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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LEISURETIME R.V. PARK SUBDIVISION NO. 1, NO.2, AND NO.3
(Amended and Restated)**

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR LEISURETIME RV PARK SUBDIVISION NO. 1, 2, and 3 (AMENDED AND RESTATED) ("**Amendment**") is made effective on July 19, 2003, by the Leisuretime R V Park Subdivision Homeowners' Association, Inc., an Idaho nonprofit corporation ("**Association**").

A. RATIFICATION AND CONFIRMATION OF CC&Rs:

Except as expressly amended by this Amendment, the following CC&Rs are hereby ratified and confirmed and remain in full force and effect as a benefit and a burden running with the land of the Leisuretime RV Park Subdivision No.1, 2, and 3 as more particularly described on Schedule I attached hereto:

Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.1 and No.2 (Amended and Restated) dated October 24, 1997 and recorded in the official records of Valley County, Idaho on October 28, 1997 as Instrument No. 229143; as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.1 and Leisuretime RV Park Subdivision No.2 dated June 11, 1998 and recorded in the official records of Valley County, Idaho on June 12, 1998 as Instrument No. 233234; as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.1 and Leisuretime RV Park Subdivision No.2 dated December 9, 1998 and recorded in the official records of Valley County, Idaho on December 9, 1998 as Instrument No. 237111; as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.1 and Leisuretime RV Park Subdivision No.2 dated August 9, 1999 and recorded in the official records of Valley County, Idaho on August 9, 1999 as Instrument No. 242033; as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.1 and Leisuretime RB Park Subdivision No.2 recorded in the official records of Valley County, Idaho on July 25,2001 as Instrument No. 255807; and as amended by that certain Notice of Annexation and Supplemental Declaration of Covenants, Conditions and Restrictions for Leisuretime RV Park Subdivision No.3 (collectively, "**CC&Rs**").

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Article I Definitions

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

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

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

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

1.5 "Board" shall mean the Board of Directors of the Association.

1.6 "Building Permit" shall mean the formal approval of building plans by the Architectural Committee as meeting the requirements of Leisuretime R. V. Park. It is authorization to proceed with the construction, reconfiguration of a specific structure, or adding onto per-existing structures at a particular lot in accordance with the approved drawings and specifications. The construction must be inspected after completion to ensure compliance.

1.7 "By-Laws" shall mean the By-Laws of the Association.

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

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

Common Area for Leisuretime RV Park Subdivision No.3 shall include Common Areas 1, 2, 3 and 4, Leisuretime RV Park Subdivision No.3. Common Areas shall also include all of the private roads and streets as shown on the Subdivision plat for Leisuretime RV Park Subdivision No.3.

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The Declarant may elect to convey to the Association, as additional Common Area, Lots 2 and 3, Block 6, Leisuretime RV Park Subdivision No.3. In the event that said lots are conveyed to the Association as Common Area, the Declarant shall nevertheless be entitled to construct and maintain office facilities on either or both of said lots for the Declarant's use. Including use as a sales office for unsold lots and/or sale of park models or other recreational Vehicles. Declarant shall be entitled to utilize any such office space without the payment of rent, assessments or other obligations to the Association and the Declarant shall be reasonable for all maintenance and utilities related to any such office space. The provisions regarding Declarant's use of said office space may not be altered, amended, revoked, deleted or otherwise changed without the written consent of the Declarant or his successors in interest.

1.9 "Declaration" shall refer to this Declaration as hereafter amended and supplemented.

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

1.11 "Grantor" shall mean and refer to the Declarant.

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

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

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

1.15 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is part of the Property, but excluding those having such interests merely as security for the performance of an obligation.

1.16 "Plat" shall mean the recorded plat of Leisuretime R.V. Park Subdivision No.1, No.2, and No. 3, and the recorded plat of any other properties annexed hereto.

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Article II

General Covenants, Conditions and Property Use Restrictions

2.1 Land Use. No lot shall be used except for the purpose of parking recreational vehicles, and related structures or improvements. No lot shall be used for the conduct of any trade, business, or professional activity.

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

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

2.4 Uses Allowed. No lot shall be used except in conjunction with a recreational vehicle. Only one (1) recreational vehicle shall be allowed on each lot. Recreational vehicles shall include vehicular type units primarily designed as temporary living quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle. Recreational vehicles shall include motor homes, travel trailers, park model trailers, or 5th-wheel campers, designed to provide temporary living quarters for recreational, camping or travel use. Recreational vehicles must have a Recreational Industry Association tag. All recreational vehicles must have a Manufacturer's Statement of Origin (MSO) enabling the vehicle to be legally titled. Recreational vehicles shall be no more than ten (10) years old at the time such vehicles are placed on a lot. Awnings and dining canopies may be used in conjunction with a recreational vehicle. The use of recreational vehicles which fold up for transportation or other purposes, such as tents, tent trailers, or camping trailers which have a top section which folds up and down, shall only be allowed for temporary use with prior approval from the Board.

All RV's located on lots within the Subdivision that met the terms and conditions of this Section when they were placed on such lot may continue to be situated on the lot on which the RV was placed. The owner of the lot may sell the lot with the RV. If the RV is removed from that lot, for any purpose, it may be returned to that lot.

2.5 Permanent Buildings Restricted. No lot shall be used with any building or building component which is constructed according to standards contained in the Uniform Building Code, as adopted or any amendments thereto, which is of closed construction and is either entirely or substantially prefabricated or assembled at a place other than the building site; nor any structure constructed according to HUD/FHA Mobile Home Construction Safety Standards, and which is built on a permanent foundation when connected to the required utilities, nor any other structure with respect to which the manufacturer voluntarily files a certification required by the Secretary of Housing and Urban Development and complies with the standards established under 42 USC 5401, et seq. No structures or improvements shall be constructed or otherwise placed on any lot which would constitute a garage or carport, or otherwise be designed and/or used for automo-

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biles. The terms "garage" and "carport" shall include any structures which are wholly or partially covered or enclosed and which are designed or used for storing or keeping motor vehicles and shall also include structures defined as a "garage" or "carport" under the Uniform Building Code. Snow roofs shall be prohibited except for those constructed in Subdivision No.1 prior to February 26, 1997. Recreational vehicles may have rooms added thereto, even though the same may be required to conform to the Uniform Building Code, provided that the recreational vehicle shall at all times be the primary living quarters on the lot. Furthermore, all additions shall be constructed in such a manner as to comply with the set-back requirements of Section 2.25 herein, and at all times provide parking for one (1) full size vehicle upon the lot. All structures added on to a recreational vehicle, or otherwise constructed upon a lot, other than storage building subject to Section 2.24 herein, shall be no higher than sixteen (16') feet in elevation, measured from the average ground level at the base of the structure to its highest point.

2.6 Condition of Lots. All recreational vehicles and any other approved structures on a lot shall be maintained in a good state of repair and used in such a manner as to be inoffensive to any other property owner. No improvements, including recreational vehicles, mailboxes, landscaping, and other permitted structures shall be allowed to fall into disrepair. Each improvement and recreational vehicle shall at all times to kept in good condition and repair. In the event that any owner shall permit any improvement, which is the responsibility of such owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition; the Board, upon fifteen (15) days prior written notice to the owner of such lot, shall have the right to correct such condition and to enter upon such owner's lot for the purpose of doing so. Such owner shall promptly reimburse the Association for the costs thereof. Such costs shall be a limited assessment and shall create a lien enforceable in the same manner as other assessments set forth herein. The owner of the offending lot shall be personally liable. The owner's lot may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. The Board shall also have the right, as part of correcting such a condition, to remove from the lot all recreational vehicles and other property of the owner creating the dangerous, unsafe, unsightly or unattractive condition. The owner shall pay all amounts due for such work within ten (10) days after receipt of written demand. The amounts may, at the option of the Board, be added to the amounts payable by such owners as regular assessments. The Board may dispose of, or store, personal property of an owner removed from a lot, at the owner's cost and expense, and without liability for damage and/or loss to the owner. Weeds are considered a fire hazard and must be removed.

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

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

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

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

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

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

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

2.14 Parking and/or Storage of Automotive Equipment, Motorized Recreational Equipment and Watercraft. "Automotive equipment" shall include cars, vans, sport utility vehicles (SUV's), pickup trucks, and trucks not commercially licensed, except in states requiring a commercial license. Automotive equipment may be parked and/or stored on the owner's lot. "Motorized recreational equipment" shall include all terrain vehicles (ATV's), golf carts, motorcycles, snowmobiles and all similar equipment. Motorized recreational equipment may be parked and/or stored on an owner's lot which also contains the primary living unit, but only with the approval of the Board and subject to such rules and regulations as may be established by the Board. "Watercraft" shall include boats, canoes, kayaks, inflatable watercraft and personal watercraft (Ski-Doo's), and all similar equipment. Watercraft units may be parked and/or stored on the lot provided they have fitted covers.

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Only automotive equipment, motorized recreational equipment and watercraft which is owned or used by the lot owner or the owner's guests shall be parked and/or stored on the owner's lot.

Any trailer of any type not associated with recreational equipment or watercraft cannot be parked and/or stored on any lot for more than forty eight (48) hours except construction trailers that may remain until work is completed.

All automotive equipment, motorized recreational equipment and watercraft must be in operational condition, properly licensed as may be required, and kept in a reasonable condition and appearance and shall not be allowed to encroach on any portion of the roadways or common area.

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

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

2.17 Parking. Automotive equipment on-street parking shall be allowed for guests only. No RV camping allowed on the street overnight. A seventy two (72) hour period will be allowed for loading and unloading of RV's.

2.18 Lights, Sound - General. No light shall be emitted from any lot which is unreasonably bright or causes unreasonable glare. No sound shall be emitted from any lot which is unreasonably loud or annoying. No loud noises, talking, television, radio, or other sound will be permitted between the hours of 10:00 p.m. and 8:00 o'clock a.m.; 10:00 p.m. and 9:00 o'clock a.m. Saturdays, Sundays, and holidays.

2.19 Utilities. All utilities shall be installed underground. Any damage to underground systems caused by a lot owner shall be repaired at the expense of the responsible lot owner.

2.20 Fences. All fences must be limited to a height of four (4) feet or less and constructed from wood or vinyl material. Fences must be constructed to manufacturer specifications and must be well maintained and in keeping with the aesthetics of the surrounding lots and property within the Subdivision. All fencing design materials shall be approved in advance by the Board.

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

2.22 Pressurized Irrigation System. Leisuretime R.V. Park Subdivision No. 1 is served by a pressurized irrigation system supplied by non-potable water from ground water and surface

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water sources. The irrigation water is not treated and it may contain pathogens harmful to human health. Irrigation water could cause serious illness if used for domestic purposes.

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

The pressurized irrigation system does not supply irrigation water to Leisuretime R.V. Park Subdivision No. 2 or No. 3.

2.23 Campfires. No open wood campfires shall be allowed on any individual lot. One fire pit is provided by the Association for wood campfires on the common area. Wood campfires shall be strictly confined to said designated area. Propane fire pits, barbecue grills, and similar cooking devices shall be allowed, but must at all times be operated safely and kept in a clean and orderly condition.

2.24 Storage Building. A storage building may be constructed, with a building permit, on each lot, not to exceed 100 square feet in size. All storage buildings shall be placed on the back portion of the lot. Storage buildings shall be no higher than ten (10) feet in elevation, measured from floor level to its peak. Overall height shall not exceed eleven (11) feet from ground level. Cupolas or other decorations do not alter the dimensions.

2.25 Set-backs. The setback area shall be ten (10) feet to the front, or five (5) feet to the rear lot line or any side lot line. All park models must not encroach upon the setback area. The set-back requirements shall not apply to temporary storage buildings which are designed and installed to be movable. In the event that any landscaping, plantings, temporary storage buildings or any other approved structure or improvement is placed upon a lot such that the same is within or encroaches upon a set-back area, the lot owner shall be responsible for the removal, replacement, damage or loss associated with said items in the event that it becomes necessary for the Association or any other responsible party to perform maintenance, repair or replacement on utilities, or snow removal.

2.26 Restrictions on Use of Common Area Facilities. Due to the character of the property as recreational vehicle subdivisions, common area facilities are designed to accommodate usage by a reasonable number of persons for each lot. Accordingly, use of common area facilities may be exercised by an owner or other occupant of the lot, but not by both. The Association shall be empowered to establish and enforce such rules and regulations as may be necessary in order to assure that all lot owners are afforded an opportunity to utilize common area facilities without undue congestion and excessive use which detracts from or interferes with use of the facilities. Declarant, or its successors in interest, shall be entitled to limited use of common area facilities, including the use of a portion of the office building for maintaining a sales office whereby the Declarant or its successors may conduct sales activities with respect to lots developed and owned by Declarant or successors in interest and park models. Declarant or its successors shall be enti-

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bled to maintain a sign on the common area premises with respect to Declarant's sales operations. Declarant or its successors shall be responsible for providing separate telephone service for Declarant's sales activities, but shall not otherwise be responsible for payment of rent and/or utilities.

2.27 Use of Motor Vehicles. Joy-riding and continuous or long term use of subdivision streets and roads for the purpose of merely riding or operating a motorized vehicle is specifically prohibited. These restrictions shall apply to any and all motorized vehicles, including, but not limited to, licensed and unlicensed motor vehicles, motorcycles, three or four wheel ATV's, snowmobiles, motor scooters, golf carts, and any other vehicle or device of any nature which is self-propelled and upon or by which any person or property is or may be transported. All motor vehicles must comply with all applicable laws, rules and regulations of any governmental entity having jurisdiction thereof.

Article III

Leisuretime R. V. Park Homeowners Association

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

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

3.3 Voting. The Association shall have one (1) class of voting membership.

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

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3.5 Powers and Duties of the Association.

3.5.1 Powers. The Association shall have all the powers of a non-profit corporation organized under the general non-profit corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the By-Laws, and this Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted under the Declaration, the Articles, and the By-Laws, and to do and perform any and all acts which may be necessary or proper for, or incidental to the proper management and operation of the common areas and the performance of the other responsibilities herein assigned, including without limitation:

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

3.5.1.2 Right of Enforcement. The power and authority in its own name, on its own behalf, or on behalf of any owner or owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or the By-Laws, including the Association rules adopted pursuant to this Declaration and to enforce by mandatory injunction or otherwise, all provisions hereof.

3.5.1.3 Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, licensed and bonded firm or corporation to act as agent. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise by the agent of any such duty or power so delegated provided that such persons has, upon the basis of such information as may be possessed by him, acted in good faith without willful or intentional misconduct.

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

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

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

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

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

3.5.2.3 Water and Other Utilities. Acquire, provide and/or pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone and gas and other necessary services for the common areas and other property owned or managed by it. All water and sewer lines, other than supply and distribution lines on individual lots, shall be owned and maintained by the Association. The water lines to be owned and maintained by the Association include the six inch (6") main that supplies water from the City of Cascade to meet domestic water needs and fire protection, and all distribution lines. The sewer lines to be owned and maintained by the Association include all gravity collection lines and manholes, lift stations, and force mains. The pressure irrigation system shall be owned and maintained by the Association. The pressure irrigation system consists of ground water and surface water sources, pumps and control equipment, and a pipe network to distribute irrigation water to lots and common areas. The Association's ownership and responsibility for maintenance shall continue until such time as the City of Cascade or any other municipal or governmental authority shall agree to assume such ownership and maintenance, which may include, but is not limited to, the sewer lift station and the six inch (6") pressurized main line and the six inch (6") main water line and fire hydrants. There is no commitment nor any guarantees that the City of Cascade will assume such ownership or maintenance at any time in the future. The Idaho Department of Health and Welfare, Division of Environmental Quality has determined that the sewer lines in Leisuretime R.V. Park Subdivision No.1 between manholes A-I and A-3 and manholes G-2 and E-2, and that the sewer lines in Leisuretime R.V. Park Subdivision No.2 between manholes C-6 and E-5, have slopes less than 0.4 percent, as required by State regulations. These sewer lines will be especially vulnerable to blockage before all lots are occupied. The Developer shall be responsible for obtaining from the City of Cascade a letter confirming that the City's cleaning equipment will be available as needed to the Developer or Homeowner's Association. Frequent sewer line cleaning might be necessary due to these deficiencies.

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

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3.5.2.4.1 Comprehensive public liability insurance insuring the Board, the Association, the Declarant, and the individual owners and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of the common area or other property owned or managed by it. Limits of liability of such coverage shall be as determined by the Board of Directors.

3.5.2.4.2 The Association shall carry full coverage liability insurance for directors and officers.

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

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

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

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

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

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

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

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

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

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

3.6 Personal Liability. No member of the Board or any committee of the Association, or any officer of the Association, or Declarant, or 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 working representative or employee of the Association, the Declarant or committee or officer of the Association, or Declarant, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith without willful or intentional misconduct.

Article IV **Covenant for Maintenance Assessments**

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

4.1.1 Annual regular assessments or charges;

4.1.2 Special assessments to be established and collected as hereinafter provided; and

4.1.3 Limited assessments as hereinafter provided.

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

4.2 Purposes of Assessments.

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

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

4.2.3 Limited Assessments. The Association may levy Limited Assessments in the following circumstances:

4.2.3.1 Maintenance and Repair. The Association shall have the power to incur expenses for maintenance, repair, or correction of any Lot or any improvement on a Lot within the Subdivision. Unless an emergency exists, the expense must be approved by at least two-thirds (2/3) of the Board. Unless an emergency exists, the Board must provide notice to the Lot Owner in accordance with the procedures set forth in Section 4.2.3.3. If a Lot Owner fails or refuses to perform any maintenance, repair or corrective action after receiving written notice from the Board (unless an emergency exists) and the Board then performs all or any portion of such work, the Board may levy a Limited Assessment against the Owner to reimburse the Association for all costs incurred by the Association, including attorney fees, arising out of or incident to any maintenance, repair or corrective action or the collection of the Limited Assessment.

4.2.3.2 Correction of Violation. The Association shall have the power to incur expenses for the correction of a violation of this Declaration and to collect any costs or expenses incurred by the Association due to any act of a Lot Owner or a Lot Owner's guest or invitee. The Board must notify the Lot Owner of any infraction in accordance with the procedures set forth in 4.2.3.3 below before taking corrective action. If the Lot Owner fails or refuses to correct the violation after receiving written notice or a cost or expense is incurred by the Association due to the act of a Lot Owner or Lot Owner's guest or invitee, the Board may levy a Limited Assessment against the Owner to reimburse the Association for the costs incurred, together with any other cost or expense, including attorney fees, arising out of or incident thereto or the collection of the Limited Assessment.

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4.2.3.3 Notice. Any notice to be given in this Section 4.2.3, shall be given a ten (10) day written notice in which to cure the matters complained of in the notice or pay the amounts due. The notice shall be delivered personally to such Owner or sent via certified mail to the last known address of such Owner shown on the records of the Association.

4.2.3.4 Collection Costs. Each Lot Owner against whom a Limited Assessment is levied, agrees to and shall pay all costs incurred by the Association, plus interest on all expended funds, from the date of expenditure at the rate of one percent (1%) per month.

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

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

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

4.3.3 The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

4.4 Notice and Quorum For Any Action Authorized Under Sections 4.2 and 4.3. Written notice of any meeting called for the purpose of taking any action requiring a vote under Sections 4.2 and 4.3 shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting and so on until a quorum is obtained.

4.5 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly or other basis as determined by the Association.

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

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ment period. Written notice of the annual assessment shall be sent to every owner subject hereto. After the first annual assessment upon transfer of a lot from the Declarant to an owner, all annual assessments shall be due and payable in two (2) equal payments due on February 1st and August 1st of each year. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting for 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.

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

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

4.9 Special Provisions for Declarant's Lots in Subdivision No.3. The exemptions of lots owned by the Declarant from annual regular assessments or charges, special assessments for capital improvements, and limited assessments, shall continue for Leisuretime Subdivision No.3 until such time as the Declarant, or any successor to the Declarant, shall sell and convey a lot to an owner other than the Declarant. The exemption of the Declarant from assessments herein shall not be revoked, changed, altered nor amended by an amendment to the Declaration, or otherwise, unless the same is agreed to and approved, in writing, by the Declarant, notwithstanding the foregoing. The Declarant shall pay assessments on any lot during any period of time when the Declarant is renting or leasing the same or when there is a recreational vehicle on lot which is hooked up to water, sewer and electrical service and is in actual use as a residence.

Article V Easements

5.1 Maintenance and Use Easement Between Property Lines. Whenever a fence constructed on a lot under plans and specifications approved by the Board is located within three (3) feet of the property line of such lot, the owner of such lot is hereby granted an easement over and on the adjoining lot (not to exceed three (3) feet from the property line) for purposes of maintain-

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ing and repairing such wall or fence. The owner of such adjoining lot is hereby granted an easement for landscaping purposes over and on the area, lying between the property line and such structure or fence so long as such use does not cause damage to the structure or fence.

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

Article VI **General Provisions**

6.1 Enforcement. For all violations that are confirmed by the Board or management agent.

Level I Letter - A letter by certified mail will be sent to the lot owner at the address of record, that includes

1. a picture of the violation, if appropriate,
2. a clear description of the violation along with the section of the CC&R's that is being violated,
3. the lot owner has ten (10) days to contact the Board to schedule a private hearing to discuss a time line for correction if the owner is not able to correct the violation immediately, and
4. an outline of the assessment system that will come into play if the violation is not corrected.

Level II Letter - \$25.00 assessment

If the violation is not corrected within the time line a certified letter will be sent to the lot owner with the above information and \$25.00 assessed to that lot owners account.

Level III Letter - \$100.00 assessment

If the violation is not corrected within ten (10) days from the day of the Level II Letter is mailed, a second certified letter will be sent to the lot owner with the above information and an additional \$100.00 will be assessed.

Level IV Letter - \$125.00 continuous weekly assessment

If the violation is not corrected within ten (10) days from the day the Level III Letter is mailed, an additional \$125.00 will be assessed on a weekly basis until the violation is corrected.

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Level V Lien

Once the Association's assessment amount is in excess of \$400.00 a letter from the management agent will be sent to notify the lot owner that a lien will be placed on the property within seven (7) days of the letter being sent unless the assessments are paid in full or an appropriate arrangement is made to rectify the matter. (see attached letter)

Any attorney fees for the work done on that lot owner's issue will be added to the amount owed and included in the lien along with the lien fee.

Any unpaid assessments will accrue interest in accordance to the provisions in the CC&R's for nonpayment of assessments.

The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the association or by an owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

6.2 Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

6.3 Interpretation. The terms, covenants and conditions hereof are to be read and interpreted consistently and in a manner to protect and promote property values. The Board or its agent shall have no authority to issue variances.

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

Article VII

Private Road and Street Easements and Conditions

7.1 Private Roads and Streets. All roads and streets in Leisuretime R.V. Park Subdivision No.1, No.2, and No. 3 shall be private roads and streets; which shall be owned by, managed, operated, maintained, and repaired by the Association. The Association shall have the power to include in assessments the costs and expenses of operating, maintaining, and repairing the pri-

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vate roads and streets. The Association shall also be entitled to make, establish, promulgate, amend, and repeal Association rules with respect to said private roads and streets.

7.2 Common Easements for Private Roads and Streets. Each owner of a lot subject to the Declaration of Covenants, Conditions, and Restrictions, or any Supplemental Declaration, annexing additional land in the future shall have a nonexclusive easement for ingress and egress over and across all roads and streets as shown in the plats of Leisuretime R.V. Park Subdivision No.1, No.2, and No.3. Said easements shall be appurtenant to the lots and for the benefit of the owners. They shall inure to the benefit of and may be used by all persons who become owners of said lots in the future. All roads and streets shall remain open and free for access and shall not be closed or obstructed by any gates, fences, or other restrictive devices other than those lawfully placed thereon by the Leisuretime R.V. Park Subdivision Homeowners Association, Inc. The easement, applicable to each lot, shall apply to all roads and streets in Leisuretime R.V. Park Subdivision No.1, No.2, and No. 3.

7.3 Common Area Use and Easements. All common areas in Leisuretime R. V. Park Subdivision No.1, No.2, and No. 3 shall be owned by Leisuretime R.V. Park Homeowners Association, Inc., an Idaho non-profit corporation, and all lot owners in any of said subdivisions shall be entitled to the use and benefit of all such common areas, subject to the Declaration of Covenants, Conditions, and Restrictions, as amended, and all Association rules.

SCHEDULE 1

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

Leisuretime RV Park Subdivision No. 2, as platted and of record in the office of the Recorder of Valley County, Idaho, as Instrument No. 223179, in Book 8 of Plats, at Page 83, records of Valley County, Idaho.

Leisuretime RV Park Subdivision No.3, as platted and of record in the office of the Recorder of Valley County, Idaho, as Instrument No. 265986, in Book 9 of Plats, at Page 29, records of Valley County, Idaho.

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LEISURETIME R. V. PARK HOMEOWNERS ASSOCIATION

Date

Name

Address

City, State, Zip

Dear _____,

This letter is to inform you that the Board of Directors of Leisuretime R.V. Park Subdivision Homeowners Association will file a lien with Valley County against your property located at _____.

Attorney, filing, and release fees will be added to the total amount owed the Association.

Please contact the agent as soon as possible to discuss a payment plan or a final payoff amount.

Sincerely,

Leisuretime Board of Directors