: Each lot must be landscaped within 60 days after a Dwelling is occupied or by June 1 of the following year. If the dwelling is occupied for the first time after September 15. Each lot shall have a minimum of two (2) trees planted in the front yard.

Leasing Restrictions: Any Lease (as defined below) between an Owner and his tenant shall provide that the terms of the Lease shall be subject in all respects to the provisions contained in this Declaration, the Association's Articles of Incorporation and its Bylaws, and that any failure by said tenant to comply with the terms of such documents shall be a default under such Lease. For the purposes of this Declaration, a "Lease" shall mean any agreement for the leasing or rental of a Dwelling (including a month-to-month rental agreement); and all such Leases shall be in writing. Other than the foregoing, there is no restriction on the right of any Owner to lease his Dwelling.

Lot Use: No lot shall be used except for single family residential purposes. This does not apply to the NCP area or the high density single family area. This does not prevent a lot owner from having a home office in accord with city ordinance.

Mail Boxes: No individual mail boxes are permitted on the property where central mail delivery and collection is provided by the Association.

Nuisance: No noxious or offensive or unsightly conditions shall be permitted upon any part of said property, or shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

Oil and Mining Operations: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, or shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

Outbuildings: No trailer, mobile home, truck camper, tent, garage, barn, shack or other outbuilding shall at any time be used as a residence temporarily or permanently on any part of said properties. Except that in the manufactured home area manufactured homes will be allowed as permanent residences according to the requirements of the PUD and Supplemental Declaration.

Preservation Of Street Scene: It is of prime importance to preserve and enhance the street scene on the property and no owner shall cause the street scene to deteriorate.

Sewage Disposal: No individual sewage system shall be permitted on any lot.

Signs: No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Sight Distance at Intersections: The City of Pocatello ordinance relating to sight distance at intersections and fences is adopted by this Master Declaration as if set out here in detail.

Storage of Vehicles and Equipment: Parking of boats, trailers, motorcycles, trucks, truck campers and like equipment, or junk cars or other unsightly vehicles, shall not be allowed on public ways or Common Area adjacent thereto. Any vehicle awaiting repair or being repaired shall be removed from the property within 48 hours.

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

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ARTICLE X

BUILDING RESTRICTIONS

Section 1: Building Restrictions-Residential Area. No buildings shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single-family dwelling, containing a minimum of eight hundred fifty (850) square feet of interior living space, not to exceed thirty-five (35) feet in height, and a private attached garage for not more than three (3) vehicles. Each dwelling unit may not be occupied by more than one (1) family. Minimum cost of a dwelling and improvements shall be \$25,000.

Section 2: Building Setbacks. All building on the property shall conform to the building codes and setback requirements of the City of Pocatello unless varied by the City in the approval of the Olympus Heights PUD.

ARTICLE XI

ARCHITECTURAL CONTROL

Section 1: Approval. No building, fence, wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee appointed by the Board. In the event said Board or its designated committee fails to approve or disapprove such design and location within ten (10) days after said plans and specifications have been submitted to it, approval will not be required and this Section will be deemed to have been fully complied with. Until such time as the initial Board of Directors of the Association is formed the Declarant shall act as the Architectural Committee.

Section 2: Construction and Sales Period Exception. During the course of construction of any permitted structures or improvements and during the initial sales period, the restrictions (including sign restrictions) contained in this Declaration or in any supplemental declaration shall be deemed waived to the extent necessary to permit such construction and the sale of all dwelling units by Declarant; provided that, during the course of such construction and sales, nothing shall be done which will result in a violation of these restrictions upon completion of construction and sales. Further, Declarant shall have the right to select and use any individual dwelling units owed by it as models for sales purposes.

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ARTICLE XII

INSURANCE

Section 1. Types of Insurance. The Association shall obtain and keep full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Idaho. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

The Association shall secure and maintain at all times the following insurance and bond coverages:

- A. A multi-peril type policy covering any Common Area improvements, providing as a minimum fire and extended coverage and all other coverage in the kinds and amounts commonly required by private institutional mortgage investors for projects similar in construction, location and use on a replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based upon replacement cost).
- B. The Association must have a comprehensive policy of public liability insurance covering all of the common elements, commercial spaces and public ways in the properties. Such insurance shall provide coverage for at least \$50,000 property damage and \$300,000 bodily injury.
- C. Notwithstanding anything herein contained to the contrary, insurance coverage must be in such amounts and meet other requirements of Federal Home Loan Mortgage Corporation.
- D. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.
- E. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the properties, including any personal property of the Association located therein.

ARTICLE XIIIMORTGAGEE PROTECTION

Notwithstanding anything to the contrary contained in this Declaration, or in the Articles or Bylaws of the Association:

- A. The Association shall maintain an reserve fund for the performance of its obligation including the maintenance, repairs and replacement of those common elements and improvements thereon, and such reserve shall be funded by at least quarterly assessments.
- B. The holders of First Mortgages shall have the right to examine the books and records of the Association and to require annual reports or other appropriate financial data.
- C. Any lien which the Association may have on any Dwelling Unit for the payment of assessments attributable to such Unit will be subordinate to the lien or equivalent security interest of any Mortgage on the Unit recorded prior to the date notice of such assessment lien is duly recorded.

ARTICLE XIVANNEXATION

Section 1: Time for Annexation; Land Subject to Annexation.
Declarant hereby reserves the right to annex any contiguous real property into the project by recording a Notice of Annexation or Supplemental Declaration particularly describing the real property to annexed and added to the project created by this Declaration, pursuant to the provisions of this Article XIV. Including any lots located in Surrey Ridge or Surrey Ridge 1st Addition whose owners consent to annexation on the terms and conditions of this Master Declaration.

Upon the recording of a Notice of Annexation containing the provisions set forth in this section (which Notice may be contained within a Supplemental Declaration) shall apply to the added land in the same manner as if it were originally covered by this Declaration and originally constituted a portion of the project; and thereafter the rights, privileges, duties and liabilities of the parties to this Declaration with respect to the added land shall be the same as with respect to the original land, and the rights, privileges, duties and liabilities of the owners, lessees and occupants of Lots and Units within the added land shall be the same as in the case of the original land. Notwithstanding the foregoing, any Supplemental Declaration may provide a special procedure for amendment of any specified provision thereof

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e.g., by a specified vote of only the owners of lots or units within the area subject thereto. Any provision of a Supplemental Declaration for which no special amendment procedure is provided shall be subject to amendment in the manner provided in this Declaration.

Section 2. Procedure for Annexation. Any contiguous real property may be annexed into the project by the recordation of a Notice of Annexation executed by Declarant and containing the following information:

- A. A reference to this Declaration, which reference shall state the date of recordation hereof and the Recorder's instrument number or the book and page of the official records of Bannock County where this Declaration is recorded.
- B. An exact legal description of the added land;
- C. A statement that the provisions of this Declaration shall apply to the added land, as set forth herein; and
- D. A statement of the use restrictions applicable to the annexed property, which restrictions may be the same or different from those set forth in this Declaration.

ARTICLE XV

GENERAL PROVISIONS

Section 1: Enforcement. The Association, or any Owner or the owner of any recorded mortgage upon any part of said property, shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, or by any Owner to enforce any covenant 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 covenants or restrictions by judgement or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 3: Amendment. The covenants and restrictions of this Declaration shall run with the land and shall inure to the benefit of and be enforceable by the Association or the legal Owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time said covenants shall be automatically

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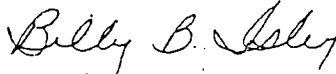
extended for successor periods of ten (10) years. Except as otherwise provided herein, any of the covenants and restrictions of this Declaration, except the easements herein granted, may be amended by an instrument signed by member entitled to cast not less than sixty-six and two-thirds percent (66-2/3%) of the votes of membership. Any amendment must be recorded. The Declarant is a member of the Association, and in such capacity is entitled to cast in excess of the 66-2/3% of the vote of the membership.

Section 4: Assignment by Declarant. Any or all rights, powers and reservations of Declarant herein contained may be assigned to the Association or to any other corporation or association which is now organized or which may hereafter be organized and which will assume the duties of Declarant hereunder pertaining to the particular rights, powers and reservations assigned, and upon any such corporation or association evidencing its intent in writing to accept such assignment, have the same rights and powers and assumed by declarant herein. All rights of Declarant hereunder reserved or created shall be held and exercised by Declarant alone, so long as it owns any interest in any portion of said property.

Section 5. Future Obligation of Association. There exists the obligation on the Association to construct a fence or barrier wall along the common border with Olympus Drive once Olympus Drive is completed. Said fence or barrier to be in compliance with improvements required throughout the length of Olympus Drive completed.


ISLEY INVESTMENTS
By: Billy B. Isley

STATE OF IDAHO, COUNTY OF Bann
On this 28th day of August,
before me, a notary public in and for said State,
appeared



known to me to be the person whose name
subscribed to the within instrument, and ask
me that he exec

NOTARY SEAL

Residing at Pocatello
Comm. Expires 1-20-92

NO. 779150
RECORDED AT REQUEST OF
AMERICAN LAND TITLE CO.
'86 AUG 28 P4:08

447
OFF. BY NOCK BOOK & CO.
LAI W. J. HAN DEPUTY jc
FEE 146

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EXHIBIT "A"

A tract of land located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 11, and the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 12, Township 6 South, Range 34 E.B. M., More Particularly Described as follows:

Beginning at the Southeast Corner of Section 11, Township 6 South, Range 34 E.B.M., said corner marked with a Bannock County brass cap monument: Thence South 89°53'27" West, 430.02 feet along the South line of said Section 11 to its intersection with the Easterly right of way line of Interstate highway I-15, said intersection marked with an Idaho State highway right of way monument; thence North 12°34'01" West, 30.73 feet (shown as 29.36 feet on the State highway plans) to an angle point in the said Easterly right of way line, said angle point marked with an Idaho State highway right of way monument; thence continuing along the Easterly right of way line North 08°00'55" West, 1254.53 feet to an angle point in the said Easterly right of way line, said angle point marked with an Idaho State highway right of way monument; thence continuing along said Easterly right of way line North 05°41'20" West, 58.73 feet to an intersection with the South 1/16 line of said Section 11, said intersection marked with a State highway right of way monument; thence North 89°43'19" East, 599.14 feet along the said South 1/16 line to the South 1/16 corner on the East line of said Section 11, said 1/16 corner marked with a Bannock County brass cap monument; thence North 89°03'57" East, 49.22 feet along the South 1/16 line of Section 12, Township 6 South, Range 34 E.B.M., to the Northwest corner of Surrey Ridge Subdivision, said Subdivision being the basis of all bearings presented in this description (A Subdivision in the SW $\frac{1}{4}$ of Section 12 Township 6 South, Range 34 E.B.M., recorded in Bannock County, October 13, 1977, as Instrument No. 586038, in Book 10, Page 3 of Plats) thence following the West and Southerly Boundary of Surrey Ridge Subdivision the following 14 courses:

1. South 00°56'04" East, 160.00 feet; thence
2. North 89°03'56" East, 81.41 feet; thence
3. South 00°56'04" East, 180.00 feet; thence
4. South 71°03'56" West, 138.28 feet; thence
5. South 00°48'09" East, 190.78 feet; thence
6. North 71°03'56" East, 220.40 feet; thence
7. South 18°56'04" East, 80.00 feet; thence
8. North 71°03'56" East, 110.00 feet; thence
9. North 73°26'00" East, 50.00 feet; thence
10. North 89°03'56" East, 765.44 feet; thence
11. North 28°24'12" East, 43.51 feet; thence
12. South 61°35'48" East, 266.00 feet; thence
13. South 28°24'12" West, 140.00 feet; thence
14. South 61°35'48" East, 268.96 feet to the Southeast corner of said Surrey Ridge Subdivision; thence South 28°19'21" West, 516.78 feet along the Westerly boundary of a proposed City street to a point in the South line of said Section 12, said point marked with an iron pin/cap inscribed "LS 977" thence South 88°59'10" West, 1321.19 feet to the point of beginning. . .

