

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

OK Keith Wilson

RECEIVED

JUL 07 2006

Department of Water Resources
Eastern Region

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
 Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
22-480B					

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
PLAT OF PROPERTY or **SURVEY MAP** clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

Peter Lipoval, Jenny Hong, Angela Hong,
~~Robert Parker~~ John Parker, Beverly Parker

4. New Owner/Claimant(s)

Leigh Meadows Development

Name Connector (Check one): ☐ and, ☐ or, ☐ and/or

New Mailing Address

~~44020~~ 440205 E Hwy 10

City, State and ZIP Code

Welch OK 74369

New Telephone Number

489 266-4522

5. Date you acquired the property

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other _____	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s) _____
(include title if applicable) *Owner/Manager*

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee _____
Received by _____	Date _____	Receipt No. _____
Processed by _____ AJ	Date _____	WR _____ Date _____

165724

WARRANTY DEED

Order No. 30704241 IL-G

FOR VALUE RECEIVED

David Chapman and Lana Chapman, husband and wife

the grantor(s), do(es) hereby grant, bargain, sell and convey unto

Leigh Meadows Development, LLC

whose current address is

8659 E. Woodland Ave.
Queen Creek, AZ 85242

the grantee(s), the following described premises, in Teton County, Idaho, TO WIT:

A part of Sections 26 and 35, Township 6 North, Range 45 East of the Boise Meridian, Teton County, Idaho, being further described as:

Commencing at the North quarter corner of said Section 35, the point of beginning; thence N 89°38'40" W 294.94 feet along the northern section line of said section 35 to a point; thence S 00°31'47" West 294.59 feet to a point; thence N 89°44'27" W 934.17 feet to a point; thence N 00°26'03" E 957.48 feet to a point on the north line of the South half of the South half of the Southwest quarter of said section 26; thence S 89°38'18" E 1228.59 feet along the North line of the South half of the south half of the Southwest quarter to the Northeast corner of the South half of the South half of the Southwest quarter of said section 26; thence S 00°28'08" W 681.05 feet along the East line of the Southwest quarter of said section 26 to the point of beginning.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee(s), that (s)he is/are the owner(s) in fee simple of said premises; that they are free from all encumbrances Except: Current Year Taxes, conditions, covenants, restrictions, reservations, easements, rights and rights of way, apparent or of record.

And that (s)he will warrant and defend the same from all lawful claims whatsoever.

Dated: 12-29-2004 1-04-2005 JC

David Chapman

Lana Chapman



State of Arizona

County of Maricopa

On this 4 day of January, in the year 2005 before me, a Notary Public in and for said state, personally appeared David & Lana Chapman known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that executed the same.

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

Beth Hoopes
Notary Public for the State of Arizona
Residing at
Commission Expires:

RECEIVED

JAN 11 2005

TETON CO. CLERK & RECORDER

Instrument # 165724

DRIGGS, TETON, IDAHO

2005-01-11

02:48:17 No. of Pages: 1

Recorded for: ALLIANCE TITLE & ESCROW

NOLAN G. BOYLE

Fee: 3.00

Ex-Officio Recorder Deputy

Index to: DEED, WARRANTY

165724

RECEIVED

AUG 13 2004

TETON CO., ID
CLERK RECORDER

162849

T-11794

First

many

WARRANTY DEED

1. Date

August 10, 2004

Instrument # 162849

DRIGGS, TETON, IDAHO

2004-08-13

04:10:27 No. of Pages: 8

Recorded for: FIRST AMERICAN TITLE

NOLAN G. BOYLE

Fee: 24.00

Ex-Officio Recorder Deputy M. Green

Index to: DEED, WARRANTY

2. Parties

Grantors: Peter Lipovac who is also known as Peter Anthony Lipovac, an unmarried man,

Jerry Hong, a married man joined in by Angela Hong, his wife, and John Parker and Beverly Parker, husband and wife.

Current address:

C/O Peter Lipovac
Route 3, Box 282
Blackfoot, ID 83221

Grantees: David Chapman and Lana Chapman

Current address:

_____, AZ _____

3. Property

Idaho County: Teton

Transferred Interest: Grantors' entire fee simple

Property Address:

No address has yet been assigned to the real property being sold

Approximate Number of Acres: 25 acres

Description:

A part of Sections 26 and 35, Township 6 North, Range 45 East of the Boise Meridian, Teton County, Idaho, being further described as:

Commencing at the North quarter corner of said Section 35, the point of beginning; thence N 89°36'40" W 294.94 feet along the northern section line of said section 35 to a point; thence S 00°31'47" West 294.89 feet to a point; thence N 89°44'27" W 934.17 feet to a point; thence N 00°26'08" E 957.48 feet to a point

162849

~~934.17 feet to a point; thence N 00°26'08" E 957.48 feet to a point~~
on the north line of the South half of the South half of the
Southwest quarter of said section 26; thence S 89°38'16" E
1229.59 feet along the North line of the South half of the south half
of the Southwest quarter to the Northeast corner of the South half
of the South half of the Southwest quarter of said section 26;
thence S 00°26'08" W 661.05 feet along the East line of the
Southwest quarter of said section 26 to the point of beginning.

Together with all improvements, water, water rights, ditches, ditch rights, easements,
tenements, hereditaments, appurtenances, reversions, remainders, rents, issues, and
profits.

4. Reservations

- (A) Reserving however unto the Grantors the right and privilege to build the one single-family residence as allowed by Teton County Zoning Ordinances. In accepting this delivery of this deed the Grantees acknowledges that no building permits may be issued to the Grantees unless Grantees obtains an approved subdivision plat for the property transferred to the Grantees by this deed.
- (B) Reserving unto the Grantors a 60-foot roadway and utility easement as more particular described in that certain Easement Agreement and Right of First Refusal executed by the Grantors and the Grantees as Sellers and Buyers and recorded on the same day this deed is recorded.
- (C) Reserving unto the Grantors a 20-foot ditch easement as more particular described in that certain Easement Agreement and Right of First Refusal executed by the Grantors and the Grantees as Sellers and Buyers and recorded on the same day this deed is recorded.

5. Subject to:

- (A) Rights of way for roads and ditches now existing on the property plus all easements and rights-of-way of record, if any, covenants, restrictions, reservations, applicable building and zoning ordinances, use regulations and restrictions, and accruing taxes.
- (B) Subject to a county road and utility easement along the eastern property line.
- (C) Subject to a 60-foot road and utility easement as identified above.
- (D) Subject to a 20-foot ditch easement as identified above.
- (E) Taxes and assessments for 2004 and all subsequent years.

- (F) All facts, rights, claims and interest ascertainable by inspection of the property or by inquiry of persons in possession.
- (G) Unpatented mining claims, reservations and exceptions and patents or in acts authorizing their issuance or otherwise of record.

6. Restrictions:

The following provisions shall restrict the use of the property being conveyed by this deed.

The purpose of these restrictions is to insure the use of the property for attractive residential purposes only, to prevent nuisances and to preserve and support appreciation of property values for the benefit of the property being transferred (the "Subject Property" as described above) and for the benefit of property the sellers are retaining (the "Remainder Property" as described below). These restrictions shall be a covenant running with the land and are imposed upon the owners, their heirs, successors, assigns and lessees of the Subject Property and the Remainder Property as follows.

The "Remainder Property" is described as follows, to wit:

A part of Section 26 and 35, Township 6 North, Range 45 East of the Boise Meridian, Teton County Idaho, being further described as:

Commencing at the Southwest corner of said section 26, the point of beginning; thence N 00°30'56" E 659.82 feet along the Western Section line to the Northwest corner of the South half of the South half of the Southwest quarter of said section 26; thence S 89°38'16" E 1403.46 feet along the North line of the South half of the South half of the Southwest quarter of said section 26 to a point; thence South 00°26'08" W 957.48 feet to a point; thence N 89°44'27" W 258.83 feet to a point; thence S 00°31'48" W 400.00 feet to a point; thence N 89°44'27" W 1146.57 feet to a point; thence N 00°34'20" E 700.19 feet to the point of beginning.

In imposing these restrictions, the Sellers agree that any construction upon the Remainder Property and any transfer or subdivision of the Remainder Property will be subject to the same restrictions.

The restrictions are as follows:

1. No mobile or modular homes allowed for either temporary or permanent use or for storage.
2. Should the property be subdivided, lots may not be smaller than 2.5 acres. Each such lot shall be limited to having one single-family residential structure with one attached or detached

garage, one guesthouse and one storage building. The single-family residence structure shall be of new construction, consist of a minimum of 1,800 square feet of interior living space on the main (grade) level, exclusive of garage, decks, carports or attachments and shall not exceed a height of 30 feet from natural grade. Residential structures shall have a minimum of six (6) outside corners and the two largest roof surfaces shall have a minimum pitch or slope of 5/12. Any guesthouse shall be built only after the construction of the primary residence and shall be no larger than 1,000 square feet of interior living space. Any garage shall be located within 100 feet of the primary residence. Any storage building shall be located within 150 feet of the primary residence. The primary residence, guesthouse and garage shall be of similar architectural features and the sum total of all building shall not exceed 8,000 square feet. The guesthouse may be rented only on a short term basis, for a term not to exceed one month per separate renter user or group, so as to disallow long term rentals and to prohibit more than one single-family residence per lot. All structures shall have exterior colors of earthen tones. No metal siding with vertical lines or vertical paneling shall be used on structure exteriors.

3. The Subject Property and the Remainder Property shall be each be governed by an architectural committee elected by the majority of the respective owners of lands within the property, one for the Subject Property and another for the Remainder Property

Each architectural committee will govern the property within its purview but both shall govern according to these minimum restrictions, provided, however, the owners of a majority of the lots within the Subject Property or a majority of the lots within the Remainder Property may choose to develop the Subject Property to restrictions that are more restrictive than the provision set out in this deed.

4. Prior to construction of any improvements all owners shall submit site plans, elevations and floor plans to the architectural committee governing the property upon which the construction is contemplated for review and approval. The majority of the owners of all lots within the respective property group shall have the right to stop the construction of any improvements that do not conform to these minimum provisions.
5. 4 head of livestock shall be allowed on each 2.5 acres of property, provided however no more than 2 of the 4 head of livestock may be horses.

6. All feed shall be stored inside a barn or storage building. No freestanding hay or haystacks shall be allowed outside of the barn or storage building.
7. There shall be no pigs, flocks of birds, emus, sled dogs or dog kennels allowed upon the premises. Dogs shall be maintained so as to not become a nuisance. Any nuisance shall be subject to being governed by a 2/3 vote of the owners of the Subject Property as it relates to land within the Subject Property and 2/3 vote of the owners the Remainder Property as it relates to property within the Remainder Property to decide how to control the animals or to set the penalty which may be imposed upon any owner who violates this provision.
8. All accumulated materials, building materials, vehicles, equipment and personal property items shall be stored inside structures.
9. Other than home occupations, craftsman or artisan activities all of which shall be maintained inside structures, no commercial activity shall be allowed on the property subject of these deed. This provision shall not exclude breeding of livestock.
10. The Subject Property and the Remainder Property are currently used for agricultural purposes. Each owner shall have the right to continue agricultural activity. The properties may have separate and different uses, such as agriculture, without having to conform to the uses of the other property. In the event that a property does not become developed as residential property, it does not have to conform to the provisions of this documents. If the owner wishes to continue agricultural use, there may be open and uncovered storage of agricultural crops developed on the premises. If the owners converts property to residential use, the storage of agricultural crops shall be within roofed structures which incorporate siding or opaque screening so as to not be visible from neighboring property and shall be in accordance with the above provisions and these restrictions will apply to all property converted to or subdivided for residential use.
11. The subject and remainder properties shall have the right to amend these provisions by mutual consent of the owners of the Subject Property and the Remainder Property and the resulting amendments shall govern the use of all lands within the Subject Property and the Remainder Property as provided in this deed.
12. These restrictions constitute a mutual covenants running with the land and all successive future owners of the Subject Property and the Remainder Property shall have the same rights and responsibilities as the Grantors and Grantees herein to invoke and enforce the provisions of these restrictions, though no party

shall be obligated to enforce these restrictions at the demand of other owners, their successors or assigns.

13. Any costs, to include reasonable legal fees, incurred as a result of the enforcement of these restrictions shall be paid by the defaulting or violating party.

7. Consideration

Ten Dollars and other good and valuable consideration, receipt of which is acknowledged.

8. Grant

Grantors, for the consideration listed above hereby grant, bargain, sell, convey and confirms to Grantees, their heirs, successors and assigns, the transferred interest in the property described in this deed.

9. Warranties

Grantors, for themselves, their heirs, successors and assigns, covenants with Grantees, their heirs, successors, and assigns as follows:

Grantors are currently the owner of the property as described in this deed.

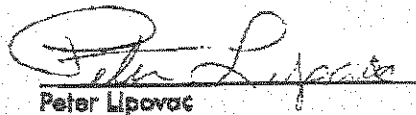
Grantors have good right to convey the property described in this deed to Grantees.

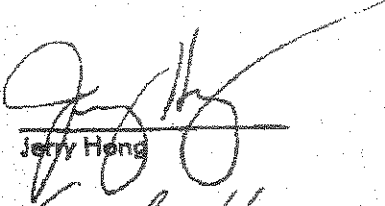
The property described in this deed is free from all encumbrances, except as otherwise shown in this deed or of record.

Grantors and their heirs and successors will forever warrant and defend the quiet and peaceful possession of the property granted by this deed to Grantees, their heirs, successors and assigns against the lawful claims of all persons.

10. Construction

In construing this deed, and where the context so requires, the singular includes the plural and the masculine, the feminine and the neuter.


Peter Lipovac


Jerry Hong
Angela Hong
John Parker
Beverly Parker

STATE OF IDAHO)

) ss.

County of Bingham)

On this 11 day of August, 2004 personally appeared before me, the undersigned, a Notary Public in and for said State, Peter Lipovac known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

In witness whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

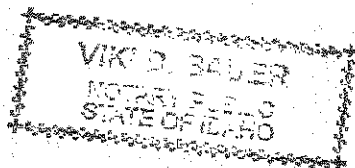

Notary Public for Idaho

Residing at: Blackfoot

My commission expires:

3/29/08

(SEAL)



162849

Warranty Deed, Page 7

STATE OF IDAHO

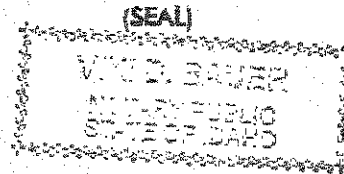
Bingham
County of Bonnevillle

SE

On this 11th day of August, 2004, before me, Vik D Bauer, an Idaho notary public, personally appeared Jerry Hong and Angela Hong, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

In witness, I have set my hand and affixed my official seal the day and year in this certificate first above written.

Vik D Bauer
Notary Public for Idaho
Residing at: Blackfoot
Commission expires: 3/29/08



STATE OF IDAHO

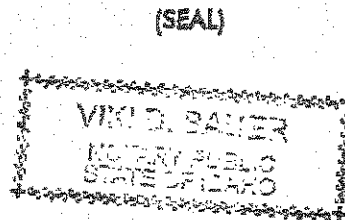
County of Bingham

SE

On this 10 day of August, 2004, before me, Vik D Bauer, an Idaho notary public, personally appeared John Parker and Beverly Parker, known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

In witness, I have set my hand and affixed my official seal the day and year in this certificate first above written.

Vik D Bauer
Notary Public for Idaho
Residing at: Blackfoot
Commission expires: 3/29/08



162849

Warranty Deed, Page 8

WARRANTY DEED

For Value Received John Parker and Beverly Parker, husband and wife, as to an undivided 33.333% interest; Peter Lipovac, a single man, as to an undivided 46.667% interest; Jerry Hong and Angela Hong, husband and wife, as to an undivided 20.00% interest.

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

Lelgh Meadows Development, LLC, an Idaho limited liability company

whose address is: 8659 East Woodland Ave, Queen Creek, AZ 85242

Hereinafter called the Grantee, the following described premises situated in Teton County, Idaho, to-wit:

A parcel of land lying due West and to be added to property described in deed # 162848, located in Section 28 and 35, Township 8 North, Range 45 East, Boise Meridian, Teton County, Idaho. This parcel being further described as:

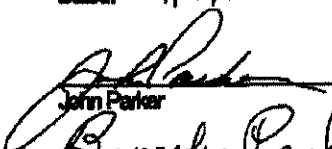
From the North Quarter corner of Section 35, Township 8 North, Range 45 East, Boise Meridian, Teton County, Idaho, and running; thence N89°36'40" W, 294.94 feet, along the North section line; thence S00°31'47" W, 294.89 feet to a point; thence N89°44'27" W, 934.17 feet to the POINT OF BEGINNING; thence N89°44'27" W, 252.47 feet to a point; thence N00°26'06" E, 857.94 feet to a point; thence S89°38'16" E, 252.47 feet to a point; thence S00°26'06" W, 957.48 feet to the point of beginning.

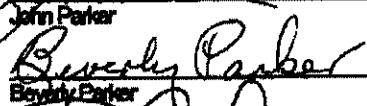
SEE ATTACHED RESERVATIONS AND RESTRICTIONS:

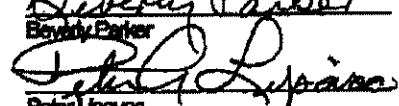
SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances unto the said Grantee and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U. S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: 4/8/05


John Parker


Beverly Parker


Peter Lipovac

Jerry Hong

Angela Hong

167398

STATE OF Idaho

COUNTY OF Bingham ^{yes.}

On this 8 day of April, 2005, before me, a Notary Public, personally appeared John Parker and Beverly Parker, known or identified to me (or proved to me on the oath of), to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Viki D. Bauer
Notary Public of Idaho
Residing at: Blackfoot Id
Commission Expires: 3/29/08

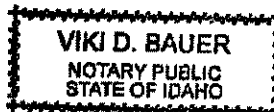


STATE OF Idaho

COUNTY OF ^{yes.}

On this 8 day of April, 2005, before me, a Notary Public, personally appeared Peter Lipovac, known or identified to me (or proved to me on the oath of), to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

Viki D. Bauer
Notary Public of Idaho
Residing at: Blackfoot Id
Commission Expires: 3/29/08



STATE OF Idaho

COUNTY OF ^{yes.}

On this day of April, 2005, before me, a Notary Public, personally appeared Jerry Hong and Angela Hong, known or identified to me (or proved to me on the oath of), to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Notary Public of Idaho
Residing at:
Commission Expires:

167398

RESERVATIONS:

- (1) Reserving however unto the Grantors the right and privilege to build the one single-family residence as allowed by Teton County Zoning Ordinances. In accepting this delivery of this deed the Grantees acknowledges that no building permits may be issued to the Grantees unless Grantees obtains an approved subdivision plat for the property transferred to the Grantees by this deed.
- (2) Reserving unto the Grantors a 60-foot roadway and utility easement as more particularly described in that certain Easement Agreement executed by the Grantors and the Grantees as Sellers and Buyers and recorded on August 13, 2004 as Instrument Number 162851.
- (3) Reserving unto the Grantors a 20-foot ditch easement as more particularly described in that certain Easement Agreement executed by the Grantors and the Grantees as Sellers and Buyers and recorded on August 13, 2004 as Instrument Number 162851.

RESTRICTIONS:

The following provisions will restrict the use of the property being conveyed by this deed.

The purpose of these restrictions is to insure the use of the property for attractive residential purposes only, to prevent nuisances and to preserve and support appreciation of property values for the benefit of the property being transferred (the "Subject Property" as described above) These restrictions will be some covenants running with the land are imposed upon the owners, their heirs, successors, assigns and lessees of the Subject Property.

The restrictions are as follows:

- (1) No mobile or modular homes allowed for either temporary or permanent use or for storage.
- (2) Should the property be subdivided, lots may not be smaller than 2.5 acres. Each such lot will be limited to having one single-family residential structure with one attached or detached garage, one guesthouse and one storage building. The single-family residence structure will be of new construction, consist of a minimum of 1,800 square feet of interior living space on the main (grade) level, exclusive of garage, decks, carports or attachments and will not exceed a height of 30 feet from a natural grade. Residential structures will have a minimum of six (6) outside corners and the two largest roof surfaces will have a minimum pitch or slope of 5/12. Any guesthouse will be built only after the construction of the primary residence and will be no larger than 1,000 square feet of interior living space. Any garage will be located within 100 feet of the primary residence. Any storage building will be located within 150 feet of the primary residence. The primary residence, guesthouse and garage will be of similar architectural features and the sum total of all building will not exceed 8,000 square feet. The guesthouse may be rented only on a short term basis, for a term not to exceed one month per separate renter user of a group, so as to disallow long term rentals and to prohibit more than one single-family residence per lot. All structures will have exterior colors of earthen tones. No metal siding with vertical lines or vertical paneling will be used on structure exteriors.
- (3) The Subject Property and the Remainder Property will each be governed by an architectural committee elected by the majority of the respective owners of lands within the property, one for the Subject Property and another for the Remainder Property.

Each architectural committee will govern the property within its purview but both will govern according to these minimum restrictions, provided, however, the owners of a majority of the lots within the Subject Property or a majority of the lots within the Remainder Property may choose to develop the Subject Property to restrictions that are more restrictive than the provision set out in this deed.

- (4) Prior to construction or any improvements all owners will submit site plans, elevations and floor plans to the architectural committee governing the property upon which the construction is contemplated for review and approval. The majority of the owners of all lots within the respective property group will have the right to stop the construction of any improvements that do not conform to these minimum provisions.

- (5) 4 heads of livestock will be allowed on each 2.5 acres of property, provided however no more than 2 of the 4 heads of livestock may be horses.
- (6) All feed will be stored inside a barn or storage building. No freestanding hay or haystacks will be allowed outside of the barn or storage building.
- (7) There will be no pigs, flocks of birds, emus, sled dogs or dog kennels allowed upon the premises. Dogs will be maintained so as too not become a nuisance. Any nuisance will be subject to being governed by a 2/3 vote of the owners of the Subject Property and 2/3 vote of the owners of the Remainder Property as it relates to property within the Remainder Property to decide how to control the animals or to set the penalty which may be imposed upon any owner who violates this provision.
- (8) All accumulated materials, building materials, vehicles, equipment and personal property items will be stored inside structures.
- (9) Other than home occupations, craftsman or artisan activities all of which will be maintained inside structures, no commercial activity will be allowed on the property subject of this deed. This provision will not exclude breeding of livestock.
- (10) The Subject Property and the Remainder Property are currently used for agricultural purposes. Each owner will have the right to continue agricultural activity. The properties may have to continue agricultural activity. The properties may have separate and different uses of the other property. In the event that a property does not become developed as residential property, it does not have to conform to the provision of this document. If the owner wishes to continue agricultural use, there may be open and uncovered storage of agricultural crops developed on the premises. If the owners' converts property to residential use, the storage of agricultural crops will be within roofed structures which incorporate siding or opaque screening so as too not be visible from neighboring property and will be in accordance with the above provisions and these restrictions will apply to all property converted to or subdivided for residential use.
- (11) The subject and remainder properties will have the right to amend these provisions by mutual consent of the owners of the Subject Property and the Remainder Property and the resulting amendments will govern the use of all lands within the Subject Property and the Remainder Property as provided in this deed.
- (12) These restrictions constitute a mutual covenant running with the land and all successive future owners of the Subject Property and the Remainder Property will have the same rights and responsibilities as the Grantors and Grantees herein to invoke and enforce the provisions of these restrictions, though no party will be obligated to enforce these restrictions at the demand of other owners, their successors or assigns.
- (13) Any costs, to include reasonable legal fees, incurred as a result of the enforcement of these restrictions will be paid by the defaulting or violation party.

MAY. 19. 2005 10:54AM

FIRST AM. TITLE-DRIGGS

NOTICE RECEIVED

First American Title Company

168299
WARRANTY DEED

MAY 26 2005

TETON CO., ID
CLERK RECORDER

For Value Received John Parker and Beverly Parker, husband and wife, as to an undivided 33.33% interest; Peter Lipovac, a single man, as to an undivided 46.67% interest; Jerry Hong and Angela Hong, husband and wife, as to an undivided 20.00% interest.

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

Leigh Meadows Development, LLC, an Idaho limited liability company

whose address is: 8658 East Woodland Ave., Queen Creek, AZ 85242

Hereinafter called the Grantee, the following described premises situated in Teton County, Idaho, to-wit:

SEE ATTACHED LEGAL:

SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinances and use regulations and resolutions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances unto the said Grantee and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated:

John Parker

Beverly Parker

Peter Lipovac

Jerry Hong

Angela Hong

STATE OF Idaho

COUNTY OF Bingham

Instrument # 168299

DRIGGS, TETON, IDAHO

2005-05-26 02:18:23 No. of Pages: 7

Recorded for: FIRST AMERICAN TITLE

NOLAN G. SOYLE

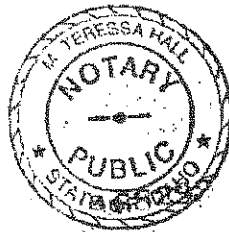
Fee: 21.00

Ex-Officio Recorder Deputy

Index to: DEED, WARRANTY

On this 19 day of May, 2005, before me, a Notary Public, personally appeared John Parker and Beverly Parker, known or identified to me (or proved to me on the oath of), to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Notary Public of Idaho
Residing at: Blackfoot ID
Commission Expires: 8/24/07



ATTACHED LEGAL DESCRIPTION

Order No.: T12670

Tract 1:

(Parcel 2)

Fee Estate: A part of Sections 26 and 35, TWP. 6N., RNG. 45E., B.M., Teton County, Idaho, Being further described as:

Commencing at the SW corner of said Section 26, The point of beginning:

Thence N 00°30'56"E, 859.82 feet along the Western section line to the NW Corner of the

S1/2S1/2SW1/4 of said Section 26:

Thence S 89°38'16"E, 1403.46 feet along the North line of the S1/2S1/2SW1/4 of said Section 26 to a point:

Thence S 00°26'08"W, 957.48 feet to a point;

Thence N 89°44'27"W, 258.83 feet to a point;

Thence S 00°31'48"W, 400.00 feet to a point;

Thence N 89°44'27"W, 1148.57 feet to a point;

Thence N 00°34'20"E, 700.19 feet to a point of beginning.

Tract 2:

Easement Estate: Together with and Subject to a 60 foot road and utility easement as described as follows:

A 60 foot road and utility easement for ingress and egress and for installation and maintenance of utilities, including, but not limited to, Electric, Telephone, and Cable TV utilities, running across a part of the SE1/4SW1/4 Section 26, TWP. 6N., RNG. 45E., B.M., Teton County, Idaho, being 30 feet on each side of the following described centerline:

From the S1/4 corner of said Section 26, Thence N00°26'08" E, 330.53 feet along the East line of the SW1/4 to the point of beginning;

Thence N89°40'00" W, 398.80 feet to a point;

Thence 150.49 feet along a 191.61 foot radius curve to the left, having a central angle of 45°00'00" and a chord bearing S67°50'00" W, 146.65 feet to a point;

Thence S45°20'00" W, 50.00 feet to a point;

Thence 150.49 feet along a 191.61 foot radius curve to the right, having a central angle of 45°00'00" and a chord bearing S67°50'00" W, 146.65 feet to a point;

Thence N89°40'00" W, 524.72 feet to a point on the property line, the point of ending.

LESS AND EXCEPTING THEREFROM a parcel of land lying due West and to be added to property described in deed # 162849, located in Section 26 and 35, Township 6 North, Range 45 East, Boise Meridian, Teton County, Idaho. This parcel being further described as:

From the North Quarter corner of Section 35, Township 6 North, Range 45 East, Boise Meridian, Teton County, Idaho, and running; thence N89°38'40" W, 294.94 feet, along the North section line; thence S 00°31'47" W, 294.89 feet to a point; thence N89°44'27" W, 934.17 feet to the POINT OF BEGINNING; thence N89°44'27" W, 252.47 feet to a point; thence N00°26'08" E, 957.94 feet to a point; thence S89°38'16" E, 252.47 feet to a point; thence S00°26'08" W, 957.48 feet to the point of beginning.

ALTA Plain Language Commitment Legal Description
(T12670.PFD/T12670/14)

168299

STATE OF Idaho

:SS

COUNTY OF

On this day of May, 2005, before me a Notary Public, personally appeared Peter Lipovac, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

Notary Public of: Idaho
Residing at:
Commission Expires:

STATE OF Idaho

:SS

COUNTY OF *Teton*

On this *21* day of May, 2005, before me a Notary Public, personally appeared Jerry Hong, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

Jerrilee J. Brower
Notary Public of: Idaho
Residing at: *Tetonia, Id.*
Commission Expires: *2-27-10*

JERRILEE J. BROWER
NOTARY PUBLIC
STATE OF IDAHO

STATE OF Idaho

:SS

COUNTY OF *Teton*

On this *21* day of May, 2005, before me a Notary Public, personally appeared Angela Hong, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same.

Jerrilee J. Brower
Notary Public of: Idaho
Residing at: *Tetonia, Idaho*
Commission Expires: *2-27-10*

JERRILEE J. BROWER
NOTARY PUBLIC
STATE OF IDAHO

168299

STATE OF Idaho

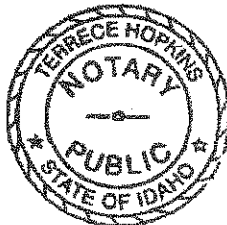
COUNTY OF Bingham ss

On this 17th day of May, 2005, before me a Notary Public, personally appeared Peter Lipovac, known or identified to me to be the person whose name is subscribed to the within Instrument and acknowledged to me that he executed the same.

Notary Public of Idaho

Residing at: 5100 5th St

Commission Expires: 6-23-2010



STATE OF Idaho

1559

COUNTY OF

On this day of May, 2005, before me a Notary Public, personally appeared Jerry Hong, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

Notary Public of Idaho

Residing at:

Commission Expires:

STATE OF Idaho

“等等”

COUNTY OF

On this day of May, 2005, before me a Notary Public, personally appeared Angela Hong, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same.

Notary Public of Idaho

Residing at:

Completion Expires:

168299

- (5) 4 heads of livestock will be allowed on each 2.5 acres of property, provided however no more than 2 of the 4 heads of livestock may be horses.
- (6) All feed will be stored inside a barn or storage building. No freestanding hay or haystacks will be allowed outside of the barn or storage building.
- (7) There will be no pigs, flocks of birds, emus, sled dogs or dog kennels allowed upon the premises. Dogs will be maintained so as too not become a nuisance. Any nuisance will be subject to being governed by a 2/3 vote of the owners of the Subject Property and 2/3 vote of the owners of the Remainder Property as it relates to property within the Remainder Property to decide how to control the animals or to set the penalty which may be imposed upon any owner who violates this provision.
- (8) All accumulated materials, building materials, vehicles, equipment and personal property items will be stored inside structures.
- (9) Other than home occupations, craftsman or artisan activities all of which will be maintained inside structures, no commercial activity will be allowed on the property subject of this deed. This provision will not exclude breeding of livestock.
- (10) The Subject Property and the Remainder Property are currently used for agricultural purposes. Each owner will have the right to continue agricultural activity. The properties may have to continue agricultural activity. The properties may have separate and different uses of the other property. In the event that a property does not become developed as residential property, it does not have to conform to the provision of this document. If the owner wishes to continue agricultural use, there may be open and uncovered storage of agricultural crops developed on the premises. If the owners' converts property to residential use, the storage of agricultural crops will be within roofed structures which incorporate siding or opaque screening so as too not be visible from neighboring property and will be in accordance with the above provisions and these restrictions will apply to all property converted to or subdivided for residential use.
- (11) The subject and remainder properties will have the right to amend these provisions by mutual consent of the owners of the Subject Property and the Remainder Property and the resulting amendments will govern the use of all lands within the Subject Property and the Remainder Property as provided in this deed.
- (12) These restrictions constitute a mutual covenant running with the land and all successive future owners of the Subject Property and the Remainder Property will have the same rights and responsibilities as the Grantors and Grantees herein to invoke and enforce the provisions of these restrictions, though no party will be obligated to enforce these restrictions at the demand of other owners, their successors or assigns.
- (13) Any costs, to include reasonable legal fees, incurred as a result of the enforcement of these restrictions will be paid by the defaulting or violation party.

WARRANTY DEED

For Value Received John Parker and Beverly Parker, husband and wife, as to an undivided 33.333% interest; Peter Lipovac, a single man, as to an undivided 48.867% interest; Jerry Hong and Angela Hong, husband and wife, as to an undivided 20.00% interest.

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

Leigh Meadows Development, LLC, an Idaho limited liability company

whose address is: 8658 East Woodland Ave., Queen Creek, AZ 85242

Hereinafter called the Grantee, the following described premises situated in Teton County, Idaho, to-wit:

SEE ATTACHED LEGAL:

SUBJECT TO all easements, right of ways, covenants, restrictions, reservations, applicable building and zoning ordinance and use regulations and restrictions of record, and payment of accruing present year taxes and assessments as agreed to by parties above.

TO HAVE AND TO HOLD the said premises, with its appurtenances unto the said Grantee and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U. S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Dated: 5.21.05

John Parker

Beverly Parker

Peter Lipovac

Jerry Hong

Angela Hong

STATE OF Idaho

COUNTY OF ^{Idaho} Teton

On this 21 day of May, 2005, before me, a Notary Public, personally appeared John Parker and Beverly Parker, known or identified to me (or proved to me on the oath of), to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

~~_____
Kerrie A. Brower
Notary Public of Idaho
Residing at: Teton, Idaho
Commission Expires: 2.27.10~~

RESERVATIONS:

- (1) Reserving however unto the Grantors the right and privilege to build the one single-family residence as allowed by Teton County Zoning Ordinances. In accepting this delivery of this deed the Grantees acknowledges that no building permits may be issued to the Grantees unless Grantees obtains an approved subdivision plat for the property transferred to the Grantees by this deed.
- (2) Reserving unto the Grantors a 60-foot roadway and utility easement as more particularly described in that certain Easement Agreement executed by the Grantors and the Grantees as Sellers and Buyers and recorded on August 13, 2004 as Instrument Number 162851.
- (3) Reserving unto the Grantors a 20-foot ditch easement as more particularly described in that certain Easement Agreement executed by the Grantors and the Grantees as Sellers and Buyers and recorded on August 13, 2004 as Instrument Number 162851.

RESTRICTIONS:

The following provisions will restrict the use of the property being conveyed by this deed.

The purpose of these restrictions is to insure the use of the property for attractive residential purposes only, to prevent nuisances and to preserve and support appreciation of property values for the benefit of the property being transferred (the "Subject Property" as described above). These restrictions will be some covenants running with the land are imposed upon the owners, their heirs, successors, assigns and lessees of the Subject Property.

The restrictions are as follows:

- (1) No mobile or modular homes allowed for either temporary or permanent use or for storage.
- (2) Should the property be subdivided, lots may not be smaller than 2.5 acres. Each such lot will be limited to having one single-family residential structure with one attached or detached garage, one guesthouse and one storage building. The single-family residence structure will be of new construction, consist of a minimum of 1,800 square feet of interior living space on the main (grade) level, exclusive of garage, decks, carports or attachments and will not exceed a height of 30 feet from a natural grade. Residential structures will have a minimum of six (6) outside corners and the two largest roof surfaces will have a minimum pitch or slope of 5/12. Any guesthouse will be built only after the construction of the primary residence and will be no larger than 1,000 square feet of interior living space. Any garage will be located within 100 feet of the primary residence. Any storage building will be located within 150 feet of the primary residence. The primary residence, guesthouse and garage will be of similar architectural features and the sum total of all building will not exceed 8,000 square feet. The guesthouse may be rented only on a short term basis, for a term not to exceed one month per separate renter user of a group, so as to disallow long term rentals and to prohibit more than one single-family residence per lot. All structures will have exterior colors of earthen tones. No metal siding with vertical lines or vertical paneling will be used on structure exteriors.
- (3) The Subject Property and the Remainder Property will each be governed by an architectural committee elected by the majority of the respective owners of lands within the property, one for the Subject Property and another for the Remainder Property.

Each architectural committee will govern the property within its purview but both will govern according to these minimum restrictions, provided, however, the owners of a majority of the lots within the Subject Property or a majority of the lots within the Remainder Property may choose to develop the Subject Property to restrictions that are more restrictive than the provision set out in this deed.

- (4) Prior to construction or any improvements all owners will submit site plans, elevations and floor plans to the architectural committee governing the property upon which the construction is contemplated for review and approval. The majority of the owners of all lots within the respective property group will have the right to stop the construction of any improvements that do not conform to these minimum provisions.

OPERATING AGREEMENT
LEIGH MEADOWS DEVELOPMENT, LLC

This Operating Agreement is made and entered into this day of
DECEMBER 1, 2004 to be effective DECEMBER 1, 2004 by and between:
DAVID CHAPMAN
LANA CHAPMAN

WITNESSETH:

WHEREAS, the parties hereto are desirous of
associating themselves as members in a venture known as "LEIGH
MEADOWS DEVELOPMENT, LLC," a limited liability company, formed in the
State of Arizona; and

WHEREAS, the members desire to reduce to writing the
terms of their Operating Agreement of LEIGH MEADOWS DEVELOPMENT, LLC
(hereinafter "the company").

ARTICLE I

NAME AND PRINCIPAL PLACE OF BUSINESS

1.1. The company shall operate under the name of LEIGH
MEADOWS DEVELOPMENT, LLC.

1.2. The principal location of the company shall be at
PO BOX 604 253 S. MAIN ST DRIGGS, ID 83422.

1.3. The name of the initial registered agent for the
company is MARK ROCKEFELLER located at PO BOX 604 253 S. MAIN
DRIGGS, ID 83422. In the event the aforementioned registered agent
resigns, has the authority to receive service of process revoked, or
cannot be found or served with the exercise of reasonable diligence,
the Director of the Division of Corporations and Commercial Code of
the Arizona Department of Commerce is appointed agent for service of
process.

1.4. The members of the liability company are:

DAVID CHAPMAN
LANA CHAPMAN

8659 E. WOODLAND AVE, QUEEN CREEK, AZ 85242
8659 E. WOODLAND AVE, QUEEN CREEK, AZ 85242

1.5. The managers of the limited liability company are:

DAVID CHAPMAN
LANA CHAPMAN

8659 E. WOODLAND AVE, QUEEN CREEK, AZ 85242
8659 E. WOODLAND AVE, QUEEN CREEK, AZ 85242

ARTICLE II

PURPOSE OF THE BUSINESS

2.1. One purpose and character of the business is to
OPERATE A DEVELOPMENT COMPANY.

2.2. The company shall also have as a purpose and

character of business any and all lawful business.

2.3. Additional legal and lawful business ventures and purposes may be added to this limited liability company upon the consent of each and every member of LEIGH MEADOWS DEVELOPMENT, LLC. The operation, scope, and responsibilities of the new business venture(s) shall be fully disclosed to each and every member before voting on consent shall be taken.

ARTICLE III

TERM OF THE COMPANY

The company shall commence on the date of acceptance and filing of the Articles of Organization with the State of Arizona Department of Commerce, Division of Corporations and Commercial Code, and shall continue for thirty (30) years thereafter unless terminated before that time as described below.

ARTICLE IV

FISCAL YEAR OF COMPANY

The fiscal year of the company shall be the calendar year. Any changes to the fiscal year of the company shall be made by vote of each and every member, unless another year is imposed by the Internal Revenue Code of Regulations.

ARTICLE V

CAPITAL CONTRIBUTIONS

5.1. The original capital of the company shall consist of cash and property contributed by the parties at the values hereinafter set out:

NAME	TYPE OF CONTRIBUTION	VALUE
DAVID CHAPMAN	Cash	Various
LANA CHAPMAN	Cash	Various

5.2. After initial contributions, each member may make additional capital contributions from time to time as agreed upon by the members of the company.

ARTICLE VI

ADDITIONAL PARTIES

No member shall, except with the consent of each and every member, withdraw his/her capital contributions, in whole or in part, nor assign, mortgage, sell or otherwise transfer his/her membership share in the company or in its capital, assets, or property, nor enter into any agreement as a result of which any other person, firm or company shall become interested with him/her as a member of the company, nor do any act detrimental to the best interests of the company, or which would make it impossible to carry on the ordinary business of LEIGH MEADOWS DEVELOPMENT, LLC.

Notwithstanding the above, any member, for estate and income tax planning purposes, may transfer his/her company interest to a revocable trust or family Partnership at any time.

ARTICLE VII

PREEXISTING LOANS

The company agrees to assume the existing mortgages or encumbrances, if any, on properties transferred to LEIGH MEADOWS DEVELOPMENT, LLC

ARTICLE VIII

CAPITAL ACCOUNTS

8.1. Capital accounts shall be maintained for each member. The capital interest of each member shall consist of his/her original contribution to capital, increased by (1) additional capital contributions and (2) any credit balances transferred to his/her capital account as provided herein, and decreased by (a) distributions in reduction of member capital and (b) his/her share of company losses.

8.2. Payments to individual members shall be made out of net income from time to time as determined by the members, and shall be distributed in accordance with the respective percentage interests of the company, including salaries to members, managers and employees for services to the company, and to purchase necessary assets or property for the company.

8.3. From time to time the company may require additional capital. In such event an assessment for such additional requirements may be made by the members with the consent of each and every member.

8.3.1. All members shall be required to pay such assessments within ten (10) days after notice thereof. Should any member fail to pay the full assessment within the said amount of ten (10) days, interest shall thereafter accrue on the unpaid balance at the rate of one and one-half percent (1-1/2%) per month until paid.

8.3.2. Should any member fail to pay the full assessment within one hundred eighty (180) days after notice thereof, such member shall automatically be expelled, and the provisions of Section 16 shall apply.

8.4. LEIGH MEADOWS DEVELOPMENT, LLC shall maintain adequate books and records at its principal office, and all members shall have the right to inspect said books at reasonable times during business hours. Individual capital accounts shall be kept for each member. The managing member(s) agree to deliver to each member within thirty (30) days after the expiration of each fiscal year of the company a statement showing the capital account of each member, the distribution to each member, the basis employed in stating the valuation of the assets and any changes in such basis during the preceding year; the amount of income or loss and the additions and deductions therefrom setting forth in particular the amounts of depreciation, amortization, interest, and extraordinary income or charges, whether or not included in operating income, and the amount

thereof reportable for state and federal income tax purposes.

8.5. No member shall receive any interest on his/her contribution to the company, and any advance of money to the company by any member in excess of his/her respective agreed capital contribution shall not be deemed a capital contribution to the company, but a debt due from LEIGH MEADOWS DEVELOPMENT, LLC and shall be repaid with interest at such times as may be determined by contract or by managing member(s) absent contractual time restraints, with interest at six percent (6%) per annum.

8.6. The managing member(s) shall devote such time to the company as shall be necessary to conduct the day to day operation of company business. The managing member(s) shall have full charge of the management thereof, subject to all member(s) exercising control over an aspect of company business in accordance with paragraph 10.1, and shall have the power on behalf of the company to perform such acts as are allowed by the laws of the state or county in which the company properties or assets are located, except where limited by this Agreement, including but not limited to, sale of company property and the execution of bills of sale, contracts of sale, conveyances, and deeds.

ARTICLE IX

DIVISION OF PROFITS AND LOSSES

The net profits or losses of the company shall be divided among the members in proportion to their adjusted capital accounts.

ARTICLE X

MANAGEMENT OF PARTNERSHIP: DUTIES AND RESTRICTIONS

10.1. Each member shall have an equal vote in the management of company business and a majority vote of the members in attendance to a properly called meeting shall control company business, except as otherwise provided by this agreement. A seven (7) day notice must be given before a meeting of the members can be called, unless otherwise agreed.

10.2. The members shall devote such time to the actual operation of the business as they shall from time to time agree and may be compensated by way of salaries or wages for the value of such services actually performed, the amount of such salaries or wages to be determined by unanimous agreement of the members. Such wages or salaries shall be treated as an expense in determining company net profit or loss.

10.3. One or more company bank accounts shall be established and checks on such accounts may be signed by any one of the members, or otherwise, as the members shall agree.

10.4. No member without the consent of the other members, shall:

10.4.1. Borrow or lend money on behalf of the company

10.4.2. Execute any security agreement, mortgage, bond, or lease.

10.4.3. Assign, transfer or pledge any debts due the company or release any such debts due, except upon payment in full.

10.4.4. Compromise any claim due the company, or submit to arbitration any dispute or controversy

involving the company.

10.4.5. Sell, assign, pledge, or mortgage his/her interest in the company.

ARTICLE XI

LOANS BY MEMBERS

Any one or more of the members may loan such sums to the company as shall be needed from time to time over and above contributed capital and funds borrowed from other sources. Such loans shall be for periods of time as each and every one of the members shall agree and shall be evidenced in writing by notes bearing interest at prevailing commercial rates and showing times and amounts of repayment.

ARTICLE XII

COMPANY FUNDS

All funds of the company shall be deposited and kept in its name in such company bank account or accounts as shall be designated by the members. All withdrawals therefrom shall be made as provided in Section 10.3.

ARTICLE XIII

COMPANY ACCOUNTING

At the end of the company fiscal year, or as soon as practical thereafter, a full, true, and accurate account shall be made in writing of all the assets and liabilities of the company and of all its receipts and disbursements, on the cash basis method of accounting, in accordance with generally accepted accounting principles. The assets, liabilities, and income, both gross and net, shall be ascertained and the net profits and net losses shall be determined. The account of each member shall thereupon be credited or debited, as the case may be, with his/her share of such net profits or losses. In preparing such account, there shall be charged all expenses of the business and also all losses, and other charges incident or necessary to the carrying on of the business. A copy of the state and federal income tax returns of the company will be distributed to all persons who were members during the year so that they may timely and properly file their respective tax returns.

ARTICLE XIV

WITHDRAWAL OF A MEMBER

14.1. Upon the withdrawal of a member for any reason other than expulsion, the remaining members may acquire the withdrawing member's company interest by paying to him/her or his/her legal representative an amount determined by the application of Article XV, said amount be paid as herein provided. In the event the remaining members elect not to purchase said interest within forty-five (45) days after the receipt of an offer, then the interest shall be offered to the company. If the company elects not to purchase said interest within thirty (30) days after the offer, then

the company shall dissolve and the provisions of Article XVII shall apply.

14.2. If withdrawal occurs as the result of death or permanent disability as herein defined, payments made by the remaining members, or the company, shall be made to the withdrawing member, or his/her legal representative, in ten (10) equal semi-annual installments, including interest, with the first payment due on or before sixty (60) days after withdrawal for death or permanent disability. For the purposes of this section, the term "permanent disability" shall mean such degree of physical or mental disability as is sufficient to render a member incapable of performing his/her duties as a member or in his/her regular occupation for a period of more than one (1) year. In the event that the company elects to purchase the deceased or disabled member's interest, and a portion of the decedent's or disabled's interest is covered by insurance, the full amount of the insurance, up to, but not exceeding, the purchase price shall be paid to the decedent's or disabled's legal representative within sixty (60) days after the date of death or disability.

14.3. If withdrawal occurs for any other reason, except expulsion, payment, whether made by the remaining members or the company, shall be made to the withdrawing member in sixteen (16) semi-annual installments, including interest, with the first payment due on or before sixty (60) days after withdrawal.

14.3.1. At the time the initial payment is made to the withdrawing member, or his/her legal representative, the company, or the remaining members, as the case may be, shall execute its/their promissory note, payable to the withdrawing member or his/her legal representative, in the face amount of the unpaid balance, and otherwise on the terms and conditions set forth above. The note shall provide for interest at the annual rate of eight percent (8%) on the unpaid balance, said interest to accrue from and after the initial payment.

14.3.2. The note shall provide for the privilege of prepayment of the whole amount or any installment thereunder without premium or penalty. The note shall further provide that, at the option of the holder, the entire amount shall become due if all or any part of any principal or interest payment shall remain unpaid for forty-five (45) days after the date on which the same becomes due by the terms of the note.

ARTICLE XV

VALUATION OF INTEREST OF THE WITHDRAWING MEMBER

15.1. If a member withdraws for any reason, including death or permanent disability, then the value of his/her interest in the company shall be the sum of the following:

(a) His/her proportionate share of the assets of the company, less his/her proportionate share of the liabilities of the company, all valued as hereinafter set forth; plus

(b) His/her proportionate share of the accrued net income of the company to the date of death or effective date of withdrawal; which shall be referred to as the book value or purchase price, and shall be determined as hereinafter provided.

15.2. The book value or purchase price for a company interest, as set forth herein, shall be the book value thereof as it appears on the books and records of the company as of the close of business on the date of death or the effective date of withdrawal, as

adjusted by substituting the fair market value as of such date, in place of the book value, of any property and improvements owned by the company. Such adjusted book value shall be computed by the accountant regularly employed by the company in accordance with the accounting practices and procedures regularly followed by the company and in accordance with the generally accepted accounting principles and procedures.

15.2.1. No allowance shall be made for goodwill, trade name or other intangible assets except as those assets have been reflected on the company books immediately prior to the date of the determination of book value.

15.2.2. Book value shall include and reflect the withdrawing member's capital account as of the end of the last fiscal year as shown on the company books, increased by his/her share of company profits and decreased by his/her share of company losses for the period from the beginning of the fiscal year in which he/she withdrew until the date of his/her withdrawal, and further increased by contributions and decreased by withdrawals during such period, all in accordance with Articles V and VIII.

15.2.3. In making the adjustment for the fair market value of the property, the accountant may rely on the written appraisal of any licensed real estate appraiser, selected by him/her for that purpose at the expense of the company.

15.2.4. A statement showing the book value or purchase price, as adjusted, and the supporting items and computations, including a copy of the property appraisal, shall be delivered to the withdrawing member or his/her legal representative and to the remaining members on or before sixty (60) days after the date of death or effective date of withdrawal. The book value or purchase price as set out in the statement shall be deemed to be the price for the entire company interest, binding upon all parties hereto, unless and until changed by written agreement of the parties or by arbitration as hereafter provided.

15.2.5. In the event the accountant is unable to complete the statement for any reason before the initial payment is due, as provided in Article XV, and the withdrawal is for any reason other than death or permanent disability, then an initial payment of five percent (5%) of the estimated purchase price, as determined by the accountant, shall be made. If the withdrawal is for death or permanent disability, then an initial payment of ten percent (10%) of the estimated purchase price, as determined by the accountant, shall be made. Thereafter and within sixty (60) days the statement shall be completed and any required adjustments on the unpaid balance shall be made on the basis for handling increases or decreases as set forth in Section 15.5.

15.3. Payments made by the company to any member who withdraws for any reason other than death or permanent disability, which are in excess of the said member's capital accounts at the effective date of withdrawal shall be considered as payments of income under Section 736(a) of the Internal Revenue Code. Payments which reflect the capital account of such member shall be considered as payments for an interest in the company under Section 736(b) of the Code.

15.4. Payments made by the company to any member, or his/her legal representative, who withdraws because of death or permanent disability shall, to the extent that they represent payment of undrawn profits, be considered as payments of income under Section 736(b) of the Internal Revenue Code, and the balance of the payments

made hereunder shall be considered as payments for an interest in the company under Section 736(b) of the Code.

15.5. In the event either the withdrawing member, or his/her legal representative, or a purchaser, or a majority of the remaining members, should dispute the purchase price shown on the accountant's statement prepared pursuant to Section 15.2.4, then such party shall, within ten (10) days after delivery of such statement, give a written notice of his, her or their objection to the other parties, which objection shall contain a specification of the reasons therefor. If the dispute is not settled within twenty (20) days by written agreement among the parties, then the determination of the book value or purchase price as of the date of death or effective date of withdrawal shall be accomplished by arbitration, as provided in Article XVII hereof. If the amount is changed by the agreement of the parties or by arbitration award, the new amount shall govern and shall be the purchase price for the company interest hereunder. If the new amount is not fixed and determined until after the initial payment, then any increase in the price shall be paid in cash to the withdrawing member, or his/her legal representative, within sixty (60) days after the date of such agreement; and any decrease in the purchase price thus determined shall be credited against the unpaid balance owing the withdrawing member, or his/her legal representative, and shall reduce the principal amount due on the note referred to in Section 14.3.1.

ARTICLE XVI

EXPULSION OF A MEMBER

16.1 A member may be expelled from the limited liability company for any of the following reasons:

16.1.1. Insolvency, bankruptcy or assignment of assets for the benefit of creditors.

16.1.2. Conviction of a felony.

16.2 If a member is expelled, he/she shall be paid the value of his/her interest, determined as provided in Article XIII, as follows:

16.2.1. Thirty-three and one-third percent (33 1/3%) thereof in cash, within (90) days following the date of notice of expulsion to the affected member.

16.2.2. The balance paid in not more than three (3) annual installments, including interest, commencing one hundred eighty (180) days after the payment referred to in Section 16.2.1. and continuing thereafter on the anniversary of said payment. Interest shall accrue on the unpaid balance at the annual rate of eight percent (8%) from and after the payment referred to in Section 16.2.1. and shall be payable annually in addition to the principal payment.

16.3. At the time the payment referred to in Section 16.2.1 is made, the company shall execute its promissory note payable to the expelled member, in the face amount of the unpaid balance, and otherwise on the terms and conditions set forth above, and the provisions of Section 14.3.2 shall apply.

ARTICLE XVII

DISSOLUTION AND TERMINATION OF THE COMPANY

17.1. LEIGH MEADOWS DEVELOPMENT, LLC shall dissolve upon the occurrence of any of the following events:

17.1.1. The expiration of fifty (50) years fixed for the duration of the company as shown in the Articles of Organization and this Operating Agreement.

17.1.2. Each and every member signs an agreement dissolving the company.

17.1.3. Upon the death, legal incapacity, disability, insanity, retirement, resignation, expulsion, bankruptcy or dissolution of a member or upon the occurrence of any other event that terminates the continued eligibility for membership of a member.

17.2. On termination or dissolution by agreement of the members, or for any other reason, the company shall immediately commence to wind up its affairs. The members shall continue to share profits and losses during the period of liquidation in the same proportions as before dissolution. The termination of the company shall be conducted by all the members, or remaining members. The proceeds from liquidation of company assets shall be applied as follows:

17.2.1. Debts of the company, other than members.

17.2.2. Amounts owed to members for unpaid wages and salaries.

17.2.3. Loans to members.

17.2.4. The capital contributions of the members as reflected in their respecting capital accounts.

17.3. Any gain or loss on disposition of company properties in the process of liquidation shall be credited or charged to the members in the proportion of their interest in profits or losses. Any property distributed in kind in liquidation shall be valued and treated as though the property were sold at its fair market value and the cash proceeds were distributed. The difference between the value of the property distributed in kind and its book values shall be treated as a gain or loss on sale of the property and shall be credited or charged to the members in the proportions of their interests in profits or losses as specified herein.

17.4. In connection with the liquidation the members shall decide whether to sell any company assets, and if so, whether at public or private sale, and for what amount and upon what terms, or whether to distribute and transfer the same to the member in kind.

17.5. In the event that the members, by majority vote, determine to sell any real or personal property, they shall have full right and discretion to determine the time and the manner in which such sale shall be had, having due regard for the activity and condition of market conditions, and general financial and economic conditions. The sale may be either public or private.

ARTICLE XVIII

ARBITRATION

18.1. Any controversy or claim arising out of or relating to this agreement, or to the interpretation, breach, or enforcement thereof, shall be submitted to arbitration and settled thereby. Any award made by such arbitration shall be final, binding, and conclusive on all parties hereto for all purposes, and judgment may be entered thereon in any court having jurisdiction thereof.

18.2. The fees and expenses of arbitration shall be

borne equally by the parties. If a majority of the members believe that expert advice will materially assist the arbitrator in the resolution of any questions, the members may retain one or more qualified persons, including, but not limited to, legal counsel, architects, accountants, engineers, appraisers, Realtors, or insurance adjusters, to provide expert advice. The fees and expenses of any such qualified person or person shall also be borne equally by the parties. The arbitrators shall have no power to alter, amend, or modify any provision of this agreement.

18.3. All arbitration proceedings shall be conducted in accordance with and in compliance with the rules then complied with the American Arbitration Association, insofar as practicable, or in the event that such rules are no longer in existence, then in accordance and in compliance with such rules, regulations, or statutes as govern procedures in court of record in the State of Arizona in civil matters. The State of Arizona arbitrator, however, may modify any such rules to the extent that such modification will assist the arbitrator in reaching a fair determination or to the extent that the arbitrator may determine that strict adherence to said rule is not necessary to reach such fair and impartial determination.

ARTICLE XIX

NOTICE

Wherever provision is made in this agreement for the giving or delivery of any notice, statement, or any instrument, such notice shall be deemed to have been duly given and delivered if personally delivered or mailed by United States registered or certified mail, addressed to the party entitled to receive the same at his/her address. Each party hereto may change his/her mailing address by giving to the company, by personal delivery or by United States registered or certified mail, written notice of election to change such address and of such new address. Except where otherwise specified in this agreement, any notice, statement, or other instrument shall be deemed to have been given, served, and delivered on the date on which such notice was personally delivered or mailed as herein provided.

ARTICLE XX

OUTSIDE INTERESTS

20.1. Each member may have or engage in other business interests or ventures of every description independently or with others, and neither the company nor any other member shall have any right by virtue of this agreement in or to any such independent ventures.

20.2. No member shall be required to devote his entire time to the business of the company. No member shall be obligated to devote more time and attention to the conduct of the business of the company than shall be deemed, by a majority of the members, including such member, to be required for the business of the company.

ARTICLES XXI

AMENDING THE OPERATING AGREEMENT.

At any meeting properly called by the members, giving

seven (7) days notice to all members in accordance with paragraph 10.1., a motion may be made to amend this Operating Agreement or the Articles of Organization. The Operating Agreement and the Articles of Organization may be amended in writing, in whole or in part, by a vote of each and every member of the company.

ARTICLE XXII

ENTIRE AGREEMENT

This agreement contains the sole and entire agreement and understanding of the parties with respect to the entire subject matter hereof. Any and all prior discussions, negotiations, commitments, and understandings relating thereto are hereby merged herein. This agreement cannot be changed or terminated orally.

ARTICLE XXIII

COVENANTS AND AGREEMENTS

The covenants and agreements herein contained shall insure to the benefit of and be binding upon the parties hereto and their respective executors, administrators and assigns.

ARTICLE XXIV

DEFINITIONS OF TERMS

Words herein used in the singular shall denote the plural and the plural shall denote the singular, and the context so requires. Nouns and pronouns used herein, whether masculine, feminine, or neutral, shall be interpreted as the context requires.

ARTICLE XXV

GOVERNING LAW

This agreement, and the application and/or interpretation thereof, shall be governed exclusively by the law of the State of Arizona, notwithstanding the place where this Agreement may be executed by any other party.

ARTICLE XXVI

INVALID PROVISIONS

In the event that any provisions of this Operating Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of this agreement.

ARTICLE XXVII

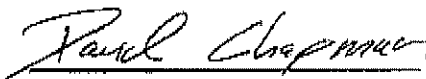
COUNTERPARTS

This agreement may be executed in any number of

counterparts with the same effect as if all parties hereto had all signed the same document. All counterparts shall be construed together and shall constitute on agreement.

IN WITNESS WHEREOF, the parties have signed this Operating Agreement the day and year first above written, to be effective.


DAVID CHAPMAN




LANA CHAPMAN



State of Arizona

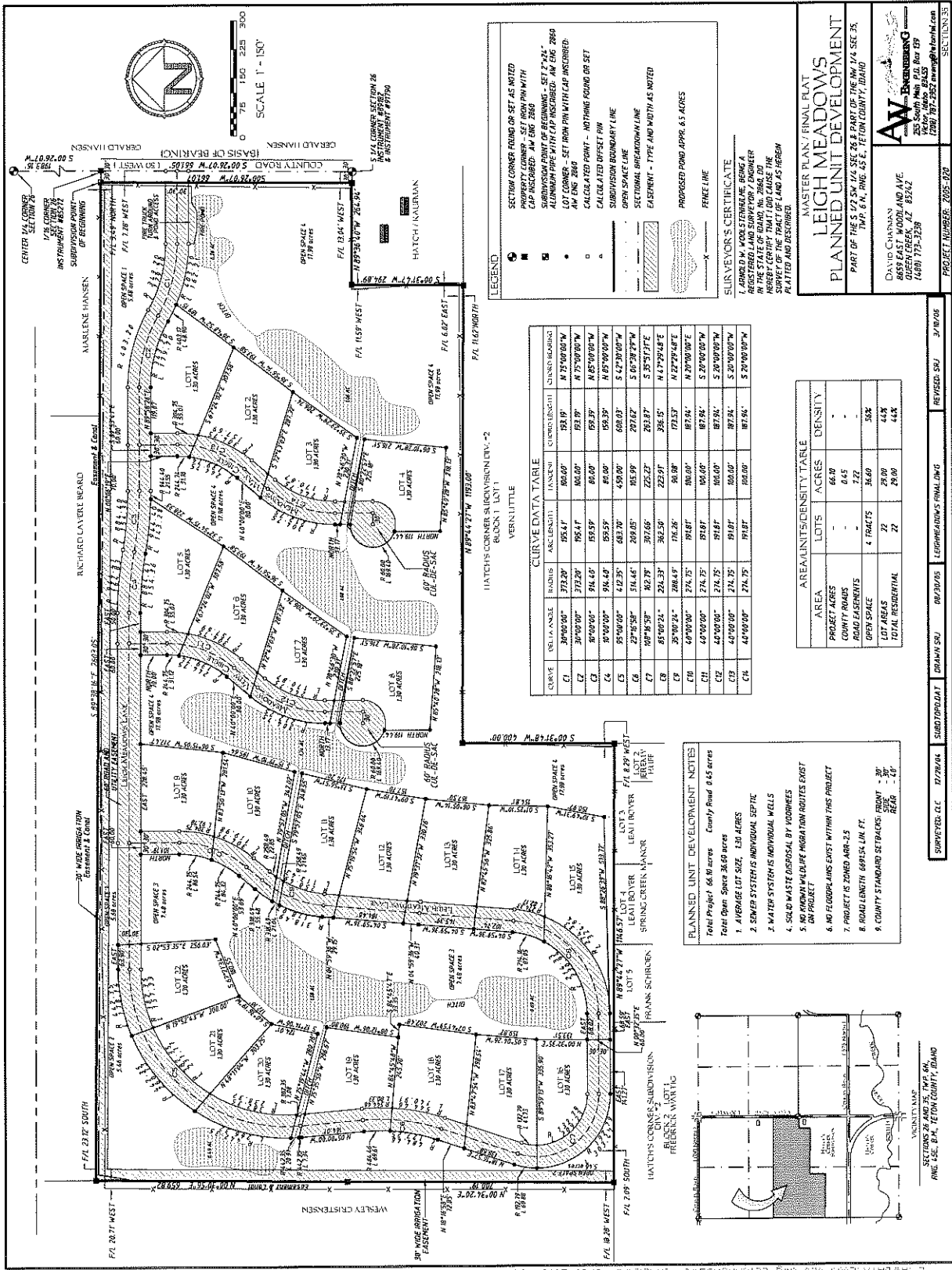
County of Maricopa

Subscribed and sworn to before me this _____
day of _____, 19 _____, by _____ and

WITNESS my hand and official seal,

Not Necessary

NOTARY PUBLIC



SECTION CORNER FOUND OR SET AS NOTED
 HATCHES: SECTION 26, INSTRUMENT #8790
 SUBDIVISION POINT OF BEGINNING - SET 7'x4" ALUMINUM PIPE WITH CAP INSCRIBED: AM ENG 2860
 LOT CORNER - SET IRON PIN WITH CAP INSCRIBED: AM ENG 2860
 CALCULATED POINT - NOTHING FOUND OR SET
 CALCULATED OFFSET PIN
 SUBDIVISION BOUNDARY LINE
 OPEN SPACE LINE
 SECTIONAL BOUNDARY LINE
 EASEMENT - TYPE AND WIDTH AS NOTED
 PROPOSED POND APPROX. 6.5 ACRES
 FENCE LINE

SURVEYOR'S CERTIFICATE
 I, ARNOLD M. WOOLSTENHOLME, BEING A REGISTERED LAND SURVEYOR / ENGINEER, HAVE SURVEYED THE ABOVE DESCRIBED TRACT OF LAND AND HAVE PLATTED AND DESCRIBED THE SAME.

MASTER PLAN / FINAL PLAT
LEIGH MEADOWS
PLANNED UNIT DEVELOPMENT
 PART OF THE S 1/2 SW 1/4 SEC 26 & PART OF THE NW 1/4 SEC 35, TWP. 6 N., RING. 45 E., TETON COUNTY, IDAHO
 DAVID CHANIAN
 8659 EAST K. 0001 AND AVE.
 TETON, IDAHO 83435
 (208) 737-2525
 PROJECT NUMBER: 2005-020
 REVISED: 3/10/06

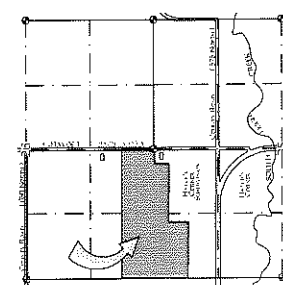
CURVE DATA TABLE

CURVE	BEARING	ANGLE	RADIUS	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C2	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C3	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C4	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C5	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C6	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C7	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C8	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C9	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C10	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C11	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C12	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C13	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'
C14	30°40'00"	77.30°	95.47'	95.47'	103.91'	103.91'

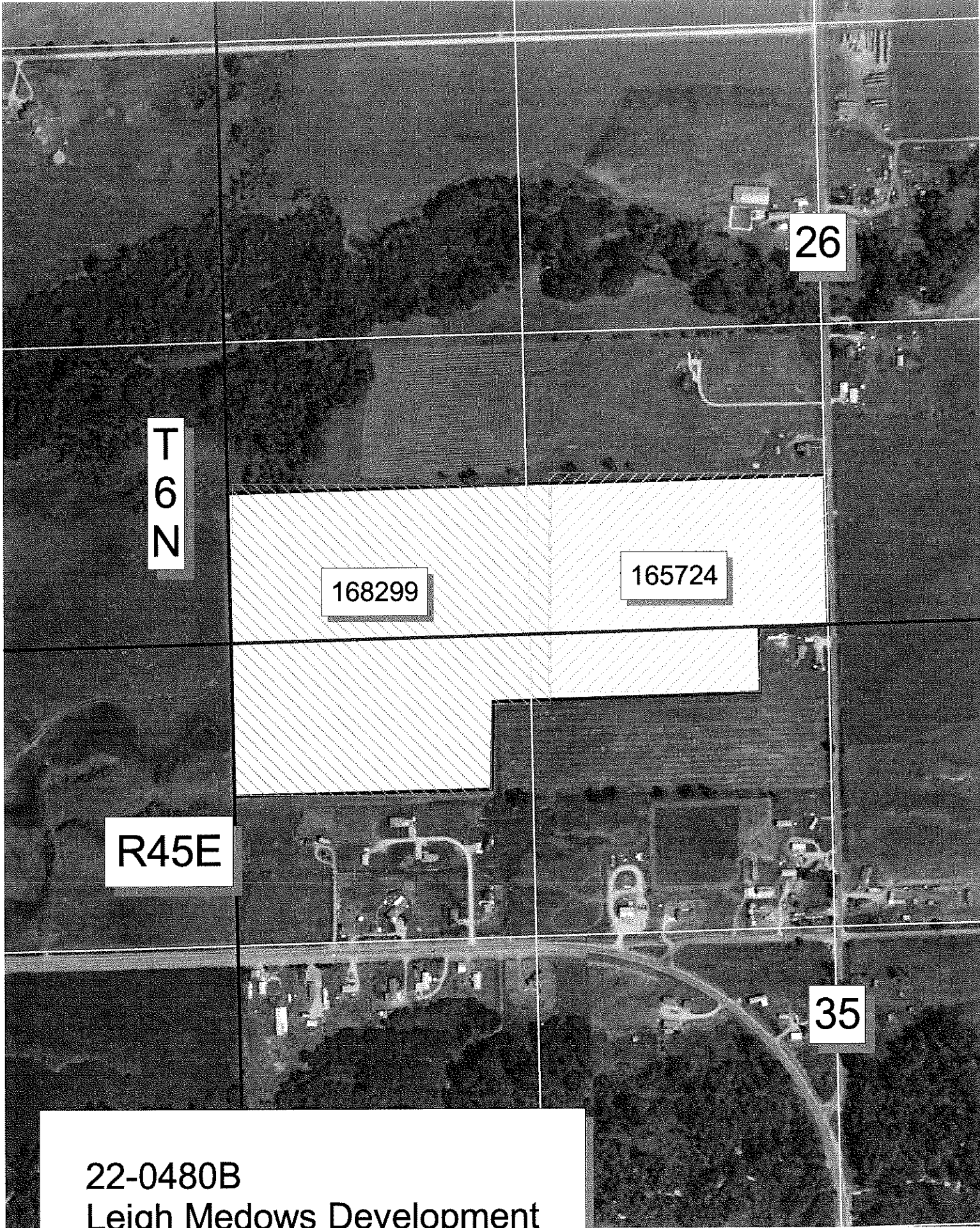
AREA/LAND DENSITY TABLE

AREA	LOTS	ACRES	DENSITY
PROJECT ACRES	-	66.00	-
COUNTY ACRES	-	0.45	-
ROAD EASEMENTS	-	7.22	-
OPEN SPACE	4	34.60	50%
LOT AREA	24	33.00	44%
TOTAL RESIDENTIAL	24	33.00	44%

- PLANNED UNIT DEVELOPMENT NOTES**
1. AVERAGE LOT SIZE, 1.39 ACRES
 2. SEWER SYSTEM IS INDIVIDUAL SEPTIC
 3. WATER SYSTEM IS INDIVIDUAL WELLS
 4. SOLID WASTE DISPOSAL BY HOMEOWNERS
 5. NO RIVER/WATER MIGRATION ROUTES EXIST ON PROJECT
 6. NO FLOODPLAINS EXIST WITHIN THIS PROJECT
 7. PROJECT IS ZONED R-1.5
 8. ROAD LENGTH 6891.54 LIN. FT.
 9. COUNTY STANDARD SETBACKS: FRONT - 30', REAR - 10'



SURVEYED: 12/20/04
 DRAWN BY: [Name]
 SUBMITTED: 12/20/04
 APPROVED: [Name]
 PROJECT NUMBER: 2005-020



T
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N

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168299

165724

R45E

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22-0480B
Leigh Meadows Development