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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

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DECLARATION OF COVENANTS, CONDITIONS AND

RESTRICTIONS OF THE SHORES SUBDIVISION

THIS DECLARATION is made as of the 19th day of January, 2006. South Channel, L.L.C., hereinafter referred to as "Declarant."

RECITALS:

A. Declarant, South Channel, L.L.C. is the owner of certain real property in the City of Eagle, Ada County, State of Idaho, consisting of approximately 100 acres, which the Declarant is developing into a single family residential subdivision. Approximately 59 acres has been platted on the Plat of The Shores Subdivision – Phase 1, Instrument No. 106005728, in the office of the Recorder of Ada County, Idaho. The described parcel of real property in said Plat is hereinafter referred to as the "Subject Property."

B. The Shores Subdivision is a residential development that, in addition to the Residential Lots, shall contain parcels of Common Areas, including but not limited to ponds, private open space, decorative waterfalls, recreational facilities, tree lined landscaped street islands, and other amenities and facilities. In addition to the Common Areas, the Shores Subdivision shall contain a greenbelt along the north side of the south channel of the Boise River consisting of a twenty-five foot wide pathway easement for public use extending along the entire southern portion of the Subdivision. The Subdivision lies partially in the Boise River floodplain and will be developed subject to special development criteria relating to wetlands areas to be preserved in their natural state and non-buildable open space floodway areas.

C. The purpose of this Declaration is to set forth the restrictions, covenants, limitations, easements and conditions that are designed to preserve the unique value of the Subject Property, and its desirability and attractiveness as a high quality residential development in which both the improved Common Areas and the undeveloped natural resources are maintained, preserved and protected.

D. The protective covenants, conditions, restrictions, reservations, easements, liens and charges are for the benefit of Subject Property and all owners thereof. All conveyances of the Subject Property or any part thereof shall be subject to this Declaration.

DECLARATION:

NOW, THEREFORE, Declarant hereby imposes upon the Subject Property the following easements, conditions, covenants, restrictions and reservations which shall run with the Subject Property and be binding upon all parties now or hereafter having any right, title or interest therein or to any part thereof, and shall inure to the benefit of each owner thereof. Notwithstanding the foregoing, no provision of this Declaration shall be construed to prevent or limit the Declarant's right to complete the development of the Subject Property and to construct improvements thereon.

ARTICLE 1: DEFINITIONS.

The following capitalized and italicized terms shall, as used in this Declaration, have the following meanings. Italicized words or terms within a definition refer to other defined words or terms:

1.1 "*ACC*" shall mean the Architectural Control Committee.

1.2 "*ACC Design and Landscape Standards*" shall mean such standards promulgated by the Declarant and/or the ACC as authorized by **Section 11.3** below.

1.3 "*ACHD*" shall mean Ada County Highway District.

1.4 "*Annexed Property*" shall mean and refer to real property made subject to this Declaration by *Supplemental Declaration* pursuant to the provisions hereof for the annexation of an additional parcel of real property.

1.5 "*Assessment*" shall mean a payment required of Association *Members*, including Regular, Special or Limited Assessments as permitted in this Declaration.

1.6 "*Association*" shall mean and refer to The Shores Homeowners' Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

1.7 "*Association Rules*" shall mean such rules promulgated by the Declarant and/or the Association pursuant to **Section 8.4(c)**.

1.8 "*Board*" shall mean the duly elected and qualified Board of Directors of the Association.

1.9 "*Building*" includes any *Dwelling*, house, garage, or any other partially or fully enclosed building, or other structure, consisting of one or more walls or roof. A building includes pet enclosures which have partial or full roofs and similar structures.

1.10 "*Conservation Easements*" shall mean that certain Deed of Wetland Conservation Easement recorded as Instrument No. 105137703, records Ada County, Idaho (the "**Wetland Easement**") and those two State of Idaho Conservation Easement Acquired Easement Nos.,

recorded as Instrument Nos. 105129520 and 105129521, records Ada County, Idaho (the "**State of Idaho Conservation Easements**").

1.11 "*Common Areas*" shall mean and include in Block 1, Lots 2, 3 and 16; in Block 2, Lot 12; in Block 3, Lot 1; and in Block 4, Lot 1, 6, 8 and 18 of the *Subdivision*; all *Street Islands*; and any lot or parcel designated as a Common Lot in the final Plat of the Subdivision or in a Supplemental Declaration. Specifically excluded from Common Areas are the *Greenbelt Pathway*, and the *Wetland Areas*. Block 1, Lot 1 is a non-buildable lot, but is not designated as a *Common Area* for the purpose of this *Declaration*; rather, it shall be deeded to the Two Rivers Homeowners' Association for inclusion in that association's common areas.

1.12 "*Common Facilities*" shall mean and refer to those physical improvements constructed by Declarant upon *Common Areas*, or in the case of irrigation distribution lines and flood connection pipes, buried under utility easements on *Residential Lots*. Common Facilities include, without limitation, improvements to pedestrian paths, bridges and walkways; *Common Areas* lighting, street lights, and accent lighting; drainage facilities; the *Recreation Center* and all equipment and improvements related to, or used in connection with both the *Recreational Center* and the basketball court; benches, trellises, pergolas; signage and other entryway landscaping; *Waterway* improvements; and all landscaping on the Common Areas. Common facilities shall include the *Pressurized Irrigation System*, and all buried gravity irrigation lines.

1.13 *"Declarant"* shall mean the undersigned owner of the *Real Property*, including any successor to the Declarant, who succeeds to the ownership of substantially all of Grantor's interest in the whole of the Real Property.

1.14 "*Declaration*" shall mean this Declaration, as it may be amended from time to time.

1.15 *"Subdivision"* shall mean The Shores Subdivision - Phase 1 and when platted The Shores Subdivision - Phase 2.

1.16 *"Ditch Company"* shall mean the Mace-Catlin Mutual Ditch Company, Incorporated.

1.17 "*Dwelling*" shall mean any structure intended to be occupied as a single-family residence, together with the vehicular parking garage next to such Dwelling and all projections therefrom.

1.18 *"Drainage Areas"* shall mean and refer to (i) all of the *Street Islands*, except Blocks 5, 9, 11 and 16; (ii) a portion of Lot 2, Block 1 (the portion containing the storm water infiltration forebay and retention pond); (iii) the *Roadside Swales*; and (iv) the storage ponds, streams and any flood connection pipes located on Lot 12, Block 2, and Lot 1, Block 3, which ponds shall be used primarily as retention ponds/drainage basins. Said areas, together with any other areas so designated in a Supplemental Declaration, or on any recorded Plat, shall be referred to as "Drainage Areas."

1.19 "*First Mortgagee*" shall mean any Mortgagee possessing or holding a lien on a Residential Lot or any part thereof prior to any other Mortgage.

1.20 "*Floodway*" shall mean and refer to those areas that are defined and specifically shown on the 02/19/03 effective date Federal Emergency Management Administration Maps # 16001C0161H and # 16001C0142H covering the *Subject Property*. The Floodway boundary line is depicted on the *Plat*.

1.21 "*Greenbelt Easements*" shall mean the area designated on the *Plat* as a "Greenbelt Easement," which Easements are 25 feet in width over the southerly portion of those *Residential Lots* that are adjacent to the South Channel of the Boise River and recorded as Instrument Nos. 105088975 and 105088976, records Ada County, Idaho. Meandering through those portions of the Greenbelt Easements that do not cross *Wetland Areas* is an approximately 10 foot wide cinder surfaced path. Those portions of the *Greenbelt Easements* located within *Wetland Areas* are to be defined by clearing the existing vegetation in accordance with the terms of the US Army Corps of Engineers Permit # NWW-042100139 to provide a 10-foot cleared pathway for pedestrian access only.

1.22 "*Limited Assessment*" shall mean an Assessment levied by the Association upon one or more *Residential Lots*, but not upon all *Residential Lots* within the *Subject Property*, for the purpose of securing payment by the Owner(s) thereof of amounts expended by the Association to correct a condition prohibited or to cure an Owner's breach hereunder.

1.23 "*Member*" shall mean any person who is an *Owner* of a *Residential Lot* within the *Subdivision*.

1.24 "*Mortgage*" shall mean any mortgage, deed of trust, land sale contract or other security instrument by which a *Residential Lot* is encumbered.

1.25 "*Mortgagee*" shall mean any *Person* or the successor to any *Person* named as the mortgagee, beneficiary, seller or creditor under a *Mortgage*.

1.26 "*Occupant*" shall mean any person, association, corporation or other entity who is an *Owner*, the guest of an Owner, or has leased, rented, or is otherwise legally entitled to occupy and use any *Dwelling* on a *Residential Lot* whether or not such right is exercised.

1.27 "*Owner*" shall mean and refer to the Person(s) who is the record owner of fee simple title to any *Residential Lot*, excluding, in all cases, any party holding an interest in a *Residential Lot* merely as security for the performance of an obligation.

1.28 "*Person*" shall mean a human being, a corporation, a partnership, a limited liability company, or any other legal entity.

1.29 "*Plat*" shall mean and refer to those certain plats of phases of The Shores Subdivision recorded or to be recorded in the Ada County Recorder's office, which plats when recorded will subdivide all of the *Real Property*.

1.30 "*Pressurized Irrigation System*" shall mean all pumps, pump houses, and related facilities, including electrical power, mainlines, connecting lateral pipelines, valves, services boxes, individual delivery lines to the lots and underground sprinkler systems on the Common Areas, and all related equipment, parts and materials, including but not limited to those items of personal property described or depicted on the engineering drawings prepared for the Pressurized Irrigation System of the *Subdivision*. Specifically excluded from the Pressurized Irrigation System, as herein defined, are the buried sprinkler lines, heads and valves or other sprinkler facilities located on the individual Residential Lots.

1.31 "*Real Property*" shall mean the property defined as Subject Property in the recitals above, and such additional *Real Property* as may hereafter be made subject to this Declaration by Supplemental Declaration pursuant to the provisions hereof for annexation of additional parcels of Real Property.

1.32 "*Recreation Center*" shall mean and refer to all improvements made to Block 2, Lot 12, including the clubhouse; pool, pool house, and beach; a playground and tennis court; all landscaping; and hard surface parking, entries, decks and patios. Excluded from the definition of Recreation Center are the *Waterways* located on Block 2, Lot 12.

1.33 "*Regular Assessment*" shall mean an Assessment levied by the Association to provide funds to pay the ordinary expenses of the Association.

1.34 "*Residential Lot(s)*" or "*Lots*" shall mean and refer to any tract of land within the *Real Property* designated on the *Plat* as a subdivided lot, and that may be independently owned and intended for development, use, and occupancy as a single family residence.

1.35 "*Roadside Swales*" shall mean those *Drainage Areas* that are located between the *Subdivision* sidewalks and the public streets on Lots 2, 5, 6, 7, 10, 11, 14 and 15 in Block 1; Lots 2, 3, 7, 8, 10, 11, 22 and 23 in Block 2; Lots 3, 4, 7 and 8 in Block 3; and the *Street Islands*, Lot 1, Blocks 6, 7, 8, 10, 12, 13, 14, 15, 17, 18 and 19.

1.36 "*Shores Pressure Irrigation System User Manual*" shall mean the written manual dated July 12, 2005, revised September 29, 2005, and any revisions and amendments thereto, setting forth the *Owner's* rules of operation and the *Residential Lot* irrigation schedule.

1.37 "*Special Assessment*" shall mean an Assessment levied by the Association other than a Regular or Limited Assessment.

1.38 "*Street Islands*" shall mean and refer to strips of land landscaped with trees, native grasses and other plant materials that separate the public streets of the *Subdivision* into two one way travel lanes, consisting of either lineal island type strips, separated by asphalt surfaced cutouts, or small round-a-bouts, both designed for vehicular circulation and turning. The Street Islands are part of the *Common Areas* and not part of the public streets dedicated to the Ada County Highway District. Lots 1 of Blocks 5-19 of The Shores Subdivision - Phase 1 Plat comprise the Street Islands defined above.

1.39 *"Supplemental Declaration"* shall mean an amendment to this *Declaration* in which additional property shall, for the purposes of this Agreement, be made subject to this *Declaration* all in accordance with **ARTICLE 12** herein.

1.40 *"Transition Date"* shall mean the latter of the date the *Declarant* certifies in writing to the Association that no additional *Real Property* shall hereafter be made subject to this *Declaration*, or the date when the *Declarant* owns 10 percent or less of all of the *Residential Lots*, which are part of the Subject Property and any additional property annexed thereto.

1.41 "*Waterways or Waterway*" shall mean and refer to any water features constructed, including without limitation, any lakes, ponds, channels, sloughs, streams, together with the banks thereof and adjacent landscaping, located within or managed as *Common Areas* and including waterfalls, fountains, pumps, pipes and conveyance apparatuses used in connection therewith.

1.42 *"Wetland Areas"* shall mean those certain areas containing wetland and floodplain value that are included in and subject to the three *Conservation Easements*. Such areas are depicted on the *Plat* and notated on the *Plat's* legend as "existing Wetlands Conservation Easement," which areas include both natural wetlands and wetlands created by the *Declarant* for mitigation purposes, and their locations are legally described in the Conservation Easements.

1.43 Whenever the context so requires, the use of the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

ARTICLE 2: PURPOSE

2.1 The Subject Property is hereby made subject to the covenants and restrictions contained in this Declaration, all of which shall be deemed to be imposed upon and run with the land and each and every Residential Lot, and shall apply to each and every Owner and Occupant thereof and their respective successors in interest, to insure a well integrated high quality residential development and to guaranty maintenance of the Common Area and the Common Facilities located thereon, and to protect the natural resources of the contiguous Boise River, the Wetlands Areas and the Greenbelt Pathway. The covenants and restrictions contained in this Declaration have been specifically designed to meet such objectives and for the specific purposes of:

(a) Insuring Owners and Occupants of high quality design, development and construction of the Dwellings, and to protect and enhance their investment and use of the improved Residential Lots.

(b) Preventing the construction within the Subdivision of Dwellings of inferior designed Dwellings, or Dwellings constructed with unsuitable materials.

(c) Encouraging and insuring the building of the Dwellings in appropriate locations on the Residential Lots, to assure visual quality, harmonious appearance, and to protect sensitive environmental areas within the Subject Property.

(d) Providing for the protection of the Wetland Areas.

(e) Securing and maintaining proper set-backs from streets, adjoining lots, the Floodway, Wetland Areas, and open areas, and maintaining scenic views.

(f) The integration of development of the different Residential Lots by setting common general standards consistent with the ACC Design and Landscape Standards from time to time.

(g) Insuring attractive landscaping and the conservation of existing natural features with minimum adverse impact on the ecosystem.

ARTICLE 3: PROPERTY USE RESTRICTIONS

The following restrictions shall be applicable to Subject Property and shall be for the benefit of, and limitation upon, all present and future Owners of Residential Lots, or any interest therein, and the Association, which is hereby empowered, in addition to each Owner, to enforce the same:

3.1 Use. Each Residential Lot shall be used only for residential purposes. As used herein "residential purposes" shall mean the use of the Dwellings on a Residential Lot for living accommodations for not more than two (2) unrelated persons, excluding guests of the principal occupants, which guests may reside therein on a temporary basis. "Residential" is not intended, nor shall the same be construed to include the use of the Residential Lot for the operation of a shelter home for persons unrelated to each other or unrelated to the Owner or Occupant. Any use of a Residential Lot, other than for residential purposes, shall not be permitted, including but not limited to use of the Dwellings for any trade, business, professional or illegal activity.

3.2 Leasing Restrictions. Any Lease (as defined below) permitting the occupancy of a Residential Lot by a tenant shall provide that the terms of the Lease shall be subject in all respects to the provisions contained in this Declaration, the Association Rules, and its Bylaws; and shall further provide that the failure by any such tenant to comply with the terms of such documents shall be a default under such lease, and that upon the failure of the Owner to enforce the terms of such documents, the Association shall be deemed the Owner's attorney-in-fact for the purpose of enforcing the terms of this Declaration, including the right to evict the tenant. For the purposes of this Declaration, a "Lease" shall mean any agreement for the leasing and rental of a Dwelling, including a month-to-month rental agreement. All such leases shall be in writing; provided, however, the failure of the Owner to enter into a written Lease shall not prevent the Association from enforcing its rights under this provision.

3.3 Subdivision. No Residential Lot may be further subdivided.

3.4 Animals. No animals, livestock, birds, insect or poultry of any kind shall be raised, bred, or kept on any Residential Lot, except that no more than two (2) domesticated dogs and/or cats or other small household pets which do not unreasonably bother or constitute a nuisance to other Owners may be kept, provided that they are not kept, bred or maintained for any commercial purpose. Any fenced area or other enclosures for permitted household pets must be approved by the ACC. All such areas shall be integrated into the design of the Dwelling. Dogs and other similar pets shall be on a leash when not confined to an Owner's Residential Lot. Owners of pets shall be responsible to immediately cleanup and dispose of any waste created by their pets anywhere on the Subject Property. The rights and privileges relating to ownership of household pets may be further regulated and restricted by Association Rules.

3.5 Trash. All garbage, refuse and animal waste shall be properly and promptly cleaned and stored and appropriately removed from each Residential Lot and Common Area so as to prevent unsightliness, or unnecessary or unreasonable odors. No part of the Subject Property shall be littered or used for the dumping or storage of any garbage, trash, discarded personal property or other waste. Garbage, trash, or other waste shall be kept, until its removal, in suitable trash cans or other containers as may be regulated by the Association. Trash receptacles must be stored in contained areas so that they are not visible from any spot external to the Residential Lot.

3.6 Wildlife. The Subdivision has been developed in and adjacent to the south channel of the Boise River, in areas with ecological features that provide habitat conducive to bird and mammal wildlife, including, without limitation, Great Blue Heron, Green Heron, hawks, owls, deer, beaver and fox. Certain types of landscaping will be more attractive to such wildlife than others. The Developer and the Shores Homeowners' Association will not be responsible for the impact of wildlife on the Residential Lot improvements and landscaping. Further, no hunting, trapping or other capturing of wildlife shall be permitted; excepting, however, fishing that is permitted subject to any State of Idaho, City of Eagle or Association Rules and Regulations.

3.7 Parking and Vehicle Storage.

(a) The residential streets of the Subdivision shall be dedicated to the Ada County Highway District ("ACHD") and shall be subject to use, speed, parking and other regulations of ACHD; the Association Rules; and the restrictions of this Declaration. Whenever there is a conflict between such Association Rules and regulations of this Declaration, the stricter rule or regulation shall apply. The Subdivision streets are divided into two one-way travel lanes, separated by the Street Islands. Parking shall not be permitted on the narrower travel lane (approximately 20 feet in width) and any permitted parking on the wider travel lane (approximately 28 feet in width) shall be limited to the front seat passenger's right side of such travel lane.

(b) No motor homes, trailers, boats, camper, recreational vehicles, and/or other mobile equipment, trailers, implements, and vehicles of all kinds or nature shall be stored

on any Residential Lot, unless (i) such items are fully enclosed within the Dwellings' garage or are otherwise screened or fully enclosed from view, and (ii) the ACC has otherwise approved the location and/or screening of said items. No vehicle should be parked or stored for a period in excess of twenty-four (24) consecutive hours on any street or on any outside portion of a Residential Lot, including driveways. The primary purpose of the garage required on each Residential Lot is for the parking and storage of automobiles and other vehicles. The Owner, subject to the approval of the ACC, shall provide sufficient garage space for all automobiles and other vehicles used by the Occupants of a Residential Lot, which vehicles shall be kept within the garage other than for temporary purposes (as determined by the ACC). No commercial vehicle, trucks with a capacity in excess of one (1) ton, shall be parked or stored upon any Residential Lot or street within the Subdivision.

(c) No truck, truck camper, trailer, tent, garage, barn, shack or other outbuilding or vehicle shall at any time be used as a residence or living place on any part of Subject Property.

(d) The use of all vehicles, including but not limited to automobiles, trucks, bicycles and motorcycles, shall be subject to Association Rules, which may prohibit or limit the use thereof within the Subject Property, and provide further parking regulations and storage governing the same.

3.8 Commercial Use Prohibited. No Residential Lot shall be used at any time for commercial or business activity; provided, however, that the Declarant or other persons authorized by the Declarant may use Residential Lot(s) for development and sales activities related to the Subject Property.

3.9 No Offensive Use. No noxious, offensive or unsightly conditions shall be permitted upon any part of any Residential Lot, nor shall anything be done thereon which may be or become an annoyance or a nuisance to the neighborhood. The ACC, within its absolute discretion, shall be the arbiter of whether or not any conditions are in violation of this provision.

3.10 Sewer Restrictions. All bathroom, sink, toilet facilities, and showers shall be located inside the Dwellings or as part of other appurtenant structures approved by the ACC, and shall be connected by underground pipe to wet sewer connection lines of the Subdivision.

3.11 Drainage Restrictions. Drainage rights appurtenant to individual residential lots shall be limited to the discharge of storm water and irrigation water directly over the curb into the adjacent public street. No drainage or pressurized irrigation water shall cross side lot lines onto adjacent Residential Lots.

3.12 Drainage Areas. The Subdivision is improved with a storm water drainage system, which system has been dedicated to ACHD. The storm drain facilities include, without limitation, the *Roadside Swales*, the majority of the Street Islands, flood connection pipes, storm drain pipes and the ponds. Residential Lot Owners and/or Occupants shall not interfere in any way with any of the drainage facilities, including, without limitation, refraining from landscaping on, or depositing any material into the Roadside Swales or parking in the Roadside Swales. The

Roadside Swales primary purpose is to capture and drain storm water. The Roadside Swales and any landscaping installed thereon by the Declarant shall be maintained by those Lot Owners upon whose lots the Roadside Swales are located.

ARTICLE 4: EASEMENTS.

The Residential Lots or some of them as the case may be, are hereby burdened with certain easements and related restrictions that are either designated on the Plat and/or set forth in this Article. Any easements designated on the Plat shall be deemed to be expressly dedicated, reserved or granted easements.

4.1 Greenbelt Easements. Easements adjacent to the south channel of the Boise River for pedestrian, equestrian, bicycle and other non-motorized travel open to the public, and held by the City of Eagle as "Grantee," all as more particularly set forth in those certain Greenbelt Easements recorded as Instrument Nos. 105088975 and 105088976, records Ada County, Idaho. These easements encumber Lot 1 and Lots 3-16, Block 1.

4.2 Conservation Easements. Some Residential Lots and Common Area Lots are subject to one or more of the Conservation Easements. The Wetlands Easement encumbers Lots 1, 4-9 and 11-16 of Block 1, and Lot 1, Block 3. The Wetland Areas of such Lots are further subject to the United States Army Corps of Engineers Clean Water Act 404 Permit NWW#042100139, which Permit is attached to the referenced Wetlands Easement. The State of Idaho Conservation Easements encumber Lots 11-16 of Block 1. THE CONSERVATION EASEMENTS DO NOT AFFORD ANY RIGHT OF ACCESS OR USE TO ANY RESIDENTIAL LOT OWNER OR TO ANY MEMBER OF THE PUBLIC, OTHER THAN THE OWNER OF THE RESIDENTIAL LOT ENCUMBERED. ALTHOUGH THE OWNERS OF ANY RESIDENTIAL LOT ENCUMBERED BY THE CONSERVATION EASEMENTS SHALL HAVE THE EXCLUSIVE RIGHT OF POSSESSION OF THEIR RESIDENTIAL LOT, SUCH OWNERS ARE BOUND BY THE CONSERVATION EASEMENTS OF RECORD, AND FURTHER BY THIS DECLARATION. Each Owner should read and be familiar with the limitations contained in the Conservation Easements. Without limiting the restrictions contained in the Conservation Easements, such restrictions generally prohibit any alteration of the vegetation or hydrology, or any building, dumping, chemical application, or drudging, and any other use or activity on the Wetland Areas that is inconsistent with the purposes of the Conservation Easements. The restrictions of the Wetlands Conservation Easements areas shall be enforced by the City of Eagle, the holder of the Conservation Easements. The Owners of the subject Residential Lots shall maintain the Wetland Areas as open space upon which no improvements may be constructed.

4.3 Buildable Areas. Each Residential Lot is subject to the building setback restrictions of the City of Eagle, Zone R-2, which setbacks are listed in Article 5.3. Additionally, no building shall be constructed within fifty (50) feet from the FEMA Regulatory Floodway. Additional restrictions to the buildable area of the Residential Lots are imposed by the Conservation Easements referred to in Section 4.2, the public utility easements and other easements identified in this Article 4, and on the face of the Plat. Approval by the ACC of construction plans for any Residential Lot shall include the requirement that the Owner of the

Residential Lot grants to the Association and/or the City of Eagle an easement for enforcing the preservation of the non-buildable portions of the Residential Lots (using a form to be provided by the ACC). No construction of any improvement shall be permitted on those areas encumbered by the setbacks and easements referred to herein. Additionally, all or portions of Residential Lots 4-15 of Block 1, lots 7-11 of Block 2 and lots 13-17 of Block 4 are located with the FEMA 100-year regulatory floodplain. During the site construction of the Subdivision, some or all of the Lots, were filled above the regulatory base flood elevation. A Letter of Map Revision based on Fill (LOMRF) is being submitted to the City of Eagle and FEMA based on a survey of the fill placed. The LOMRF demonstrates that the Lots as graded should not flood and in most cases, flood insurance shall not be required, though some lenders may still require flood insurance. When approved, copies of the LOMRF will be available upon request and the Lot exhibits provided to the Owner shall clearly define the area on the Owner's Lot that is to be removed from the floodplain by the LOMR process. In the event that the LOMRF has not been finalized and lenders require flood insurance, the Declarant shall pay for the individual flood insurance until the LOMR has been completed. As specific areas on each Lot may be removed from the floodplain while others may remain, it is the Owner's responsibility to verify that any proposed Building be located within the limits of the LOMRF area. Construction of Buildings located outside of this area that still adhere to all other buildable area requirements shall be at the discretion of the Owner and the Declarant will not be held responsible for flood insurance in such instances.

4.4 Floodplain Connectivity Easements. There is hereby reserved a 10 foot wide Floodway connectivity easement over and across those portions of Residential Lot 6, Block 1; and Lot 7, Block 3, as shown and designated on the recorded Plat, for the purpose of conveying when necessary floodway waters over and across the designated easement area. The Owners of such Residential Lots shall not construct any building, improvements, or landscaping other than grass or grass type vegetation on the easement area, understanding that any such improvements shall interfere with the intended use of the Floodplain connectivity easement. Such easement shall be for the benefit of the Association, who is hereby empowered to enforce the easement. In addition to the Floodplain Connectivity Easements, other Lots contain buried floodplain pipes within the side yard public utility easements. The Residential Lots with such buried floodplain pipes are Lots 9, 15 and 20 of Block 2; and Lot 12 of Block 1.

4.5 Storm Drain Pipe Easements. There are hereby reserved 10 foot wide storm drain easements over and under those portions of Residential Lots 2, 3, 7, 8, 10, 11, 22 and 23 in Block 2; and Lots 3, 4, 7 and 8 in Block 3, as shown and designated on the recorded Plat for the purposes of conveying when necessary storm waters under the designated easement areas in buried pipe. The Owners of such Residential Lots shall not construct any buildings, improvements, or landscaping other than grasses and shrubs on the easement areas. Such easements are for the benefit of ACHD.

4.6 Sidewalks. The sidewalks located adjacent to the public streets in the Subdivision are within the boundaries of the Residential Lots. There is granted to ACHD for the use and benefit of the public an easement for pedestrian access and bicycle use, across all street sidewalks constructed in the Subdivision, and as more particularly expressed in that certain sidewalk easement recorded as Instrument No. 105117240, records Ada County, Idaho.

4.7 Public Utility Easements. There is hereby reserved for the use and benefit of the Declarant, the Association and public utilities a permanent easement for public and private utilities, including, without limitation, electrical power, gas, phone, cable, sewer and water distribution lines, pressurized irrigation lines and facilities, and street lights over, under and across 15 feet adjacent to any public street, 12 feet adjacent to any rear lot line, other than the Residential Lots that are adjacent to the Boise River, 6 feet on each side of any interior side lot line, or as otherwise designated on the Plat. With respect to the Residential Lots that are adjacent to the Boise River, an 8 foot Pressurized Irrigation easement across such lots is designated on the Plat.

4.8 Drainage Easement. A portion of Lots 2, 5, 6, 7, 10, 11, 14 and 15, Block 1; portions of Lots 2, 3, 7, 8, 10, 11, 12, 22 and 23, Block 2; portions of Lots 3, 4, 7 and 8, Block 3; and all of Lot 1 of Blocks 3, 6, 7, 8, 10, 12, 13, 14, 15, 17, 18 and 19, are servient to and are part of the ACHD Storm Water Drainage System. These Lots are encumbered by that certain Master Perpetual Storm Water Drainage Easement recorded on June 1, 2004 as Instrument No. 104068411, Official Records of Ada County, and incorporated herein by this reference as if set forth in full (the "**Master Storm Water Easement**"). The Storm Water Drainage System is dedicated to ACHD pursuant to Section 40-2302, Idaho Code. This easement is in addition to the Storm Drain Pipe Easements identified in **Section 4.5.**

4.9 Scenic Easement. There is hereby reserved for the benefit of Lot 8, Block 1 of Two Rivers Subdivision No. 7, Ada County, Idaho (the "**Dominant Estate**"), a scenic easement on, over and above those portions of Lots 1, 3, 4 and 5 of Block 1 that are east of that certain line crossing said Lots at S08°53"14'W, as designated on Sheet 2 of the Plat of The Shores Subdivision - Phase 1. Within said scenic easement there shall be no above grade construction or the planting of any view obstructing trees or other plant material, unless permitted in writing by the owner of the Dominant Estate.

4.10 Pond Access Easement. There is hereby reserved for the use and benefit of the Declarant and Association an ingress and egress easement over the easterly 8 feet of Residential Lot 5, Block 2 for the purpose of accessing the pond control structure located on the Waterway portion of Common Area Lot 12, Block 2. The Owner of the encumbered Residential Lot shall be entitled to install a fence on the rear lot line of the encumbered Residential Lot; provided (i) a 3 foot wide gate is installed where any such fence intersects with the easement, and (ii) should it ever be necessary to remove a portion of such fence, to utilize full access of the 8 foot wide easement, repair and replacement of any removed portion of the fence or landscaping shall be at the cost and expense of the Association.

ARTICLE 5: BUILDING RESTRICTIONS

5.1 Plans. No Dwelling, building, fence, wall or other structure, initial landscaping or subsequent or substantial landscaping, or screening planting shall be undertaken, erected or maintained upon any Residential Lot, nor shall any exterior addition to or change or alteration to the exterior of any Dwelling, be made until plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to and approved in writing

by the ACC, in accordance with the ACC Design and Landscape Standards, this Declaration, and any reasonable application process adopted by the ACC.

5.2 Mobile Homes. No mobile home, prefabricated home, trailer, modular home, or other pre-built home shall be allowed on any Residential Lot, at any time.

5.3 Set Backs. Any permitted two-story Dwelling shall be set back a minimum of 15 feet from the interior lot line on the side of the Dwelling that contains a second floor. Otherwise, any single story Dwelling shall be set back 10 feet from any interior lot line. All Dwellings shall be set back a minimum of 30 feet from the street (front) lot line and, where applicable, 20 feet from the street (side) lot line. Excepting Residential Lots that are partially within the Floodway, any Dwelling shall be set back a minimum of 30 feet from the Residential Lot's rear lot line. Dwellings on any Residential Lot that are partially within the Floodway shall be set back a minimum of 50 feet from the FEMA Regulatory Floodway as depicted on the Plat. Dwellings on Residential Lots that have river frontage shall be further restricted from having any Building or part thereof constructed in the Conservation Easements, and where applicable on the eight (8) foot irrigation easement as depicted on the Plat. Notwithstanding the foregoing, all Building setbacks shall comply with the relevant City of Eagle zoning regulations in effect at the time of issuance of a building permit, and not encumber any of the easements set forth herein and/or depicted on the Plat.

5.4 Elevation Restrictions. All top of foundation elevations for any Building must be a minimum of two feet above the FEMA regulatory base flood elevation and a minimum of 18-inches above the highest top back of curb elevation on the lot. Additionally the bottom of footing shall be no more than 16-inches below the highest top back of curb elevation on the lot. Specific elevation criteria shall be provided by the Declarant for the particular Residential Lot in connection with the ACC's review of plans and specifications for the Dwelling. Upon the completion of the foundation for any Building, no further construction shall be permitted until the Builder has obtained from the ACC a top of wall foundation certificate and a finished floor certificate certifying that these elevation restrictions have been complied with.

5.5 Height Restriction. Dwellings to be constructed on Residential Lots 2, 3, 4, 5 and 7 of Block 4, shall be limited to a single level. All Dwellings are subject to any City of Eagle building, zoning and/or subdivision ordinances in effect at the time a building permit is issued.

5.6 Dwelling Size. No Dwelling shall be constructed or placed on any Residential Lot containing a total floor area on all floors intended and suitable for use as living area, not including a garage, of less than 2,500 square feet measured from the outside of the exterior walls for single story Dwellings and no less than 3,500 square feet for two-story Dwellings, and such two-story Dwellings shall have no less than 2,000 square feet on the ground floor. The foregoing size limitation is an absolute minimum but shall not be construed to permit Dwellings solely based on meeting these minimum sizes. The gross square footage of any dwelling, including all floors, garage square footage and any other non-living area square footage, shall not exceed more than forty percent (40%) of the total square footage of the Residential Lot. Any Dwellings proposed with the gross square footage equal to or greater than 9,400 square feet shall be required to have an interior fire sprinkler system approved by the City of Eagle Fire Department.

THE OWNER (OR HIS/HER BUILDER) SHOULD REVIEW THE ACC DESIGN AND LANDSCAPE STANDARDS. THE ACC SHALL CONSIDER THE ADVERSE AFFECT OF DWELLINGS SIZE MINIMUMS AND MAXIMUMS AND HEIGHT RESTRICTIONS ON OTHER RESIDENTIAL LOTS WITHIN THE SUBDIVISION IN GRANTING OR WITHHOLDING ITS APPROVAL OF THE PLANS AND SPECIFICATIONS. Each Dwelling shall have an attached or detached fully enclosed garage adequate for a minimum of three (3) standard size automobiles.

5.7 Basements. No basements shall be permitted on any Residential Lot.

5.8 Antennae. No exterior radio antennae, television antennae or other antennae, including a satellite dish, shall be erected or maintained on a Residential Lot, except as permitted in the ACC Design and Landscape Standards.

5.9 Exterior Energy Devices. All energy production devices including, but not limited to, generators of any kind and solar energy devices, shall not be constructed or maintained on any Residential Lot without the prior written approval of the ACC, except for heat pumps or similar appliances shown on the plans approved by the ACC.

5.10 Lighting. Each Owner shall install, and maintain in an operative condition such exterior lighting as shall be set forth in the ACC Design and Landscape Standards.

5.11 Roofs. The type, pitch and roof covering materials(s) which shall be required on Buildings within the Real Property shall be as set forth in the ACC Design Standards.

5.12 Maintenance. The following provisions shall govern the maintenance of each Residential Lot, its landscaping, and all improvements thereon:

(a) Each Owner of a Residential Lot shall maintain all Buildings and improvements located thereon in good and sufficient repair and shall keep the Buildings and improvements thereon painted or stained, lawns cut, shrubbery trimmed, windows glazed, rubbish and debris removed, weeds controlled and otherwise maintain the same in a neat and aesthetically pleasing condition. Notwithstanding the foregoing, each Owner of a Residential Lot shall be bound by the restrictions contained in the Conservation Easements, which permits limited landscaping, subject to coordination with and approval by the City of Eagle; and only in accordance with the requirements of the 404 permit through the United States Corps of Engineers.

(b) The Subdivision has been designed with lot line landscaped buffers which plant material has been or will be installed by the Declarant. Maintaining the lot line landscape buffers shall be the responsibility of the Owners. Although the Association shall not be responsible for maintaining the landscaped lot buffers, it shall have the authority to do so in the event an Owner fails to do so. In the event the Association provides any replacement landscaping or elects to maintain any of the landscaped lot buffers, the Owners of the Residential Lot contiguous to such portion of the landscaped lot buffers shall reimburse the Association or Declarant for the costs of such landscaping and/or maintenance. The Association shall have the

right to levy a Limited Assessment against the responsible Owner for the costs of landscaping and/or maintenance all in accordance with **ARTICLE 10.1(b)**.

(c) All damage to any Building or improvements shall be repaired as promptly as is reasonably possible.

(d) A Dwelling which is vacant for any extended time period shall be kept locked in order to prevent entrance by vandals. Vacant Dwellings and unimproved Residential Lots shall not be exempt from the provisions of this Declaration.

(e) Any structure, facility, equipment, objects and conditions determined by the ACC, in its sole discretion, to be unsightly, if permitted by the ACC at all, shall be enclosed within an approved structure, appropriately screened from public view, or removed if required by the ACC. All trash, debris, garbage and refuse shall be kept at all times in a covered container and all such containers shall be kept on a Residential Lot within an enclosed structure or screened from public view.

(f) Any event or condition on a Residential Lot which, in the sole discretion of the ACC, creates an unsightly or blighting influence, shall be corrected, removed or obstructed from public view, as the case may be, by the Owner of the Residential Lot.

(g) In the event that any Owner shall permit any Building or improvement, including any landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition, the Board, upon fifteen (15) days prior written notice to the Owner of such Residential Lot, shall have the right to correct such condition, and to enter upon said Residential Lot and into any building or structure thereon, if necessary, for the purposes of correcting or repairing the same, and such Owner shall promptly reimburse the Association for the cost thereof. The Owner of the offending Residential Lot shall be personally liable, and such Owner's Residential Lot may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective action, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefore, or the amounts may, at the option of the Board, be levied as a Limited Assessment against said Residential Lot and shall be enforceable in the same manner as set forth in **Article 10.1(b)** of this Declaration.

5.13 Exterior Materials and Colors. All exterior materials and colors shall be selected and used which are approved by the ACC and which are compatible with other Buildings on the Residential Lot and on neighboring Residential Lots to the end that all such Buildings will present a unified and coordinated appearance. All exterior finishes and/or colors shall be approved by the ACC prior to installation and shall be in accordance with the ACC Design and Landscape Standards.

5.14 Signs. No commercial billboard or advertising shall be displayed to the public view on or from any Residential Lot. Owners may advertise an improved Residential Lot for sale by displaying a single, neat, reasonably sized vacancy sign or "For Sale" sign thereon, subject to any reasonable restrictions imposed by the Association. Signs advertising the name of

the builder and the name of the institution providing financing may be displayed on a Residential Lot during construction of the Dwellings. All such signage must be removed upon completion of the construction. Lighted, moving or flashing signs for any purposes are prohibited, except holiday lighting subject to any applicable Association Rules. Any directional or identification sign within the Real Property shall be permitted, provided the same is approved by the ACC prior to installation. Notwithstanding the foregoing, the ACC shall have the right to adopt ACC Design and Landscape Standards with respect to signs allowed within the Subdivision, which ACC Design and Landscape Standards, if adopted, shall regulate signs within the Subject Property and shall control over the specific provisions of this Section.

5.15 Construction Time Frame. The Lot Owner or their builder shall commence construction no later than twelve (12) months from the later of the date that building permits are available for the development or the purchase closing date and shall substantially complete construction no later than eighteen (18) months from the purchase closing date. This time period shall be deemed extended by any time period in which the City of Eagle imposes a moratorium on issuing building permits, or by any period beyond a one month processing time for a building permit by the building department of the City of Eagle.

5.16 Outbuildings. Outbuildings, separate garages, sheds and shelters, if permitted, may be constructed only simultaneously with or after a Dwelling has been constructed on the Owner's Residential Lot. All such buildings shall be constructed only after written approval thereof by the ACC. All outbuildings shall be constructed of similar or compatible exterior materials with the Dwellings so as to be aesthetically compatible therewith.

5.17 Swimming Pools. The installation of in-ground swimming pools and pool houses will be permitted, provided their plans and specifications, location, and design have been approved in writing by the ACC prior to their construction or installation; and provided further that the Residential Lot Owner will be required to execute and indemnity holding the Developer harmless from any claims resulting from the Lot's suitability for installation of a swimming pool and claims resulting from use of the swimming pool. Lot Owners should obtain a certification from an Engineer that the Lot is suitable for installation of an in-ground swimming pool.

5.18 Fences and Walls. No fence or wall of any kind shall be constructed on a Residential Lot unless the plans and specifications, including the location, design, material and color, have been approved in writing by the ACC prior to the construction or installation. Although Residential Lot fencing is discouraged, no lot boundary fencing other than open wrought iron fencing approved by the ACC shall be permitted.

Any fences and walls shall be subject to the following restrictions:

(a) Fences and walls shall not extend closer to any sidewalk than twenty feet (20') nor project beyond the front setback of the Dwellings. No fence higher than five feet (5') shall be allowed without the prior written approval of the ACC.

(b) All fences and walls shall be constructed and installed and maintained in good appearance and condition at the expense of the Owner of the Residential Lot on which they

are located and all damaged fencing and walls shall be repaired or replaced to original design, materials and color within a reasonable time after said damage occurs.

(c) Unless otherwise permitted in this Declaration or in any easement, no fence or wall shall interfere with the use and enjoyment of any easement reserved in this Declaration or shown on the recorded Subdivision Plat.

(d) No wall, hedge, high planting, obstruction or barrier shall be allowed which would unreasonably interfere with the use, enjoyment, and view of neighboring Residential Lots and streets, and shall not be allowed if, in the opinion of the ACC, the same constitutes an undesirable, noxious or nuisance effect upon neighboring Residential Lots.

(e) There shall be no fencing on a common Residential Lot line unless the Owners of the two contiguous Residential Lots agree to have a common lot line fence constructed.

5.19 Landscaping. The following provisions shall govern the landscaping of Residential Lots within the Subject Property:

(a) The Owner shall prepare a landscape plan and shall submit the same to the ACC. The installation and/or construction of the landscaping shall not commence without the prior approval of the ACC of the Owner's Landscape Plan. The use of berms, mounds, sculptures, rock terraces and large stones in planting areas is encouraged. Landscaping of a Residential Lot shall be in accordance with the approved plan. All berms shall be designed to handle all drainage impacts.

(b) All approved landscaping shall be installed within thirty (30) days after substantial completion of the Dwelling on the Residential Lot, with a reasonable extension allowed for delays caused by weather.

(c) An underground automatic sprinkler system shall be installed sufficient to irrigate the entire landscaped portion of the Residential Lot; specifically excluding, however, any Wetlands Areas. The installation and operation of the Residential Lot's automatic sprinkler system shall be in accordance with the Shores Pressure Irrigation System User Manual.

5.20 Mailboxes. Mailboxes shall be constructed and installed on Residential Lots by the Declarant but maintained by the Residential Lot Owner. In the event mailbox is damaged or destroyed, it shall be repaired and/or replaced in an identical manner to the original installation.

ARTICLE 6: COMMON AREAS AND FACILITIES.

6.1 Purpose. The Common Areas and Common Facilities have been constructed and shall be maintained for the common benefit of the Subdivision. All Common Areas and Common Facilities shall be owned by and maintained by the Association. Several of the Common Areas are multi-purposed and not all Common Areas are devoted for the use and occupation by the Owners. Use of the Common Areas and Common Facilities is not dedicated

to the public and the public shall not be permitted to use them, with the exception of Lot 3, Block 1, and the pathway constructed in the Greenbelt Easements.

6.2 Owner's Enjoyment of Common Areas. Each Owner shall have a right of use and enjoyment of the following Common Areas, together with the Common Facilities thereon:

(a) Entrance Lots. The pathways, benches, trellises and other open spaces on Lot 1, Block 4 and Lot 2, Block 1 at the entrance to the Subdivision.

(b) Pathway. The meandering concrete pathway constructed on Lot 3, Block 1 providing Owners with access from the Subdivision to the pathway constructed on the Greenbelt Easements.

(c) Recreation Areas. The Recreation Center, together with all of its open spaces and facilities that are located east of the storage ponds on Lot 12, Block 2; and the basketball court and the surrounding open area located on Lot 6, Block 4.

(d) Waterways. The Owner's use of the Waterways shall be limited to fishing in the ponds, provided no Owners or Occupants shall be permitted to trespass on other Residential Lots. Use of the Waterways may be further restricted and/or permitted by the Association through its promulgation of Association Rules.

6.3 Use Limitations. The right of each Owner to the use and enjoyment of the Common Areas identified in the foregoing provisions are subject, however, to the following limitations:

(a) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Residential Lot remains unpaid; and for significant or recurrent infractions of the Association Rules.

(b) The right of the Association to limit the number of Owners' guests permitted to use the Common Areas.

(c) The right of the Association to charge reasonable fees for the use of the Recreation Center, including the right to charge a special use fee for Owners who desire exclusive short-term use of such facility and who are willing to pay a special fee for such use.

(d) The rights of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Areas and Common Facilities; and, in aid thereof, to place a deed of trust thereon; provided that the Common Areas may not be mortgaged without the consent of at least 66-2/3% of the Owners, and that any deed of trust of Common Areas shall be subject to and subordinate to the rights of use of an Owner to the Common Areas.

(e) The right of the Directors of the Association to promulgate reasonable Association Rules governing the use of the such Common Areas for the purpose of securing safe use by the Owners without unduly infringing upon the privacy or enjoyment of the Owners or Occupants, including without being limited thereto, rules restricting persons under or over designated ages from using certain Common Facilities during certain times and reasonable regulations and restrictions regarding vehicle parking.

(f) The right of the Association to expense reasonable maintenance of the Common Areas.

(g) The right of the Association to close the Recreation Center (including the pool, or only the pool) and other Common Areas and Common Facilities for any reasonable reason, including, without limitation, repairs, weather, and safety or health considerations.

6.4 Special Purpose Common Areas. The following Common Areas and the Common Facilities constructed thereon are limited to particular purposes, and the Owners, Occupants, or their guests and invitees are not permitted to utilize or occupy these Common Areas:

(a) Emergency River Access Lot. The use of Lot 16, Block 1 shall be limited to emergency Boise River access use by the Eagle Fire Department, Flood Control District No. 10, and other emergency services; and the further use by the Eagle Sewer District for the, maintenance and access to an existing sewer main line, all as more particularly set forth in that certain easement, Instrument No. 98110813 and 100070874, records Ada County, Idaho.

(b) Mace-Catlin Access Lot. The use of Lot 8, Block 4 shall be limited to an access easement in favor of the Ditch Company to access and maintain the ditch company's irrigation facilities located beyond the Subdivision boundary on the property of the Two Rivers Subdivision, and the use by the Association for access and maintenance to the Association's buried gravity irrigation main and related structures. The Ditch Company will also be permitted to utilize Lot 6, Block 4 for access to its Irrigation Facilities.

(c) Sewer Easement Lot. The use of Lot 18, Block 4 shall include use by the Eagle Sewer District pursuant to certain easements recorded as Instrument Nos. 98110813 and 100070874, records Ada County, Idaho.

(d) Street Islands. The Street Islands are multi-purposed: all serving as vehicular circulation structures, all serving as landscaped amenities, and all (except Blocks 5, 9, 11 and 16) serve additionally as drainage facilities. Some of the Street Islands further serve as pedestrian crossings.

(e) Storm Water Storage Ponds. The primary use of the ponds, which are part of the Waterways, is for flood storage. Additionally, as set forth in Section 6.2(d), the Association will promulgate fishing rules. No swimming will be permitted in the ponds. Access to, or tampering with the pond control mechanisms, structures, waterfalls, and any other Waterways is strictly prohibited.

6.5 Damages. An Owner shall be liable for damages to the Common Areas, Common Facilities and public and private utilities sustained by reason of the negligence or intentional misconduct of said Owner, or of his family, licensees, invitees and lessees, both minor and adult. In the case of a joint ownership of a Residential Lot, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be as a limited assessment against that Owners' Residential Lots and may be collected as provided in **Article 10.1(b)**.

ARTICLE 7: WATER SYSTEMS

7.1 Domestic Water. Each Residential Lot shall have access to the domestic water system to be owned and operated by United Water Company. The domestic water system will provide water for culinary and other ordinary domestic household uses. Cross-connections between the domestic water system and the pressure irrigation system are prohibited. Water from the domestic water system shall not be used to supply any exterior decorative pond, or any other similar use or system. The Association may elect to receive water for irrigation of the Common Areas from United Water Idaho when water is not being supplied by the Pressurized Irrigation System, which use shall be paid by the Association from its Assessments. Any Owner's use of water from the domestic water system shall constitute an agreement to pay the charges imposed by United Water Idaho.

7.2 Irrigation System. All Residential Lots and the Common Areas shall have access to the Pressurized Irrigation System to be constructed by Declarant and owned and operated by the Association. Water is supplied by the Ditch Company. Owners of Residential Lots shall be required to pay as part of their regular assessment the water fees charged to the Association by the Ditch Company as well as for the operation and maintenance of the system including the establishment of a reserve fund, monthly power bills and any required maintenance regardless of actual use or nonuse of water from the Pressurized Irrigation System. Use of the Pressurized Irrigation System shall be subject to such rules and regulations of the Association or the Ditch Company, and the right to receive water therefrom is, in any event, subject to availability. The surface water rights associated with the Real Property shall belong to the Association, and notwithstanding the foregoing, individual Residential Lots shall not be deemed to have water rights, beyond the right to utilize the Pressurized Irrigation System subject to the Association Rules. THE AVAILABILITY OF PRESSURIZED IRRIGATION WATER FOR ANY RESIDENTIAL LOT SHALL BE SUBJECT TO A WATERING SCHEDULE PREPARED BY THE ASSOCIATION THAT IS SUBJECT TO CHANGE. A SCHEDULE WILL REGULATE THE TIME AVAILABLE TO INDIVIDUAL RESIDENTIAL LOTS OR GROUPS OF RESIDENTIAL LOTS FOR WATERING. THE SCHEDULE AND THE ASSOCIATION RULES REGARDING THE CONNECTION TO, AND OPERATION OF THE LOT OWNER'S INDIVIDUAL SPRINKLER SYSTEMS IS SET FORTH IN *THE SHORES PRESSURE IRRIGATION SYSTEM USER MANUAL, (as may be revised from time to time)*. Each Owner is prohibited from interfering with, adjusting or altering any portion of the Pressurized Irrigation System and shall be bound by the watering schedule prepared by the Association. Each Owner shall not operate their sprinkler system outside of their scheduled time without permission of the system operator retained by the Association. Although it is contemplated that the schedule will provide for irrigation every other day, such alternate date

watering may not be the same as an even-odd day irrigation schedule. Each Owner is prohibited from making any cross connection or tie in between the Pressurized Irrigation System and the domestic water system. Each Owner is required to install an underground sprinkler system for the Owner's Residential Lot and to connect it to the Pressurized Irrigation System stub-out service connection provided to each Lot. The individual sprinkler systems shall be designed in accordance with the requirements and specifications set forth in the Shores Pressure Irrigation System Users Manual. The repair and maintenance of the individual Lot Owner's sprinkler system will be the responsibility of the Lot Owner. The Association's system operator shall be entitled to access the Residential Lots for the purpose of inspecting, servicing and maintaining any Pressurized Irrigation System components located on the Residential Lots.

WATER FROM THE PRESSURIZED IRRIGATION SYSTEM IS NOT DRINKABLE; RESIDENTIAL LOT OWNERS SHALL BE RESPONSIBLE TO ENSURE THAT IRRIGATION WATER WITHIN THE BOUNDARIES OF THEIR RESIDENITAL LOT IS NOT CONSUMED BY ANY PERSON OR USED FOR CULINARY PURPOSES. EACH LOT OWNER SHALL MARK THEIR INDIVIDUAL SPRINKLER SYSTEM AT ALL SURFACE FEATURES AS "NON-POTABLE WATER – FOR IRRIGATION ONLY."

ARTICLE 8: HOMEOWNERS ASSOCIATION

8.1 Formation. There shall be only one homeowners association for the Subdivision. The Association has been organized by the Declarant as an Idaho nonprofit corporation. The Association will be incorporated and will adopt By-Laws for its governance. To the extent the Articles of Incorporation or By-Laws of the Association conflict with the provisions of this Declaration, the provisions of this Declaration shall control.

8.2 Membership. Each Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Residential Lot. The ownership of a Residential Lot shall be the sole qualification for membership and shall automatically commence when a person becomes an Owner and shall automatically terminate when such ownership is conveyed or transferred. There shall be only one membership for each Lot. If there are multiple Owners of a Residential Lot, the Owners shall, by written instrument filed with the Association, designate the individual entitled to exercise the privileges of Membership.

8.3 Association Control Transfer. Until the Transition Date, the Declarant, or the Declarant's successor or assignee, shall have the exclusive control of the Association and the Owners, excluding the Declarant, shall not have the right to vote on any matters involving the operation of the Association or the Association's exercise of its authority. On and after the Transition Date, the membership shall be franchised and each Member shall be entitled to one vote for each Residential Lot owned.

8.4 Powers of Association. The Association shall have all powers of a non-profit corporation organized under the laws of the State of Idaho subject only to such limitations as are expressly set forth in the Articles, the By-Laws or this Declaration. It shall have the power through its Board, officers, or committees, as duly delegated, to do any and all lawful things

which may be authorized, required or permitted to be done under the Articles, By-Laws or this Declaration, and to do and perform any and all acts which may be necessary or proper for, or incident to, the proper management and operation of the Common Areas and the performance of the duties of the Association and other responsibilities set forth in this Declaration, including, but not limited to, the following:

(a) Assessments. The power to determine the amount of and to levy Regular, Special and Limited Assessments on the Residential Lots and to enforce payment thereof in accordance with the provisions of this Declaration.

(b) Right of Enforcement. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owners(s) who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Articles, By-Laws, Declaration or ACC Design and Landscape Standards, and to enforce by mandatory injunction or otherwise, all provisions thereof.

(c) Delegation of Powers. The right and obligation to elect the Board, together with the authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to pay to such manager such compensation as shall be reasonable.

(d) Liability of Board Members and Officers. Neither any member of the Board nor any officers of the Association shall be personally liable to any Owner, or to any other party, for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Board, its officer, a manager or any other representative or employee of the Association, or the ACC, provided that said Board Member, officer, manager, or other person has, upon the basis of such information as was available, acted in good faith without willful or intentional misconduct.

(e) Association Rules. The power to adopt, amend and repeal such Association Rules as the Association deems reasonable. Such Association Rules shall govern the use by Owners and Occupants or any other person of the Residential Lots, Common Areas, Common Facilities and other property owned or controlled by the Association; provided, however, Association Rules shall not unreasonably discriminate among Owners and shall not be inconsistent with the Articles, By-Laws or this Declaration. The Association Rules cover the Owner's obligations in connection with constructing, operating, and connecting their individual underground sprinkler systems to the Pressurized Irrigation System; and include an irrigation schedule. Such rules and irrigation schedule are set forth in the Shores Pressure Irrigation System User's Manual. A copy of Association Rules as they may from time to time be adopted, amended or repealed shall be mailed or otherwise delivered to each Owner and Occupant. Upon such mailings, said Association Rules shall have the same force and effect as if they were set forth in and were part of this Declaration. In the event of any conflict between an Association Rule or any provision of the Articles, By-Laws or this Declaration, the conflicting provisions of the Association Rules shall be deemed superseded to the extent of any such inconsistency.

(f) Emergency Powers. The Association, or any person authorized by the Association, may enter onto any Residential Lot or into any other structure on a Residential 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 Occupants as practicable and any damage caused thereby shall be repaired by the Association unless said entry was necessitated by a condition caused by the Owner or Occupant.

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

(i) Underground lines, cables, wires, conduits and other devices for the transmission of any utility or other service.

(ii) Public sewers, storm drains, water drains and pipes, water systems, irrigation systems, electrical and gas lines or pipes.

(iii) Any similar public or quasi-public improvements or facilities.

8.5 Dedication. The Association shall have the right to dedicate or transfer all or any part of the Common Areas or Common Facilities to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by two-thirds of the members of the Association.

8.6 Duties of Association. In addition to the powers delegated to it by the Articles, By-Laws and this Declaration, without limiting the generality thereof, the Association or its authorized agents, if any, shall have the obligation to conduct the business affairs of common interest to all Owners and to perform each of the following duties:

(a) Operation and Maintenance of Common Areas and Common Facilities. Perform, or provide for the performance of, the operation, maintenance and management of the Common Areas and Common Facilities owned or controlled by the Association, including the repair and replacement of property or improvements thereon damaged or destroyed by casualty loss; the maintenance, repair and replacement of any facilities installed by the Declarant, and the maintenance, management, repair or replacement of all other property owned or controlled by the Association. Notwithstanding the foregoing, nothing herein shall be deemed to relieve any third party of its obligations concerning facilities located in the Subdivision, which obligations are imposed upon such third parties by contract, easement, statutory authority, or other rules and regulations pursuant to their governing authority.

(b) Maintenance of Landscaped Areas. Periodically, and on a regular basis during the growing season, care and maintain any and all landscaped areas on the Common

Areas or otherwise subject to the control of the Association, including, but not limited to watering, mowing and fertilizing of grassed areas as well as the watering, fertilizing and pruning of trees and shrubs as required. Lot 1, Block 1 is not a Common Area of this Subdivision. Rather, it is a Common Area of the Two Rivers Subdivision. In the event Lot 1, Block 1 is not maintained, the Association shall have the right to maintain it and have the authority to levy a Limited Assessment against the owner of said Lot.

(c) Maintenance of Greenbelt Pathway. Pursuant to the Greenbelt Easement in favor of the City of Eagle as Grantee, the Grantee is obligated to maintain the Greenbelt Pathway. Notwithstanding that the City of Eagle is obligated to maintain the Greenbelt Pathway, the Association shall have the right, but not the responsibility, to maintain any part of the Greenbelt Pathway that requires maintenance, but has not been properly maintained by the City of Eagle. Pursuant to the 404 Permit, the Association will be responsible for trimming the wetland vegetation on the portion of the pathway within Wetland Areas without any soil disturbance.

(d) Maintenance of Drainage Areas.

(i) Heavy Maintenance of Drainage Areas. Heavy maintenance consists of periodically inspecting the Drainage Areas to insure they are functioning properly; cleaning out the piping and mucking out and rebuilding the drainage infiltration swales and ponds, and similar drainage facilities, when the sediment levels are prohibiting drainage and the infiltration rate of the facilities becomes unacceptable resulting in periods of standing water greater than 48 hours or as otherwise deemed unacceptable by ACHD. ACHD has opted to perform this heavy maintenance pursuant to the Master Storm Water Easement referred to in **Section 4.8**. ACHD has both the authority and obligation to perform this maintenance work and to repair the Storm Water Drainage Facilities constructed by the Declarant on, over and under the Drainage Areas. In the event ACHD ever fails to do such "heavy maintenance" then the Association shall have the authority to repair and maintain the Storm Water Drainage Facilities. No structures, fences or other improvements or landscaping (other than grass) shall be placed on the Drainage Areas easement in a manner that would interfere with the heavy maintenance. In the event that it is necessary to replace any improvements or landscaping of the Drainage Areas such as fences, trees or sod, in connection with performing maintenance, such replacement shall be the responsibility of the Owner of any Residential Lot upon which such improvements or landscaping has been placed, or otherwise the responsibility of the Association in connection with repairing or replacing improvements and/or landscaping on Common Areas.

(ii) Light Maintenance of Drainage Areas. The Association shall perform all "light maintenance" of the Drainage Areas pursuant to that certain *Maintenance and Operation Manual*, the original of which shall be kept on file with the Association with copies made available to any interested party upon request. Said *Maintenance and Operation Manual* is incorporated herein by this reference. The light duty maintenance shall include but not be limited to the trimming, mowing and irrigation of vegetation including grassed areas, shrubs and trees within the Drainage Areas. The Association will be responsible for the removal of all weeds and trash within the Drainage Areas and will replenish decorative rock as required. Inspection to determine the need for light duty maintenance shall be performed by the Association on a

monthly basis and following any significant rainstorm events. In connection with the Association's light maintenance obligations, the Association shall enforce the Lot Owners' requirement in **Section 3.12** to keep any drainage swales on a particular Residential Lot in good condition and repair. The failure of the Association to meets its light maintenance obligations will trigger ACHD's enforcement rights more particularly set forth in Section 8.8 hereunder.

(e) Maintenance of Waterways and Facilities. The Association's maintenance obligation shall include preventative maintenance, inspection, repair and replacement of components of the Pressurized Irrigation System, the flood control ponds and channels; waterfalls and related pumps; and the floodplain connection pipes referred to in Section 4.4. The Association shall inspect the floodplain connection pipes once every three (3) months, and every month from April through June, making sure to remove any debris that is clogging or otherwise impeding the flow of water through such pipes. The Association's maintenance obligations in this regard shall include but not be limited to the requirements sets forth in that certain Operation and Maintenance Guidelines for Pressure Irrigation, Amenity, Waterfall and Floodplain Connection Systems for the Shores Development dated July 19, 2005, as the same may be amended from time to time.

(f) Taxes and Assessments. Pay all real and personal property taxes and Assessments levied against the Common Area owned or controlled by the Association or against the Association and/or any property owned by the Association. Such taxes and Assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring payment is posted prior to the sale or the disposition of any property to satisfy the payment of such taxes. In addition, the Association shall pay all other 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 non-profit corporation.

(g) Utilities. Acquire, provide and/or pay for water, sewer, refuse collection, electrical, telephone, gas and other necessary services for the Common Areas owned or controlled by the Association.

(h) Identification Signs. Maintain, repair and replace all permanent entry and special identification signs for the Subdivision, whether the same be located within or without the boundaries of the Subject Property.

(i) Rule Making. Make, establish, promulgate, amend and repeal Association Rules.

(j) Architectural Control Committee. Appoint and remove Members of the Architectural Control Committee, all subject to the provisions of this Declaration.

(k) Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce any of the provisions of this Declaration and the Association Rules.

8.7 Improvements. The Association shall have the right, in accordance with its Articles and Bylaws, to borrow money for the purpose of maintaining and improving the Common Areas and Common Facilities and in support thereof to mortgage said property, provided the rights of such mortgagee shall at all times be subordinate to the rights of the Owners use of Common Areas under this Declaration.

8.8 Enforcement of Common and Drainage Area Maintenance. Notwithstanding that the Association is obligated to maintain the Common Areas, Common Facilities, and provide light maintenance of the Drainage Areas, it is hereby provided that the City of Eagle and/or ACHD (with respect to the Drainage Areas), and/or the Ditch Company (collectively the "Agencies") may elect, but have no responsibility, to maintain any part of the Common Areas, Common Facilities or Drainage Areas should the Association, Lot Owners, or the Declarant fail to maintain the same. In the event an Agency determines, in its sole discretion, that the Association is not adequately maintaining the Common Areas, Common Facilities or Drainage Areas in a reasonable time frame, the Agency shall, before undertaking maintenance of said Areas, provide written notice of its and/or their intention to begin maintenance of the Common Areas, Common Facilities or Drainage Areas within a thirty (30) day period, within which time frame the Association may undertake to initiate and conclude all maintenance defects as identified by the Agency. In the event that the Association shall fail to commence within said time period, and conclude maintenance of the defined Common Areas, Common Facilities or Drainage Areas, the Agency is hereby granted an irrevocable license and easement to enter upon any portion of the Common Areas, Common Facilities or Drainage Areas to perform inspection and maintenance. Should the Agency engage in maintenance of the defined Common Areas, Common Facilities or Drainage Areas after having provided notice to the Association and having provided the Association an opportunity to undertake said maintenance, the Agency shall be entitled to and empowered to file a ratable lien against all Residential Lots within the Subject Property to secure payment of any and all Assessments levied against any and all Residential Lots in the Subject Property pursuant to this Declaration, together with interest at the rate which accrues on judgments and all costs of collection which may be paid or incurred by the Agency in connection therewith. The Agency may exercise their rights under Idaho Code by assessing the Residential Lot Owners and certifying those Assessments in the same manner as real property tax. This section shall not be amended without prior written approval from the Agency. The Association shall not be dissolved or relieved of its responsibility to maintain the Common Areas and Common Facilities without the prior written approval from the Agency. The Association and all Residential Lots Owners, by accepting title to a Residential Lot, agree that all Residential Lot Owners within the Subject Property are benefited property Owners for purposes of this section.

ARTICLE 9: RIGHTS RESERVED BY DECLARANT

9.1 Notwithstanding anything to the contrary contained in this Declaration, Declarant expressly reserves unto:

(a) Itself, its successors contractors and their subcontractors (including any district, company, unit of local government, association or other entity providing a utility or other similar services), easements and rights-of-way on, over, under and across the utility

easements over and under all Residential Lots and Common Area as provided for herein or on any recorded Plat for installation, maintenance and repair of all lines, wires, pipes, pumps, and other things necessary for all such services, provided that any installation, maintenance or repair of such lines, wires or pipes shall be performed with reasonable care and that the surface of said easement area shall be restored to the level and condition that existed prior to the doing of work; and

(b) Itself, its agents and successors, all water and water rights over, upon or under or appurtenant to the Real Property, or any portion thereof.

(c) Itself, its agents and successors, a nonexclusive easement on, over, under and across any utility easements as provided for herein or created on any recorded plat for the construction and maintenance of the Pressurized Irrigation System.

ARTICLE 10: ASSESSMENTS:

10.1 Agreement to Pay Assessments.

Each Owner, by acceptance of the deed therefore (whether or not it shall be so expressed in such deed) is deemed to covenant and agree to pay when due all Regular, Special and Limited Assessments made by the Association or the Declarant.

(a) Regular Assessments: An annual Regular Assessment shall be made by the Association in such amounts deemed appropriate by the Board. The Regular Assessments shall be based upon advance estimates of cash requirements as determined by the Board for the maintenance and operation of the Common Areas and Common Facilities and all easement areas, if any, owned or controlled by the Association and for the performance by the Association of its other duties and responsibilities. Such estimates may include, but shall not be limited to, expenses of management, taxes and special assessments of local governmental units, premiums for all insurance which the Association is required or permitted to maintain hereunder, landscaping and care of grounds, any and all utility bills, including Idaho Power and United Water Company, the Ditch Company other water suppliers, trash collection, sewerage charges, repair and maintenance, legal, accounting, and other professional fees, and any deficit remaining from previous periods and the creation of a reserve, surplus and/or sinking fund(s). The initial annual Regular Assessment shall be the amount of $1,200 per Residential Lot, until changed by the Association.

(b) Limited Assessments: The Association shall have the power to levy a Limited Assessment against Owners and Residential Lots for maintenance and repair of any Residential Lot or any improvement on a Residential Lot, if such maintenance and repair is necessary to preserve the quality of the Subdivision; and/or to correct a violation of the Declaration or any amendment thereto or the ACC Design and Landscape Standards. No such Limited Assessment shall be levied until (a) the Board or ACC has given written notice to the Owner of the maintenance or violation cure required; (b) the Owner has refused to perform the required maintenance or correct the violation within a reasonable time; and (c) the Association has incurred expenses for maintenance or correcting the violation. Thereupon, the Board shall

have the power to levy a Limited Assessment against the Owner to pay for the costs of such maintenance and repair or correction of violation and any other costs or expenses, including attorney fees, arising out of or incident to such maintenance and repair of the Association.

(c) Special Assessments: In addition to Regular Assessments, the Association may levy at any time a Special Assessment payable over such period as the Board may deem appropriate for the following purposes:

(i) To defray, in whole or in part, the cost of any construction or reconstruction of Common Areas or Common Facilities, unexpected repair or replacement of a Common Area or Common Facility located thereon or an easement area controlled by the Association, the furnishing of a special service or services (other than those appropriate for a Limited Assessment), or for any other expenses incurred or to be incurred as provided in this Declaration.

(ii) To cure a deficit in the common and ordinary expenses of the Association for which Regular Assessments for a given calendar or fiscal year are or will be inadequate to pay, as determined by the Board.

(iii) To cover any costs, fees, or damages incurred by the Association, in connection with its obligations and enforcement exposure set forth in the Deed of Wetland Conservation Easement.

(d) Irrigation Water Assessment: It is contemplated that the Ditch Company shall provide irrigation water to the Real Property. In addition to any Assessments made by the Ditch Company for irrigation water, the Association may be required to pay additional fees to the Ditch Company for the operation, maintenance and repair of the Ditch Company facilities. Any such fees charged to the Association shall be included as part of the Association's overall costs to be paid by the Regular Assessment to each Residential Lot Owner.

10.2 Purpose of Assessments. The Assessments levied by the Association or the Declarant shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision and to carry out the objectives and responsibilities of the Association, and for the improvements and maintenance of any Common Area, Common Facilities and all improvements constructed thereon, the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and Common Facilities, and including without being limited thereto, the payment of taxes and insurance on all or any part of the Real Property.

10.3 Collection and Enforcement. The Regular, Special, Limited and Irrigation Assessments, together with interest thereon and costs of collection and reasonable attorney fees, shall be a charge on the Residential Lot and shall be a continuing lien upon the Residential Lot against which such Assessment is made. Each such Assessment, together with interest, costs of collection and reasonable attorney fees shall also be the personal obligation of the Owner at the time when the Assessment fell due. The right to collect and enforce payment of the Assessments is vested in the Association.

If an Owner fails to pay an Assessment within thirty (30) days of its due date, the Association shall prepare a written notice of setting forth the type of Assessment, the amount of the Assessment, the amount remaining unpaid, the name of the record Owner of the Residential Lot, and a legal description of the Residential Lot. Such notice shall be signed by the President and Secretary of the Association, whose signatures shall be acknowledged by a notary republic, and such notice shall be recorded in the office of the Ada County Recorder. Thereupon, and upon the continuing failure of the Owner to pay an Assessment, the lien for Assessment herein created may be foreclosed upon as provided by law for foreclosure of a mortgage on real property and other real property liens. Notwithstanding anything to the contrary contained in the Declaration and any amendment thereof, no action may be brought to foreclose the lien of any Assessment until the expiration of thirty (30) days after written notice of default has been deposited in the United States mail, addressed to the Owner of the Residential Lot at the street address of the Residential Lot or the last known address of the Owner, or otherwise if shown on the books and records of the Association. Such notice shall specify the amount and due date of the unpaid Assessments and the legal description of the Residential Lot, and may further include any reasonable attorneys' fees incurred to date in collection attempts in the minimum amount of $250.00 for preparation of the claim notice.

10.4 Set up and Initial Regular Assessment. Assessments shall commence as to each Residential Lot upon the closing of the first sale of such Lot from the Declarant, or as to the remaining Residential Lots owned by Declarant, when such Residential Lots are no longer offered for sale to the general public. At each such closing, the Owner thereof shall pay the sum of $3,500 and also such portion of the existing Regular Assessment pro rated for the remainder of the calendar year. These initial Assessments shall be paid to the Declarant to reimburse the Declarant the set up cost and the maintenance of the Common Areas and Common Facilities and other Association costs incurred or to be incurred by the Declarant prior to the Transition Date. The pro rata portion of the Regular Assessment will be paid to the Declarant at each Closing that occurs prior to the Transition Date and only paid to the Association if the Association has conducted its first annual meeting, elected a board of directors and assumed the obligations and expenses of the Association. Until the Association has conducted its first meeting, the Declarant shall have the full power and authority to exercise all of the rights, duties and functions of the Association. The Declarant shall have the exclusive use of Assessments for the purpose of discharging the duties and obligations of the Association in accordance with this Declaration. The Association shall, upon its first meeting, initiate Assessments in accordance with this **Article 10**, without regard to or an accounting of the initial deposits or other Assessments previously paid to the Declarant.

10.5 Assessment Due Date. The due date for Regular Assessment shall be March 1, unless some other due date(s) is established by the Board. Each Assessment shall be delinquent if not paid within fifteen days after the due date set forth in any notice of Assessment.

10.6 Interest and Penalties. Any Regular, Special, or Limited Assessments levied on Residential Lots if not paid when due, shall bear interest at an annual rate as shall be set by the Board from time to time, or if none is so set, at an annual rate of 15%. Such interest shall commence on the date the Assessment becomes due and payable. In addition to the interest

charged, the Board may, in accordance with Association Rules promulgated by it, impose additional fines or charges for the failure of an Owner to timely pay any Assessment when due. The right of the Board to charge interest or impose additional fines or charges shall be in addition to, and not in lieu of, any other right of enforcement or sanction available to the Board in the event of non payment of an Assessment.

10.7 Billing for Annual Assessment. The Regular Assessment may be billed on a monthly basis, 1/12th per month, on a quarterly basis, 1/4th per quarter, or annually, in advance.

10.8 Notice and Quorum for Special Assessment. Written notice of any meeting called for the purpose of making a Special Assessment shall be sent to all Association members not less than twenty (20) days in advance of such meeting. Such notice shall specifically indicate that a Special Assessment is to be considered at such meeting. A quorum of not less than a one-third of the members entitled to vote shall be required at such meeting whether in person or by proxy.

10.9 Uniform Rate of Assessment. Special Assessments must be fixed in an equal amount for each Residential Lot that has been sold by the Declarant. All Special Assessments shall equally apply to all Residential Lots, and no special rate or reduction in Assessment rate shall be allowed because any Residential Lot is unimproved or does not have a Dwelling thereon, except that any Residential Lots owned by the Declarant that are still offered for sale to the general public shall not be subject to any Assessments.

10.10 Subordination to the Lien of Mortgage. The lien of Assessments provided for herein shall be subordinate to the lien of any First Mortgage. Sale or transfer of any Residential Lot shall not affect the Assessment lien, but the sale or transfer of any Residential Lot pursuant to a Mortgage foreclosure, if the Mortgage is held by any person other than a prior Owner of the Residential Lot, shall extinguish the lien of such Assessments as to payments which have become due prior to such sale or transfer.

ARTICLE 11: ARCHITECTURAL CONTROL COMMITTEE.

11.1 Members of the Committee. An Architectural Control Committee of the Board shall be formed, comprised of at least three (3) persons, all of whom shall be appointed as herein provided. A member of the ACC shall hold office until he has resigned or has been removed, but in any event, until said member's successor has been appointed. Members of the ACC may be removed at any time, with or without cause.

11.2 Appointment. At all times prior to the Transition Date, the Declarant shall have the sole right to appoint and remove all members of the ACC. Thereafter, all members of the ACC shall be appointed or removed by the Board. The ACC shall have the right by a resolution in writing unanimously adopted, to designate one (1) of its members to take any action or perform any duties for and on behalf of the ACC. In the absence of such designation, the vote of any two (2) members of the ACC shall constitute an act of the ACC.

11.3 Adoption of ACC Design and Landscape Standards. Initially the Declarant and ultimately the ACC shall have the power to promulgate ACC Design and Landscape Standards

relating to the planning, construction, alteration and modification of Buildings and other improvements and appurtenant landscaping within the Subdivision deemed necessary or desirable by the Declarant or the ACC, as the case may be, to carry out the purposes of this Declaration. All ACC Design and Landscape Standards shall be consistent with the provisions of this Declaration. The ACC Design and Landscape Standards may contain provisions, not limited to design standards, exterior finishes and colors, fences, landscaping, exterior lighting, mailboxes and the like. They may also include policies, procedures and rules, which in the discretion of the ACC are reasonable to maintain a quality subdivision and to protect property values. The Residential Lot Owner shall review and be familiar with the current ACC Design and Landscape Standards, copies of which are available from the Declarant, the Declarant's marketing representative and at various title and escrow companies operating in the vicinity of the City of Eagle.

11.4 Certification by Secretary. The ACC shall, upon written request, certify that improvements upon any Residential Lot comply with this Declaration and have been duly approved by the ACC, or in the event such Building or other improvements do not so comply, specifying the extent of noncompliance.

11.5 Variances. The ACC may authorize variances from compliance with requirements of any conditions and restrictions contained in this Declaration, the ACC Design and Landscape Standards, or any prior approval when, in the sole discretion of the ACC, circumstances such as topography, natural obstructions, aesthetics or environmental considerations or hardship may so require. Such variances must be evidenced in writing signed by at least two (2) members of the ACC.

If a variance is granted as provided herein, no violation of this Declaration, ACC Design and Landscape Standards or prior approval shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or the ACC Design and Landscape Standards for any purpose except as to the particular subject matter of the variance thereof and the specific Residential Lot covered thereby. The ACC shall have the right to consider and grant a variance as herein provided either with or without notice to other Owners or a hearing thereon. The granting of a variance by the ACC pursuant to this Section shall not relieve the Owner from the obligation to fully comply with applicable ordinances of the City of Eagle, Idaho.

11.6 Plan Review Application. No Dwelling, building, fence, wall or other structure, initial landscaping or subsequent or substantial landscaping, or screening planting shall be undertaken, erected or maintained upon any Residential Lot, nor shall any exterior addition to or change or alteration to the exterior of any Dwelling, be made until plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to and approved in writing by the ACC, in accordance with the ACC Design and Landscape Standards, this Declaration, and any reasonable application process adopted by the ACC. To request ACC approval for the construction, alteration, or modification of any improvements on a Residential Lot, the Owner shall submit, prior to any construction, a written application in a form required by the ACC which must be signed by the Owner and contain all information requested

and be accompanied by all other material required to be submitted as hereafter provided, or by the ACC.

All applications must contain, or have submitted therewith, at a minimum, the following material (collectively called "Plans and Specifications") prepared in accordance with acceptable architectural standards and submitted with the application form:

(a) Site Plan. A site plan showing the location of the Building(s) and all other structures and improvements including fences and walls on the Residential Lot, grading and lot drainage and all set backs, curb cuts, driveways, parking areas and other pertinent information relating to the improvements.

(b) Building Plan. A building plan which shall consist of preliminary or final blueprints, elevation drawings of the north, south, east and west sides, and detailed exterior specifications which shall include, by sample if required by the ACC, all exterior colors, materials and finishes, including roof shingles, proposed to be used.

(c) Landscape Plan. A landscape plan for portions of the Residential Lot to be landscaped which shall show the location, type and size of trees, plants, ground cover, shrubs, berming and mounding, grading, drainage, sprinkler system, fences, freestanding exterior lights, driveways, parking areas and walkways.

11.7 Security Deposit. At the time of the first closing of each Lot in connection with the sale of such Lot by the Declarant, the purchaser shall deposit with the ACC, as a deposit (hereafter "Security Deposit"), in the amount of 3% of the Lot sales price, or such other amount as shall be determined by the ACC. The Security Deposit shall be held by the ACC as security for the Owners' performance of all construction obligations contained in its lot purchase agreement or otherwise required by the plans and specifications approved by the ACC, including, but not limited to the landscaping requirements. Upon the Owner or Builder's full compliance with the construction and landscaping of all improvements as evidenced by an ACC compliant site inspection, the Security Deposit shall be returned to the Owner (without interest). If the Owner or builder fails to (i) comply with any of its construction obligations, (ii) substantially construct the improvements in accordance with the approved plans and specifications (including landscape), or (iii) fails to timely complete such improvements, the ACC shall have the right to deduct from such Security Deposit the amount of any costs which may be paid or incurred by the Association or a third party to complete such improvements, and to bring the Residential Lot Improvements into compliance.

11.8 Decision. In reviewing the application and the materials submitted therewith and in reaching a decision thereon, the ACC shall use its best efforts and judgment to assure that all Improvements shall produce and contribute to an orderly and aesthetically complementary design and appearance and be of the quality required to maintain the Subdivision as a high quality residential development. The ACC may, in its discretion, require the Owner to furnish additional materials beyond those required herein. Unless extended by mutual consent of the Owner and the ACC, the ACC shall render its decision with respect to an application within thirty (30) days after the receipt of a properly submitted application. The decision of the ACC

can be in the form of an approval, a conditional approval or denial. The decision of the ACC shall be in writing, signed by a member of the ACC, dated, and a copy thereof mailed to the Owner at the address shown on the application. A conditional approval shall set forth with particularity the conditions upon which the application is approved and the Owner shall be required to affix a copy of said conditions to the working drawings or blueprints which are to be kept on the job site during the entire course of the work to which said plans relate.

11.9 Inspection and Complaints. The ACC is empowered to inspect all work in progression on any Residential Lot at any time. Such inspection shall be for the purpose of determining whether the Owner is proceeding in accordance with the approved plans and specifications or is deviating therefrom, or is violating this Declaration or the ACC Design and Landscape Standards.

Should the ACC determine that there has been a deviation or a violation, it shall promptly issue a notice in writing to the Owner, which notice shall specify the particulars of the deviation or violation and shall demand that the Owner conform to either or both of the following directives:

(a) The Owner shall immediately cease the activity which constitutes a deviation or violation: and/or

(b) The Owner shall adhere to the correction measures set forth in the written Notice.

Should the ACC determine there has any reported deviation or violation has been cured, it shall promptly issue a notice of such determination to the Owner.

11.10 Interpretation and Enforcement. The ACC, subject to Board approval, shall have the authority to interpret and enforce any or all restrictions and covenants of this Declaration as they pertain to the Residential Lots improvements. This right of enforcement can include the ACC hiring any or all of such work to be done and levying a Limited Assessment against the Residential Lot on which said work takes place for the full amount of the cost of said work plus any other costs ACC may incur in such enforcement. All costs, expenses and damages determined by the Board to be proximately caused by the deviation or violation, or the costs and expenses incurred by the Association to correct the same shall be assessed as a Limited Assessment against the Residential Lot owned by said Owner.

11.11 Judicial Enforcement. The ACC, upon approval by the Board, shall be authorized on behalf and in the name of the Association to commence such legal or equitable proceedings as are determined by it to be necessary or proper to correct or enjoin any activity or condition existing within the Subdivision, the continuation of which violates the provisions of this Declaration, the ACC Design and Landscape Standards or the approved plans and specifications of any improvements to a Residential Lot. The ACC shall not commence such legal or equitable proceedings until a written notice of the deviation or violation has been appropriately prepared and given to the Owner but thereafter the ACC shall have the sole discretion to commence such proceedings. The authority of the ACC as herein provided shall include the power to retain legal

counsel and expert witnesses, pay filing fees, deposition costs, witness fees and all other ordinary and necessary expenses incurred in commencing and carrying out said legal or equitable proceedings, all of which costs shall be paid by the Association.

11.12 Non-Exclusive Remedy. The right of the Association to levy a Limited Assessment as described in **Section 11.10** above, shall not be deemed to be the exclusive remedy of the Association and it may, in its sole discretion, without waiver or any other legal or equitable remedy, pursue enforcement of the lien of said Limited Assessment(s), proceed to collect any amount due directly from the Owner and/or pursue any other remedies available at law or in equity, including enforcement of any alleged violation by Court sanctioned specific performance.

ARTICLE 12: ANNEXATION

12.1 Procedure. Additional land contiguous to the Subject Property may be annexed by Declarant without the consent of the Owners or the Association at any time. As of the date of this Declaration, the Declarant intends to complete the development of The Shores by recording a plat for The Shores Subdivision - Phase 2, which plat is contemplated to encompass the approximately 40 acres of real property contiguous to the Subject Property on the Subject Property's westerly boundary. Upon the recordation of a final plat of such additional land, such additional property shall, for the purposes of this Agreement, be deemed Annexed Property. Amendment of the Declaration to include such Annexed Property, and to subject such Annexed Property to the rights, privileges, restrictions, covenants and easements herein provided shall be made by the execution and recordation by Declarant of a Supplemental Declaration, which shall describe the additional property being annexed, and any supplemental or different covenants, conditions and restrictions applicable thereto, and any deletions or modifications to these covenants, conditions and restrictions as the Declarant may deem appropriate, and shall describe the Common Areas and Common Facilities thereof. Upon the recordation of the Supplemental Declaration, the Annexed Property described therein, shall be subject to the terms and provisions of this Declaration as though included originally in this Declaration, and the definitions of Real Property, Common Areas and Common Facilities shall automatically be amended to conform to such supplement, as shall all the other definitions herein, including the definitions of Residential Lot and Owner. All Owners of Residential Lots located within the Annexed Property shall be subject to all easements, restrictions and reservations set forth in this Declaration and shall have the privileges of use of Common Areas and Common Facilities, except as otherwise provided herein, and subject to the restrictions and reservations set forth in the Declaration as amended and supplemented from time to time. Upon such annexation, the Owners of the Residential Lots within the Annexed Property, shall become Members of the Association with all rights, privileges, and obligations as all other Members

12.2 Designation of Common Areas. Any Common Areas and Common Facilities designated by Declarant as such on the Plat of The Shores Subdivision - Phase 2, or in the Supplement Declaration or conveyed to the Association by Declarant shall be subject to the same easements and other rights for the use and enjoyment of the Owners as for the other Owners of Residential Lots subject to this Declaration.

ARTICLE 13: GENERAL PROVISION.

13.1 Government Rules and Ordinances. In the event any of these covenants, conditions and restrictions are less restrictive than any government rules, regulations or ordinances, then the more restrictive government rule, regulation or ordinances shall apply. These covenants, conditions and restrictions are subject to all rules, regulations, laws and ordinances of all applicable government bodies. In the event a governmental rule, regulation, law or ordinance would render a part of these covenants, conditions and restrictions unlawful, then in such event that portion shall be deemed to be amended to comply with the applicable rule, regulation, law or ordinance.

13.2 Enforcement. The Association, the Declarant, any Owner, or any First mortgagee shall have the right to enforce, by proceedings of law or in equity, the terms and provisions of this Declaration. Failure by the Association or any Owner to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so thereafter.

13.3 Severability. Invalidation of any one of these covenants or restrictions shall in no way affect other provisions which shall remain in full force or effect.

13.4 Term. This Declaration shall run with the land and shall inure to the benefit of the Association, the Owner of any Residential Lot, and any First Mortgagee as provided herein, and their respective legal representatives, heirs, successors, grantees, and assigns, for a term of forty (40) years from the date of this Declaration.

13.5 Amendments. Except as otherwise provided herein, any of the covenants and restrictions of this Declaration, except the easements herein granted for utilities and water distribution facilities, may be amended by an instrument signed by members entitled to cast not less than sixty-six and two-thirds (66-2/3) of the votes of the membership. Any amendment must be recorded.

13.6 Conveyance of Common Area. The Common Areas, or easements thereon, and Common Facilities in each phase of the Subdivision may be conveyed to the Association by Declarant, free and clear of all encumbrances, prior to the first mortgage in that phase being insured by HUD. Until conveyed, Declarant shall be solely responsible for the maintenance and management of Common Area and Common Facilities, and for all costs and expenses associated therewith not covered by the Assessments provided for herein.

13.7 FHA/VA Approval. Prior to the Transition Date, the following actions may require the prior approval of the Federal Housing Administration or the Veterans Administration; annexation of additional real property to the Project, mergers and consolidations, mortgaging or dedication of Common Areas, dissolution or amendment of the Articles of Incorporation or Bylaws of the Association, and amendment of this Declaration.

13.8 Contracts or Agreements. The Board may enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of the VA, FHA, the

FHLMC, the FNMA or the GNMA or any similar entity, so as to allow for the purchase, guaranty or insurance, as the case may be, by such entities of first mortgages encumbering building Residential Lots in the Project with Dwellings thereon.

IN WITNESS WHEREOF, the Declarant has set his hand and seal as of the date and year first above written.

SOUTH CHANNEL, L.L.C. by its Managing Member,
Rocky Ridge Construction, Inc.,

By _____
Jeff Sherburne, its President

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

On this 19th day of January 2006, before me, a notary public in and for the state of Idaho, personally appeared Jeff Sherburne, known and identified to me to be the President of Rocky Ridge Construction, Inc., an Idaho corporation, the Managing Member of South Channel, L.L.C., an Idaho limited liability company, and the Managing Member who subscribed said liability company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said limited liability company.

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

RONNI CHRISTIANSON (SEAL) NOTARY PUBLIC STATE OF IDAHO

_____
Notary Public for Idaho
Residing at Boise, Idaho
Commission Expires: 6-30-2010

W#25637

ADA COUNTY RECORDER J. DAVID NAVARRO AMOUNT 6.00 2
BOISE IDAHO 11/21/07 04:40 PM
DEPUTY Lisa Irby
RECORDED – REQUEST OF
Transnation Title

107156684

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS AMENDMENT is made by South Channel, L.L.C. (the "**Declarant**") to that certain Declaration of Covenants, Conditions and Restrictions of the Shores Subdivision (the "**Declaration**") recorded as Instrument No. 106009735, records Ada County, Idaho. The Amendment is made pursuant to the authority granted to the Declarant to exercise the exclusive control of all matters that are subject to Member's right to vote, including the right to amend the Declaration pursuant to Article 13.5 of the Declaration.

AMENDMENT

Article 5.15 of the Declaration is deleted in its entirety and replaced with the following restatement of said provision:

> 5.15 Construction Time Frame. The Lot Owner or their builder The Lot Owner or their builder shall commence construction no later than thirty-six (36) months from the later of the date that building permits are available for the development or the purchase closing date and shall substantially complete construction no later than forty-eight (48) months from the purchase closing date. This time period shall be deemed extended by any time period in which the City of Eagle imposes a moratorium on issuing building permits or by any period beyond a one month processing time for a building permit by the building department of the City of Eagle.

IN WITNESS WHEREOF, the Declarant has made the foregoing Amendment by voting for such Amendment on behalf of all of the Members and executed this Amendment as of the date and year first above written.

DECLARANT:

South Channel, L.L.C., by its Managing Member,
Rocky Ridge Construction, Inc.

By _____
Jeff Sherburne, its President

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

On this 15 day of November 2004, before me, a notary public in and for the state of Idaho, personally appeared Jeff Sherburne, known and identified to me to be the President of Rocky Ridge Construction, Inc., an Idaho corporation, the Managing Member of South Channel, L.L.C., an Idaho limited liability company, and the Managing Member who subscribed said liability company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said limited liability company.

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



Notary Public for Idaho
Residing at Boise, Idaho, Idaho
Commission Expires: ~~Commission Expires: 08/02/2012~~

W#25687

ADA COUNTY RECORDER J. DAVID NAVARRO AMOUNT 6.00 2
BOISE IDAHO 11/21/07 04:40 PM
DEPUTY Lisa Irby
RECORDED-REQUEST OF
Transnation Title
107156685

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS AMENDMENT is made by South Channel, L.L.C. (the "**Declarant**") to that certain Declaration of Covenants, Conditions and Restrictions of the Shores Subdivision (the "**Declaration**") recorded as Instrument No. 106009735, records Ada County, Idaho. The Amendment is made pursuant to the authority granted to the Declarant to exercise the exclusive control of all matters that are subject to Member's right to vote, including the right to amend the Declaration pursuant to Article 13.5 of the Declaration.

AMENDMENT

Article 5.15 of the Declaration is deleted in its entirety and replaced with the following restatement of said provision:

> 5.15 Construction Time Frame. The Lot Owner or their builder The Lot Owner or their builder shall commence construction no later than thirty-six (36) months from the later of the date that building permits are available for the development or the purchase closing date and shall substantially complete construction no later than forty-eight (48) months from the purchase closing date. This time period shall be deemed extended by any time period in which the City of Eagle imposes a moratorium on issuing building permits or by any period beyond a one month processing time for a building permit by the building department of the City of Eagle.

IN WITNESS WHEREOF, the Declarant has made the foregoing Amendment by voting for such Amendment on behalf of all of the Members and executed this Amendment as of the date and year first above written.

DECLARANT:

South Channel, L.L.C., by its Managing Member,
Rocky Ridge Construction, Inc.

By _____
Jeff Shelburne, its President

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

On this 15 day of November 2007 2005, before me, a notary public in and for the state of Idaho, personally appeared Jeff Sherburne, known and identified to me to be the President of Rocky Ridge Construction, Inc., an Idaho corporation, the Managing Member of South Channel, L.L.C., an Idaho limited liability company, and the Managing Member who subscribed said liability company name to the foregoing instrument, and acknowledged to me that he executed the within instrument on behalf of said limited liability company.

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



Notary Public for Idaho
Residing at ~~Residing: Boise, Idaho~~, Idaho
Commission Expires: ~~Commission Expires: 06/02/2012~~

2426444

ADA COUNTY RECORDER J. DAVID NAVARRO AMOUNT 6.00 2
BOISE IDAHO 05/02/08 04:35 PM
DEPUTY Vicki Allen
RECORDED – REQUEST OF
Transnation Title

108052300

Ammendment to The Shores CCR's

Pursuant to Article 1 Section 1.11

As managing member of The Shores, we hereby amend lot 8 Blk 4 from being common area and subject to maintenance by The Shores Home Owners Association, to being deeded to lot 9 Blk 4. Said easement area was not needed to convey certain water rights.

Jeff Sherburne Manager of The Shores HOA and
Managing Partner of South Channel LLC

4/24/08
DATE

THIS INSTRUMENT FILED FOR RECORD BY TRANSNATION TITLE & ESCROW, INC. AS AN ACCOMMODATION ONLY. IT HAS NOT BEEN EXAMINED AS TO ITS EXECUTION OR AS TO ITS AFFECT UPON THE TITLE.

State of Idaho

County of Ada_____

On this 24th day of May, 2008, before me the undersigned, a Notary Public in and for said state, personally appeared Jeffery Sherburne known or identified to me to be the person(s) whose name is/are subscribed to the within instrument as the Manager/ Managing Partner of The Shores HOA and South Channel, LLC and acknowledged to me that he executed the same as such Manager/Managing Partner

Christine A. Whittington

Notary Public Name: Christine A. Whittington
Residing at Boise, Idaho.
My Commission Expires: 08/15/2008



ADA COUNTY RECORDER J. DAVID NAVARRO AMOUNT 22.00 5
BOISE IDAHO 11/12/10 10:29AM
DEPUTY Kathie Acree
RECORDED-REQUEST OF
TITLEONE BOISE
110106688

THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION (this "Amendment") is made by ORION HOLDINGS, LLC, an Idaho limited liability company (the "Successor Declarant"), as successor to the ownership of substantially all of the interests in the whole of the Real Property of SOUTH CHANNEL, L.L.C., an Idaho limited liability company (the "Initial Declarant"), in amendment of that certain Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "CC&R's"), recorded January 19, 2006, by the Ada County Recorder as Instrument No. 106009735, as subsequently amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "First Amendment"), recorded November 21, 2007, by the Ada County Recorder as Instrument No. 107156684 and Instrument No. 107156685, and by that certain Amendment to The Shores CC&R's (the "Second Amendment"), recorded May 2, 2008, by the Ada County Recorder as Instrument No. 108052300.

PRELIMINARY STATEMENT

With and upon the recordation of that certain Special Warranty Deed, recorded August 10, 2009, by the Ada County Recorder as Instrument No. 109093096, Successor Declarant succeeded to the ownership of substantially all of the interests of the Initial Declarant in the whole of the Real Property, which interests comprise fee ownership of more than 10% of all the Residential Lots. Accordingly, the Initial Declarant having not certified in writing to the Association that no additional Real Property shall be made subject to the CC&R's, and the Transition Date having not therefore occurred, the Successor Declarant does hereby further amend the CC&R's as set forth hereinbelow, in accordance with the provisions of Sections 8.3 and 13.5 of the CC&R's.

AMENDMENT

1. Except to the extent otherwise defined herein, all capitalized terms used in this Amendment shall have the meaning ascribed thereto in the CC&R's.

2. Section 1.11 of the CC&R's is hereby amended to provide, in its entirety, as follows:

> 1.11 "*Common Areas*" shall mean and include in Block 1, Lots 2, 3 and 16; in Block 2, Lot 12; in Block 3, Lot 1; and in Block 4, Lot 1, 6 and 18 of the *Subdivision*; all *Street Islands*; and any lot or parcel designated as a Common Lot in the final Plat of the Subdivision or in a Supplemental Declaration. Specifically excluded from Common Areas are the *Greenbelt*

Pathway, and the *Wetland Areas*. Block 1, Lot 1 is a non-buildable lot, but is not designated as a *Common Area* for the purpose of this *Declaration*; rather, it shall be deeded to the Two Rivers Homeowners' Association for inclusion in that association's common areas.

3. Section 1.13 of the CC&R's is hereby amended to provide, in its entirety, as follows:

1.13 "*Declarant*" shall mean Orion Holdings, LLC, an Idaho limited liability company, and any successor thereto or grantee thereof succeeding to the ownership of substantially all of Declarant's interest in the whole of the *Real Property*.

4. Section 5.4 of the CC&R's is hereby amended to provide, in its entirety, as follows:

5.4 Elevation Restrictions. All elevation certificates or equivalent documentation required by Eagle City Code Section 10-1-8-5.G.4 or other applicable ordinance shall be obtained in accordance and comply with the relevant City of Eagle flood control regulations in effect at the time of issuance of the building permit for a Residential Lot.

5. Section 5.15 of the CC&R's is hereby amended to provide, in its entirety, as follows:

5.15 Construction Time Frame. The Lot Owner or their builder shall commence construction no later than twenty-four (24) months from the purchase closing date and shall substantially complete construction no later than one (1) year after commencing construction. This time period shall be deemed extended by any time period in which the City of Eagle imposes a moratorium on issuing building permits, or by any period beyond a one month processing time for a building permit by the building department of the City of Eagle.

6. Section 5.20 of the CC&R's is hereby amended to provide, in its entirety, as follows:

5.20 Mailboxes. Declarant shall provide each Owner purchasing a Residential Lot from Declarant with the mailbox to be constructed and installed on the Lot by the Owner or their builder. In the event a mailbox is damaged or destroyed following installation, the Owner shall cause the mailbox to be repaired or replaced with a substantially identical mailbox as the one being

replaced. Each mailbox shall be maintained at all times by the Owner in good condition and repair.

7. Section 10.4 of the CC&R's is hereby amended to provide, in its entirety, as follows:

10.4 Set up and Initial Regular Assessment. Assessments shall commence as to each Residential Lot upon the closing of the first sale of such Lot from the Declarant, or, as to the remaining Residential Lots owned by Declarant, when such Residential Lots are no longer offered for sale to the general public. At each such closing, the Owner thereof shall pay the Declarant or Association, as herein provided, a sum determined from time to time by the Declarant or Association, as applicable, (not to exceed $3,500 per Residential Lot) together with such portion of the existing Regular Assessment prorated for the remainder of the calendar year. These initial Assessments shall be paid to the Declarant to reimburse the Declarant for the set up cost and the maintenance of the Common Areas and Common Facilities and other Association costs incurred or to be incurred by the Declarant prior to the Transition Date. The prorated portion of the Regular Assessment will be paid to the Declarant at each Closing that occurs prior to the Transition Date and only paid to the Association if the Association has conducted its first annual meeting, elected a board of directors and assumed the obligations and expenses of the Association. Until the Association has conducted its first meeting, the Declarant shall have the full power and authority to exercise all of the rights, duties and functions of the Association. The Declarant shall have the exclusive use of Assessments for the purpose of discharging the duties and obligations of the Association in accordance with this Declaration. The Association shall, upon its first meeting, initiate Assessments in accordance with this Article 10, without regard to or an accounting of the initial deposits or other Assessments previously paid to the Declarant.

8. Section 11.7 of the CC&R's is hereby amended to provide, in its entirety, as follows:

11.7 Security Deposit. At the time of submitting its applications in accordance with the ACC Design and Landscape Standards, and as a condition of approval of such applications, the Residential Lot Owner shall deposit with the ACC, as a deposit (hereafter "Security Deposit"), the amount of 3% of the Lot sales price, or such other amount as shall be determined by the ACC.

The Security Deposit shall be held by the ACC as security for the Owners' performance of all construction obligations contained in its lot purchase agreement or otherwise required by the plans and specifications approved by the ACC, including, but not limited to, the landscaping requirements. Upon the Owner or Builder's full compliance with the construction and landscaping of all improvements as evidenced by an ACC compliant site inspection, the Security Deposit shall be returned to the Owner (without interest). If the Owner or their builder fails to (i) comply with any of its construction obligations, (ii) substantially construct the improvements in accordance with the approved plans and specifications (including landscaping), or (iii) fails to timely complete the improvements, the ACC shall have the right to deduct from such Security Deposit the amount of any costs which may be paid or incurred by the Association or a third party to complete such improvements, and to bring the Residential Lot Improvements into compliance.

9. With and upon the recording of this Amendment by the Ada County Recorder, both the First Amendment and the Second Amendment shall be and hereby are superseded and terminated.

10. Except to the limited extent expressly amended by this Amendment, the CC&R's shall remain and continue in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, this Amendment has been executed by the Successor Declarant in its capacity as the newly designated Declarant under the CC&R's.

DECLARANT:

ORION HOLDINGS, LLC,
an Idaho limited liability company

By_____
Donald G. Newell, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 9th day of November, 2010, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager of **ORION HOLDINGS, LLC,** the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

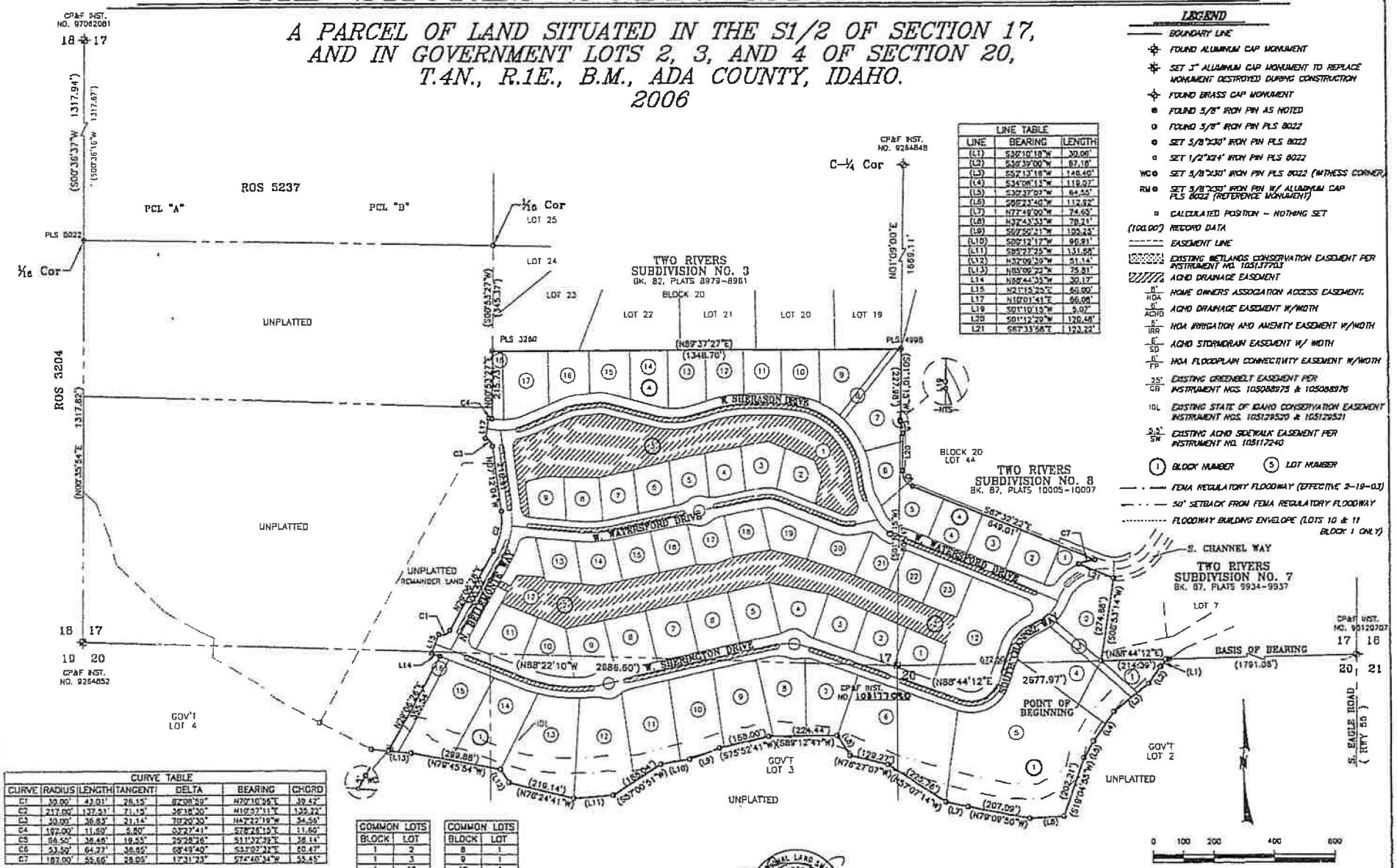


Nan Marie Holmes
NOTARY PUBLIC FOR IDAHO
Residing at Boise ID
My Commission Expires 8/14/14

Bk 94 Pg 11424

THE SHORES SUBDIVISION – PHASE 1

A PARCEL OF LAND SITUATED IN THE S1/2 OF SECTION 17, AND IN GOVERNMENT LOTS 2, 3, AND 4 OF SECTION 20, T.4N., R.1E., B.M., ADA COUNTY, IDAHO. 2006



LINE TABLE		
LINE	BEARING	LENGTH
(L1)	S36°10'18"W	30.06'
(L2)	S30°39'00"W	87.18'
(L3)	S52°13'18"W	148.40'
(L4)	S34°08'13"W	118.07'
(L5)	S30°37'07"W	64.55'
(L6)	S08°23'40"W	112.92'
(L7)	N77°49'00"W	74.65'
(L8)	N37°43'33"W	78.21'
(L9)	S60°50'31"W	105.43'
(L10)	S80°12'17"W	96.91'
(L11)	S85°27'25"W	131.85'
(L12)	N57°09'29"W	51.14'
(L13)	N85°09'22"W	75.81'
L14	N88°44'35"W	30.17'
L15	N21°15'25"E	60.00'
L17	N17°01'41"E	66.08'
L19	S01°10'15"W	9.07'
L20	S01°12'20"W	120.48'
L21	S87°35'58"E	123.24'

CURVE TABLE						
CURVE	RADIUS	LENGTH	TANGENT	DELTA	BEARING	CHORD
C1	30.00'	43.01'	26.15'	82°08'59"	N20°10'56"E	39.42'
C2	217.00'	137.51'	71.15'	36°18'30"	N10°57'11"E	135.22'
C3	30.00'	36.83'	21.14'	70°20'30"	N47°22'19"W	34.56'
C4	192.00'	11.69'	5.80'	03°27'41"	S28°26'19"E	11.69'
C5	56.50'	36.46'	18.55'	29°28'26"	S11°32'39"E	36.14'
C6	53.50'	64.27'	36.82'	68°49'40"	S33°07'32"E	60.47'
C7	183.00'	55.66'	28.05'	17°31'23"	S74°40'34"W	55.45'

COMMON LOTS	
BLOCK	LOT
1	2
1	3
1	16
2	12
3	1
4	1
4	6
4	8
4	16
5	1
5	1
7	1

COMMON LOTS	
BLOCK	LOT
8	1
9	1
10	1
11	1
12	1
13	1
14	1
15	1
16	1
17	1
18	1
19	1

LEGEND

- BOUNDARY LINE
- FOUND ALUMINUM CAP MONUMENT
- SET 3" ALUMINUM CAP MONUMENT TO REPLACE MONUMENT DESTROYED DURING CONSTRUCTION
- FOUND BRASS CAP MONUMENT
- FOUND 5/8" IRON PIN AS NOTED
- FOUND 5/8" IRON PIN PLS 8022
- SET 5/8"X30" IRON PIN PLS 8022
- SET 1/2"X24" IRON PIN PLS 8022
- WITNESS CORNER: SET 5/8"X30" IRON PIN PLS 8022 (WITNESS CORNER)
- REFERENCE MONUMENT: SET 5/8"X30" IRON PIN W/ ALUMINUM CAP PLS 8022 (REFERENCE MONUMENT)
- CALCULATED POSITION – NOTHING SET
- (100.00') RECORD DATA
- EASEMENT LINE
- EXISTING WETLANDS CONSERVATION EASEMENT PER INSTRUMENT NO. 105137703
- ACHD DRAINAGE EASEMENT
- 8' HOA – HOME OWNERS ASSOCIATION ACCESS EASEMENT.
- 8' ACHD – ACHD DRAINAGE EASEMENT W/WIDTH
- 8' IRR – HOA IRRIGATION AND AMENITY EASEMENT W/WIDTH
- 8' SD – ACHD STORMDRAIN EASEMENT W/ WIDTH
- 8' FP – HOA FLOODPLAIN CONNECTIVITY EASEMENT W/WIDTH
- 25' GB – EXISTING GREENBELT EASEMENT PER INSTRUMENT NOS. 105088973 & 105088976
- IDL – EXISTING STATE OF IDAHO CONSERVATION EASEMENT INSTRUMENT NOS. 105129520 & 105129521
- 5.5' SW – EXISTING ACHD SIDEWALK EASEMENT PER INSTRUMENT NO. 105117240
- (1) BLOCK NUMBER
- (5) LOT NUMBER
- FEMA REGULATORY FLOODWAY (EFFECTIVE 2-19-03)
- 50' SETBACK FROM FEMA REGULATORY FLOODWAY
- FLOODWAY BUILDING ENVELOPE (LOTS 10 & 11 BLOCK 1 ONLY)

RESTRICTIVE COVENANTS

BUILDING AND OCCUPANCY IN THIS SUBDIVISION SHALL CONFORM TO THE STANDARDS ESTABLISHED BY THE RESTRICTIVE COVENANTS AS ESTABLISHED BY THE DEVELOPER AND AS MODIFIED BY THE SHORES HOMEOWNER'S ASSOCIATION.

NOTES

SEE NOTES ON SHEET 8.

8022 – 1-11-06 – STATE OF IDAHO – NELSON D. BROWN

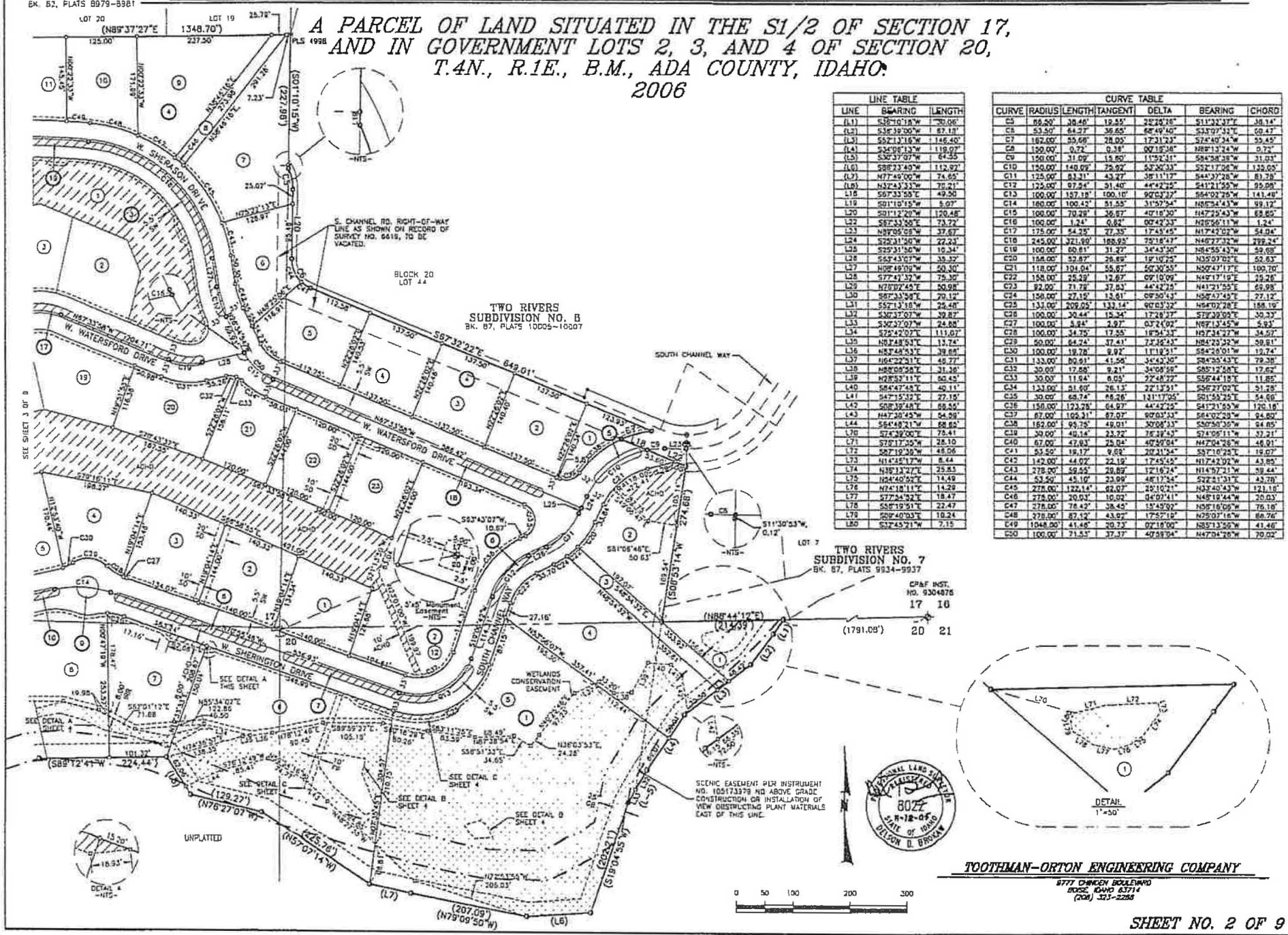
TOOTHMAN–ORTON ENGINEERING COMPANY
9777 EMMETT BOULEVARD
BOISE, IDAHO 83714
(208) 323-2288

SHEET NO. 1 OF 9

Alphabetical Subdivision Plats - Bk94 Pg11424 SHORES SUB THE, Scale: 1 inch = 2.22 Inches

THE SHORES SUBDIVISION – PHASE 1

A PARCEL OF LAND SITUATED IN THE S1/2 OF SECTION 17, AND IN GOVERNMENT LOTS 2, 3, AND 4 OF SECTION 20, T.4N., R.1E., B.M., ADA COUNTY, IDAHO. 2006



LINE TABLE		
LINE	BEARING	LENGTH
(L1)	S38°10'18"W	170.06'
(L2)	S36°39'00"W	1.67.19'
(L3)	S52°13'16"W	146.40'
(L4)	S34°06'13"W	119.07'
(L5)	S30°37'07"W	64.55
(L6)	S88°23'49"W	112.97'
(L7)	N77°49'00"W	74.65'
(L8)	N37°43'33"W	70.21'
L16	S67°33'58"E	49.50
L19	S01°10'15"W	5.07'
L20	S01°12'20"W	120.48'
L22	S87°33'58"E	73.72'
L23	N89°05'08"W	37.67'
L24	S25°31'50"W	22.23'
L25	S25°31'50"W	10.34'
L26	S52°43'07"W	35.32'
L27	N08°49'09"W	50.30'
L28	S77°41'32"W	75.30'
L29	N78°02'45"E	50.98'
L30	S87°33'58"E	70.12'
L31	S52°13'16"W	25.48'
L32	S30°37'07"W	39.87'
L33	S30°37'07"W	24.88'
L34	S75°42'07"E	111.07'
L35	N01°48'53"E	13.74'
L36	N87°48'53"E	39.88'
L37	N64°22'51"E	45.77'
L38	N88°08'58"E	31.38'
L39	N28°52'11"E	50.45'
L40	S64°47'48"E	40.11'
L41	S47°15'32"E	77.15'
L42	S08°39'48"E	68.55'
L43	N47°30'45"W	54.09'
L44	S64°48'21"W	68.82'
L70	S74°39'00"E	78.41
L71	S78°17'35"E	28.10
L72	S87°19'38"W	48.06
L73	N14°45'17"W	8.44
L74	N35°13'27"E	25.83
L75	N24°40'52"E	14.49
L76	N74°18'11"E	14.28
L77	S77°34'52"E	18.47
L78	S58°19'51"E	22.47
L79	S09°40'03"E	10.24
L80	S12°45'21"W	7.15

CURVE TABLE						
CURVE	RADIUS	LENGTH	TANGENT	DELTA	BEARING	CHORD
C5	88.50'	38.46'	19.55'	25°26'38"	S11°32'37"E	38.14'
C6	53.50'	64.27'	36.65'	68°49'40"	S33°07'33"E	60.47'
C7	162.00'	59.68'	28.00'	17°21'22"	S74°40'34"W	59.45'
C8	120.00'	0.72'	0.36'	00°18'38"	N89°13'24"W	0.72'
C9	120.00'	31.09'	15.60'	11°54'31"	S84°38'38"W	31.01'
C10	120.00'	140.09'	79.92'	53°30'33"	S52°17'06"W	135.05'
C11	125.00'	83.31'	43.27'	38°11'17"	S44°37'28"W	81.78'
C12	125.00'	97.54'	51.40'	44°42'25"	S41°21'55"W	95.08'
C13	100.00'	157.18'	100.10'	90°03'37"	S64°02'26"W	141.48'
C14	180.00'	100.42'	51.55'	31°57'54"	N86°54'43"W	99.12'
C15	100.00'	70.28'	36.67'	40°16'30"	N47°25'43"W	68.85'
C16	100.00'	1.24'	0.62'	00°42'33"	N26°56'11"W	1.24'
C17	175.00'	54.25'	27.35'	17°45'45"	N17°42'02"W	54.04'
C18	245.00'	321.99'	188.95'	75°18'47"	N46°27'32"W	299.24'
C19	100.00'	60.61'	31.27'	34°43'30"	N84°55'43"W	59.68'
C20	188.00'	52.87'	26.59'	16°06'25"	N35°07'02"E	52.63'
C21	118.00'	104.04'	55.67'	50°30'55"	N00°47'17"E	100.70'
C22	158.00'	25.29'	12.67'	09°10'09"	N49°17'19"E	25.26'
C23	92.00'	71.79'	37.83'	44°42'25"	N41°21'55"E	69.98'
C24	158.00'	27.19'	13.61'	09°50'43"	N58°47'45"E	27.12'
C25	133.00'	209.05'	133.14'	90°03'32"	N64°02'28"E	188.19'
C26	100.00'	30.44'	15.34'	17°26'37"	S79°39'05"E	30.33'
C27	100.00'	5.84'	2.97'	03°21'02"	N69°13'45"W	5.83'
C28	100.00'	34.75'	17.55'	19°54'33"	N87°34'27"W	34.57'
C29	50.00'	64.24'	37.41'	73°36'43"	N64°25'32"W	59.91'
C30	100.00'	19.78'	9.92'	11°18'51"	S84°26'01"W	19.74'
C31	133.00'	80.91'	41.58'	34°51'30"	S84°55'43"E	79.38'
C32	30.00'	17.58'	9.21'	34°08'58"	S85°12'58"E	17.62'
C33	30.00'	11.04'	5.59'	21°48'22"	S56°44'18"E	11.85'
C34	133.00'	51.60'	26.13'	22°13'31"	S36°27'02"E	51.28'
C35	30.00'	68.74'	55.26'	131°17'05"	S01°55'25"E	54.69'
C36	158.00'	123.28'	64.97'	44°42'25"	S41°21'55"W	120.18'
C37	67.00'	105.31'	67.07'	90°03'33"	S64°02'28"W	94.80'
C38	162.00'	99.75'	49.01'	30°08'33"	S50°50'30"W	94.85'
C39	30.00'	40.14'	23.72'	76°38'53"	S74°05'11"W	37.21'
C40	67.00'	47.83'	25.04'	40°54'04"	N47°04'26"W	46.81'
C41	53.50'	19.17'	9.68'	20°31'54"	S57°10'25"E	19.07'
C42	142.00'	44.02'	22.19'	17°45'45"	N17°42'02"W	43.85'
C43	278.00'	59.65'	29.89'	12°16'24"	N14°57'21"W	59.44'
C44	53.50'	45.10'	23.99'	48°17'54"	S22°51'31"E	43.78'
C45	278.00'	122.14'	62.07'	25°10'21"	N33°40'43"W	121.16'
C46	278.00'	20.03'	10.02'	04°07'41"	N48°19'44"W	20.03'
C47	278.00'	78.42'	39.45'	15°45'02"	N58°16'09"W	78.16'
C48	278.00'	87.12'	43.97'	17°57'16"	N29°07'16"W	86.76'
C49	1048.00'	41.46'	20.73'	02°16'00"	N85°13'56"W	41.46'
C50	100.00'	71.55'	37.37'	40°58'04"	N47°04'26"W	70.02'

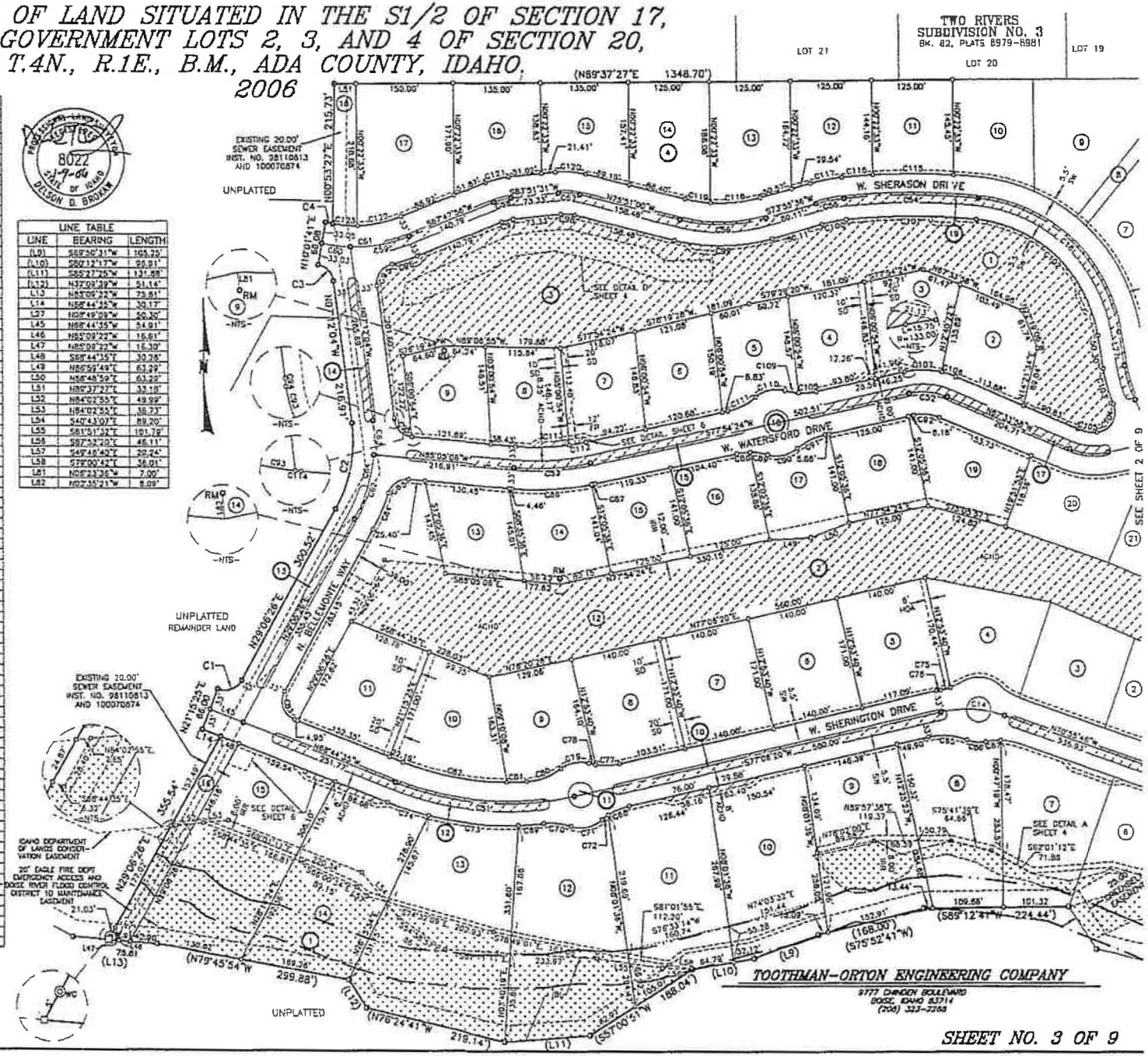
TOOTHMAN-ORTON ENGINEERING COMPANY
9777 CHINDEN BOULEVARD
BOISE, IDAHO 83714
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THE SHORES SUBDIVISION – PHASE 1

A PARCEL OF LAND SITUATED IN THE S1/2 OF SECTION 17, AND IN GOVERNMENT LOTS 2, 3, AND 4 OF SECTION 20, T.4N., R.1E., B.M., ADA COUNTY, IDAHO. 2006

CURVE TABLE						
CURVE	RADIUS	LENGTH	TANGENT	DELTA	BEARING	CHORD
C1	30.00'	43.01'	26.15'	82°08'59"	N75°19'56"E	39.42'
C2	217.00'	137.51'	71.15'	36°18'36"	N16°57'11"E	135.22'
C3	30.00'	35.83'	21.14'	70°20'30"	N42°22'19"W	34.56'
C4	192.00'	11.60'	5.80'	03°27'41"	S78°16'15"E	11.60'
C14	189.00'	100.42'	51.55'	31°52'54"	N89°54'43"W	99.17'
C18	245.00'	321.96'	188.95'	75°16'47"	N41°27'33"W	299.24'
C51	421.00'	280.74'	144.60'	34°09'05"	N65°43'08"W	276.60'
C52	109.00'	60.26'	31.08'	34°31'38"	N54°49'47"W	59.35'
C53	400.00'	118.74'	59.81'	17°00'30"	S56°24'38"W	118.30'
C54	1015.00'	207.64'	104.18'	11°43'16"	N89°57'54"W	207.26'
C55	745.00'	43.84'	21.95'	10°15'12"	S78°03'12"W	43.79'
C56	295.00'	134.51'	68.66'	30°13'24"	S88°02'19"W	132.96'
C57	95.00'	33.64'	17.00'	20°17'29"	N85°59'45"W	33.47'
C58	100.00'	28.03'	14.11'	16°03'35"	S75°49'43"W	27.94'
C59	225.00'	92.92'	47.13'	23°39'43"	S79°37'48"W	92.25'
C60	225.00'	44.58'	22.36'	11°21'10"	N82°51'45"W	44.51'
C61	223.00'	137.50'	70.97'	35°20'54"	S85°18'23"W	135.37'
C62	250.00'	105.66'	53.58'	24°13'22"	N17°00'40"E	104.86'
C63	250.00'	57.87'	28.93'	12°56'26"	N01°09'30"W	57.77'
C64	250.00'	158.43'	81.97'	36°18'30"	N10°57'11"E	155.79'
C65	100.00'	60.43'	31.17'	34°37'29"	S85°34'56"E	59.53'
C66	50.00'	29.52'	15.24'	33°49'18"	S82°13'29"E	29.10'
C67	100.00'	24.09'	12.10'	13°48'06"	N84°43'34"E	24.03'
C68	100.00'	35.42'	17.90'	20°17'45"	N85°57'22"E	35.24'
C69	364.00'	29.65'	14.84'	04°39'29"	N85°36'36"E	29.64'
C70	100.00'	47.11'	23.97'	26°59'12"	S84°34'33"E	41.78'
C71	50.00'	50.55'	27.82'	57°55'26"	N78°31'29"E	48.42'
C72	100.00'	12.05'	6.33'	07°14'48"	N53°11'10"E	12.04'
C73	364.00'	139.22'	70.05'	19°49'35"	S84°13'01"E	138.77'
C74	364.00'	68.51'	33.30'	07°32'38"	S72°31'24"E	68.46'
C75	100.00'	15.65'	7.84'	08°58'01"	S76°34'52"W	15.63'
C76	213.00'	7.29'	3.64'	01°57'38"	S78°00'09"W	7.29'
C77	100.00'	37.35'	18.90'	21°24'06"	S87°48'23"W	37.14'
C78	100.00'	10.72'	5.36'	06°08'27"	N08°25'20"W	10.71'
C79	50.00'	45.08'	24.20'	51°39'31"	S76°49'06"W	43.57'
C80	100.00'	57.31'	29.47'	32°50'14"	S66°24'30"W	56.53'
C81	436.00'	30.86'	15.44'	04°02'14"	S87°50'44"W	30.86'
C82	436.00'	163.54'	82.73'	21°29'34"	N79°36'22"W	162.59'
C83	30.00'	51.23'	34.42'	97°51'01"	N15°49'04"W	45.23'
C84	283.00'	62.14'	31.19'	12°34'56"	N12°49'01"E	62.01'
C85	30.00'	41.04'	24.46'	78°23'18"	N55°43'15"E	37.92'
C86	433.00'	122.86'	61.65'	16°15'27"	N86°47'11"E	122.45'
C87	433.00'	5.67'	2.84'	00°45'03"	N78°10'26"E	5.67'
C88	100.00'	20.73'	10.41'	11°52'14"	N83°51'01"E	20.71'
C89	100.00'	27.32'	13.75'	15°39'21"	S87°22'42"E	27.24'
C90	50.00'	48.07'	26.06'	55°05'08"	N77°54'24"E	46.24'
C91	100.00'	48.07'	24.51'	27°32'33"	N64°08'08"E	47.61'
C92	62.00'	40.36'	20.82'	34°39'38"	S84°46'42"E	39.72'
C93	30.00'	40.59'	24.86'	77°30'04"	N45°16'51"E	37.56'
C94	283.00'	2.49'	1.25'	00°30'18"	N06°56'26"W	2.49'
C95	30.00'	44.09'	27.11'	84°11'53"	N34°53'53"E	40.22'
C96	258.00'	41.42'	20.75'	09°11'53"	N72°23'53"E	41.37'
C97	67.00'	10.76'	5.45'	16°03'35"	N76°49'43"E	10.72'
C98	62.00'	21.98'	11.09'	20°17'29"	S85°59'45"E	21.84'
C99	288.00'	151.02'	77.77'	30°13'24"	N88°02'19"E	150.16'
C100	212.00'	37.94'	19.02'	10°15'12"	N78°03'12"E	37.89'
C101	982.00'	200.89'	100.80'	11°43'16"	S89°57'54"E	200.54'
C102	212.00'	278.54'	163.59'	75°16'47"	S41°27'33"E	258.93'
C103	208.00'	55.46'	27.91'	15°17'09"	S16°27'42"E	55.32'
C104	30.00'	57.01'	43.32'	110°38'32"	S31°11'30"W	48.33'
C105	67.00'	30.34'	15.43'	25°56'46"	N80°37'21"W	30.08'
C106	133.00'	22.56'	11.36'	09°43'40"	N77°28'48"W	22.63'
C107	133.00'	57.49'	29.20'	24°45'58"	N85°42'37"W	57.04'
C108	100.00'	26.51'	13.49'	15°21'48"	S85°35'10"W	26.73'
C109	100.00'	21.26'	10.67'	12°10'46"	N82°38'25"W	21.22'
C110	50.00'	48.07'	26.06'	55°05'07"	S77°54'24"W	46.24'
C111	100.00'	48.07'	24.51'	27°32'33"	S64°08'08"W	47.61'
C112	367.00'	28.34'	13.17'	04°26'42"	S76°37'45"W	28.33'
C113	367.00'	82.61'	41.48'	12°53'46"	S86°20'00"W	82.43'
C114	30.00'	0.45'	0.23'	00°53'13"	N84°38'30"W	0.46'
C115	1048.00'	125.08'	62.61'	06°50'18"	N89°47'05"W	125.01'
C116	1048.00'	47.85'	23.93'	02°36'56"	S85°26'17"W	47.84'
C117	278.00'	49.75'	24.94'	10°15'12"	S77°03'12"W	49.68'
C118	222.00'	77.00'	38.94'	19°53'44"	S82°57'28"W	76.70'
C119	222.00'	40.02'	20.06'	10°19'40"	N81°00'50"W	39.95'
C120	133.00'	47.10'	23.80'	20°17'29"	N85°59'45"W	46.86'
C121	133.00'	37.28'	18.78'	16°03'35"	S75°49'43"W	37.16'
C122	192.00'	69.21'	34.99'	20°39'14"	S77°07'33"W	68.84'
C123	192.00'	30.13'	15.13'	11°22'44"	N85°51'26"W	30.03'

LINE TABLE		
LINE	BEARING	LENGTH
(L9)	S89°30'31"W	1105.25'
(L10)	S00°12'17"W	90.91'
(L11)	S85°27'25"W	131.88'
(L12)	N37°09'39"W	91.14'
L13	N85°06'22"W	73.81'
L14	N86°44'35"W	30.17'
L37	N89°49'09"W	50.30'
L45	N86°44'35"W	54.91'
L46	N85°09'22"W	15.61'
L47	N85°09'22"W	15.30'
L48	S86°44'35"E	30.28'
L49	N86°59'49"E	65.99'
L50	N86°48'59"E	63.39'
L51	N89°37'27"E	33.18'
L52	N85°01'55"E	49.99'
L53	N84°02'55"E	56.73'
L54	S42°43'07"E	89.20'
L55	S81°51'32"E	101.78'
L56	S87°52'20"E	46.11'
L57	S49°48'40"E	28.24'
L58	S79°00'42"E	36.01'
L61	N08°23'36"W	7.00'
L62	N82°35'21"W	8.09'



TOOTHMAN-ORTON ENGINEERING COMPANY
9777 OVERLAND BOULEVARD
BOISE, IDAHO 83714
(208) 323-2288

SHEET NO. 3 OF 9

ADA COUNTY RECORDER Christopher D. Rich AMOUNT 22.00 5
BOISE IDAHO 10/12/11 01:17 PM
DEPUTY Vicki Allen
RECORDED – REQUEST OF
Magellan Development
111082641

FOURTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS FOURTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION (this "Amendment") is made by ORION HOLDINGS, LLC, an Idaho limited liability company (the "Declarant"), in amendment of that certain Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "CC&R's"), recorded January 19, 2006, by the Ada County Recorder as Instrument No. 106009735, as subsequently amended by that certain First Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (subsequently superseded and terminated by the Third Amendment (hereinafter defined)), recorded November 21, 2007, by the Ada County Recorder as Instrument No. 107156684 and Instrument No. 107156685, and by that certain Amendment to The Shores CC&R's (subsequently superseded and terminated by the Third Amendment), recorded May 2, 2008, by the Ada County Recorder as Instrument No. 108052300, and by that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "Third Amendment"), recorded November 12, 2010, by the Ada County Recorder as Instrument No. 110106688 (the CC&R's as amended by the Third Amendment are hereinafter referred to as the "Amended CC&R's").

PRELIMINARY STATEMENT

The Declarant not having certified in writing to the Association that no additional Real Property shall be made subject to the Amended CC&R's, and the Transition Date having not therefore occurred, the Declarant does hereby further amend the Amended CC&R's as set forth hereinbelow, in accordance with the provisions of Sections 8.3 and 13.5 of the Amended CC&R's, to annex and subject to the Amended CC&R's the additional real property described in **Exhibit A** attached hereto ("Waters Edge Subdivision").

AMENDMENT

1. Except to the extent otherwise defined herein, all capitalized terms used in this Amendment shall have the meaning ascribed thereto in the Amended CC&R's.

2. Waters Edge Subdivision is hereby annexed as additional Real Property and made subject to the Amended CC&R's pursuant to Section 12.1 of the Amended CC&R's.

3. Section 1.11 of the Amended CC&R's is hereby amended to provide that the following lots comprising a portion (and being created upon the recording of the plat) of Waters Edge Subdivision are included in the term "*Common Areas*" as defined in Section 1.11 of the Amended CC&R's: Block 1, Lots 3, 5 and 12; Block 2, Lot 1; and Block 3, Lot 1.

4. Except to the limited extent expressly amended by this Amendment, the Amended CC&R's shall remain and continue in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, this Amendment has been executed by the Declarant under and in further amendment of the Amended CC&R's and by the owner of the Annexed Property in consent of its subjection to the Amended CC&R's, to be effective upon recordation by the Ada County Recorder.

DECLARANT:

ORION HOLDINGS, LLC,
an Idaho limited liability company

By _____
Donald G. Newell, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 10th day of October 2011, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager of **ORION HOLDINGS, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

KELLY KEHRER NOTARY PUBLIC STATE OF IDAHO

_____
NOTARY PUBLIC FOR IDAHO
Residing at Meridian, ID
My Commission Expires 8/21/17

OWNER OF ANNEXED PROPERTY:

MAGELLAN DEVELOPMENT, LLC,
an Idaho limited liability company

By _____
Donald G. Newell
Manager/Managing Member

STATE OF IDAHO)
) ss.
County of Ada)

On this 10th day of October 2011, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager/Managing Member of **MAGELLAN DEVELOPMENT, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

_____
NOTARY PUBLIC FOR IDAHO
Residing at Meridian, ID
My Commission Expires 8/21/15

KELLY KEHRER
NOTARY
PUBLIC
STATE OF IDAHO

EXHIBIT A

(Legal Description of Annexed Property)

A PARCEL OF LAND SITUATED IN THE S 1/2 OF THE S1/2 OF SECTION 17, TOWNSHIP 4 NORTH, RANGE 1 EAST, BOISE MERIDIAN, CITY OF EAGLE, ADA COUNTY, IDAHO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN ALUMINUM CAP MONUMENT MARKING THE SOUTHWEST CORNER OF SAID SECTION 17, THENCE ALONG THE WEST LINE OF SAID SECTION 17 N00°36'20"E A DISTANCE OF 1317.66 FEET TO A 5/8 INCH REBAR MARKING THE NORTHWEST CORNER OF SAID S1/2 OF THE S1/2 (S 1/16 CORNER), FROM WHICH AN ALUMINUM CAP MONUMENT MARKING THE NORTHWEST CORNER OF THE S1/2 (W 1/4 CORNER) OF SAID SECTION 17 BEARS N00°36'20"E A DISTANCE OF 1317.93 FEET, THENCE LEAVING SAID WEST LINE AND ALONG THE NORTH LINE OF SAID S1/2 OF THE S1/2 S89°08'03"E A DISTANCE OF 630.81 FEET TO A 5/8 INCH REBAR MARKING THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTH LINE S89°08'03"E A DISTANCE OF 718.80 FEET TO A 5/8 INCH REBAR MARKING THE SW 1/16 CORNER OF SAID SECTION 17 AND A POINT ON THE WEST LINE OF TWO RIVERS SUBDIVISION NO. 3 AS RECORDED IN THE OFFICIAL RECORDS OF SAID ADA COUNTY IN PLAT BOOK 82 AT PAGES 8979 THROUGH 8981;
THENCE LEAVING SAID NORTH LINE AND ALONG THE WEST LINE OF SAID TWO RIVERS SUBDIVISION S00°53'00"W A DISTANCE OF 345.23 FEET TO A 5/8 INCH REBAR MARKING THE WEST CORNER COMMON TO SAID TWO RIVERS SUBDIVISION AND THE SHORES SUBDIVISION - PHASE 1 AS RECORDED IN THE OFFICIAL RECORDS OF SAID ADA COUNTY IN PLAT BOOK 94 AT PAGES 11424 THROUGH 11432;
THENCE LEAVING SAID WEST LINE AND ALONG THE WEST LINE OF SAID THE SHORES SUBDIVISION - PHASE 1 THE FOLLOWING COURSES: S00°53'00"W A DISTANCE OF 215.73 FEET TO A 5/8 INCH REBAR;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 192.00 FEET, AN ARC LENGTH OF 11.60 FEET, A CENTRAL ANGLE OF 3°27'41, AND A CHORD BEARING N78°26'15"W A DISTANCE OF 11.60 FEET TO A 5/8 INCH REBAR;
THENCE S10°01'41"W A DISTANCE OF 66.08 FEET TO A 5/8 INCH REBAR;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET, AN ARC LENGTH OF 36.83 FEET, A CENTRAL ANGLE OF 70°20'30", AND A CHORD BEARING S42°22'19"E A DISTANCE OF 34.56 FEET TO A 5/8 INCH REBAR;
THENCE S07°12'04"E A DISTANCE OF 216.91 FEET TO A 5/8 INCH REBAR;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 217.00 FEET, AN ARC LENGTH OF 137.51 FEET, A CENTRAL ANGLE OF 36°18'30", AND A CHORD BEARING S10°57'11"W A DISTANCE OF 135.22 FEET TO A 5/8 INCH REBAR ;
THENCE S29°06'26"W A DISTANCE OF 300.52 FEET TO A 5/8 INCH REBAR;
THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET, AN ARC LENGTH OF 43.01 FEET, A CENTRAL ANGLE OF 82°08'59", AND A CHORD BEARING S70°10'56"W A DISTANCE OF 39.42 FEET TO A 5/8 INCH REBAR;
THENCE LEAVING SAID WEST LINE N68°44'35"W A DISTANCE OF 11.71 FEET TO A 5/8 INCH REBAR;
THENCE N29°06'26"E A DISTANCE OF 147.38 FEET TO A 5/8 INCH REBAR;
THENCE N68°44'35"W A DISTANCE OF 215.51 FEET TO A 5/8 INCH REBAR;
THENCE N20°10'01"W A DISTANCE OF 112.05 FEET TO A 5/8 INCH REBAR;
THENCE N19°56'35"W A DISTANCE OF 127.34 FEET TO A 5/8 INCH REBAR;

THENCE N20°06'38"W A DISTANCE OF 30.00 FEET TO A 5/8 INCH REBAR;
THENCE N20°07'36"W A DISTANCE OF 127.62 FEET TO A 5/8 INCH REBAR;
THENCE N31°53'42"W A DISTANCE OF 117.47 FEET TO A 5/8 INCH REBAR;
THENCE N20°38'44"W A DISTANCE OF 120.00 FEET TO A 5/8 INCH REBAR;
THENCE N20°14'45"W A DISTANCE OF 149.64 FEET TO A 5/8 INCH REBAR;
THENCE N15°28'25"W A DISTANCE OF 360.52 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 13.50 ACRES, MORE OR LESS.

ADA COUNTY RECORDER Christopher D. Rich AMOUNT 19.00 4
BOISE IDAHO 10/02/12 11:18 AM
DEPUTY Che Fowler
RECORDED – REQUEST OF
Magellan Development
112101834

FIFTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS FIFTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION (this "Amendment") is made by ORION HOLDINGS, LLC, an Idaho limited liability company (the "Declarant"), as successor to the ownership of substantially all of the interests in the whole of the Real Property of SOUTH CHANNEL, L.L.C., an Idaho limited liability company, in amendment of that certain Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "CC&R's"), recorded January 19, 2006, by the Ada County Recorder as Instrument No. 106009735, as subsequently amended by (i) that certain First Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "First Amendment"), recorded November 21, 2007, by the Ada County Recorder as Instrument No. 107156684 and Instrument No. 107156685, (ii) that certain Amendment to The Shores CC&R's (the "Second Amendment"), recorded May 2, 2008, by the Ada County Recorder as Instrument No. 108052300, (iii) that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "Third Amendment"), recorded November 12, 2010, by the Ada County Recorder as Instrument No. 110106688, which Third Amendment, *inter alia*, superseded and terminated both the First Amendment and Second Amendment, and (iv) that certain Fourth Amendment to Declaration of Covenants, Conditions and Restrictions of the Shores Subdivision (the "Fourth Amendment"), recorded October 12, 2011, by the Ada County Recorder as Instrument No. 111082641 (the CC&R's as amended by the Third Amendment and Fourth Amendment are hereinafter referred to as the "Amended CC&R's").

PRELIMINARY STATEMENT

The Declarant not having certified in writing to the Association that no additional Real Property shall be made subject to the Amended CC&R's, and the Transition Date having not therefore occurred, the Declarant does hereby further amend the Amended CC&R's as set forth hereinbelow, in accordance with the provisions of Sections 8.3 and 13.5 of the Amended CC&R's, to annex and subject to the Amended CC&R's the additional real property described in **Exhibit A** attached hereto ("Waters Edge Subdivision-Phase 2").

AMENDMENT

1. Except to the extent otherwise defined herein, all capitalized terms used in this Amendment shall have the meaning ascribed thereto in the Amended CC&R's.

2. Waters Edge Subdivision-Phase 2 is hereby annexed as additional Real Property and made subject to the Amended CC&R's pursuant to Section 12.1 of the Amended CC&R's.

3. Except to the limited extent expressly amended by this Amendment, the Amended CC&R's shall remain and continue in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, this Amendment has been executed by the Declarant under and in further amendment of the Amended CC&R's and by the owner of the Annexed Property in consent of its subjection to the Amended CC&R's, to be effective upon recordation by the Ada County Recorder.

DECLARANT:

ORION HOLDINGS, LLC,
an Idaho limited liability company

By _____
Donald G. Newell, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 14 day of September, 2012, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager of **ORION HOLDINGS, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

KIRSTI ALLPHIN NOTARY PUBLIC STATE OF IDAHO

_____
NOTARY PUBLIC FOR IDAHO
Residing at Stan, ID
My Commission Expires 2-20-18

OWNER OF ANNEXED PROPERTY:

MAGELLAN DEVELOPMENT, LLC,
an Idaho limited liability company

By _____
Donald G. Newell
Manager/Managing Member

STATE OF IDAHO)
) ss.
County of Ada)

On this 14 day of September, 2012, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager/Managing Member of **MAGELLAN DEVELOPMENT, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

KIRSTI ALLPHIN NOTARY PUBLIC STATE OF IDAHO

_____
NOTARY PUBLIC FOR IDAHO
Residing at Star, ID
My Commission Expires 2-20-18

EXHIBIT A

(Legal Description of Annexed Property)

A PARCEL OF LAND SITUATED IN THE SW1/4 OF THE SW1/4 OF SECTION 17 AND IN GOVERNMENT LOT 4 OF SECTION 20, TOWNSHIP 4 NORTH, RANGE 1 EAST, BOISE MERIDIAN, CITY OF EAGLE, ADA COUNTY, IDAHO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN ALUMINUM CAP MONUMENT MARKING THE SOUTHWEST CORNER OF SAID SECTION 17, THENCE ALONG THE WEST LINE OF SAID SECTION 17 N00°36'20"E A DISTANCE OF 311.46 FEET TO A POINT, FROM WHICH AN ALUMINUM CAP MONUMENT MARKING THE NORTHWEST CORNER OF THE SW1/4 (W1/4 CORNER) OF SAID SECTION 17 BEARS N00°36'20"E A DISTANCE OF 2324.14 FEET, THENCE LEAVING SAID WEST LINE S89°23'40"E A DISTANCE OF 538.92 FEET TO A 5/8 INCH REBAR MARKING THE POINT OF BEGINNING;

THENCE N69°37'30"E A DISTANCE OF 199.95 FEET TO A BRASS PLUG IN CONCRETE;
THENCE N62°09'31"E A DISTANCE OF 66.89 FEET TO A BRASS PLUG IN CONCRETE;
THENCE N71°45'09"E A DISTANCE OF 171.08 FEET TO A 5/8 INCH REBAR ON THE WESTERLY LINE OF WATERS EDGE SUBDIVISION AS RECORDED IN THE OFFICIAL RECORDS OF SAID ADA COUNTY IN PLAT BOOK 104 AT PAGES 14015 THROUGH 14017;
THENCE ALONG SAID WESTERLY LINE THE FOLLOWING FIVE COURSES, S19°56'35"E A DISTANCE OF 127.34 FEET TO A 5/8 INCH REBAR;
THENCE S20°10'01"E A DISTANCE OF 112.05 FEET TO A 5/8 INCH REBAR;
THENCE S68°44'35"E A DISTANCE OF 215.51 FEET TO A 5/8 INCH REBAR;
THENCE S29°06'26"W A DISTANCE OF 147.38 FEET TO A 5/8 INCH REBAR;
THENCE S68°44'35"E A DISTANCE OF 11.71 FEET TO A 5/8 INCH REBAR MARKING THE INTERSECTION OF SAID WESTERLY LINE AND THE WESTERLY LINE OF THE SHORES SUBDIVISION - PHASE 1 AS RECORDED IN THE OFFICIAL RECORDS OF SAID ADA COUNTY IN PLAT BOOK 94 AT PAGES 11424 THROUGH 11432;
THENCE LEAVING SAID WESTERLY LINE AND ALONG SAID WESTERLY LINE OF THE SHORES SUBDIVISION - PHASE 1 THE FOLLOWING COURSES, S21°15'25"W A DISTANCE OF 66.00 FEET TO A 5/8 INCH REBAR;
THENCE S68°44'35"E A DISTANCE OF 30.17 FEET TO A 5/8 INCH REBAR;
THENCE S29°06'26"W A DISTANCE OF 355.54 FEET TO A POINT, FROM WHICH A 5/8 INCH REBAR WITNESS CORNER BEARS N29°06'26"E A DISTANCE OF 5.00 FEET;
THENCE LEAVING SAID WESTERLY LINE N85°09'22"W A DISTANCE OF 54.76 FEET TO A 5/8 INCH REBAR;
THENCE N62°05'37"W A DISTANCE OF 192.06 FEET TO A 5/8 INCH REBAR;
THENCE N61°47'07"W A DISTANCE OF 160.65 FEET TO A 5/8 INCH REBAR;
THENCE N51°47'48"W A DISTANCE OF 80.86 FEET TO A 5/8 INCH REBAR;
THENCE N59°38'10"W A DISTANCE OF 149.47 FEET TO A 5/8 INCH REBAR;
THENCE N59°52'24"E A DISTANCE OF 199.93 FEET TO A 5/8 INCH REBAR;
THENCE N18°03'49"W A DISTANCE OF 153.46 FEET TO A 5/8 INCH REBAR;
THENCE N13°30'18"W A DISTANCE OF 125.90 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 8.40 ACRES, MORE OR LESS.

ADA COUNTY RECORDER Christopher D. Rich AMOUNT 25.00 6
BOISE IDAHO 11/19/13 03:07 PM
DEPUTY Nikola Olson
RECORDED–REQUEST OF
Magellan Development
113126377

SIXTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION

THIS SIXTH AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF THE SHORES SUBDIVISION (this "Amendment") is made by ORION HOLDINGS, LLC, an Idaho limited liability company (the "Declarant"), as successor to the ownership of substantially all of the interests in the whole of the Real Property of SOUTH CHANNEL, L.L.C., an Idaho limited liability company, in amendment of that certain Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "CC&R's"), recorded January 19, 2006, by the Ada County Recorder as Instrument No. 106009735, as subsequently amended by (i) that certain First Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "First Amendment"), recorded November 21, 2007, by the Ada County Recorder as Instrument No. 107156684 and Instrument No. 107156685, (ii) that certain Amendment to The Shores CC&R's (the "Second Amendment"), recorded May 2, 2008, by the Ada County Recorder as Instrument No. 108052300, (iii) that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "Third Amendment"), recorded November 12, 2010, by the Ada County Recorder as Instrument No. 110106688, which Third Amendment, *inter alia*, superseded and terminated both the First Amendment and Second Amendment, (iv) that certain Fourth Amendment to Declaration of Covenants, Conditions and Restrictions of the Shores Subdivision (the "Fourth Amendment"), recorded October 12, 2011, by the Ada County Recorder as Instrument No. 111082641, and (v) that certain Fifth Amendment to Declaration of Covenants, Conditions and Restrictions of The Shores Subdivision (the "Fifth Amendment"), recorded October 2, 2012, by the Ada County Recorder as Instrument No. 112101834 (the CC&R's as amended by the Third Amendment, the Fourth Amendment, and the Fifth Amendment are hereinafter referred to as the "Amended CC&R's").

PRELIMINARY STATEMENT

The Declarant not having certified in writing to the Association that no additional Real Property shall be made subject to the Amended CC&R's, and the Transition Date having not therefore occurred, the Declarant does hereby further amend the Amended CC&R's as set forth hereinbelow, in accordance with the provisions of Sections 8.3 and 13.5 of the Amended CC&R's, to (i) annex and subject to the Amended CC&R's the additional real property described in **Exhibit A** attached hereto ("Waters Edge Subdivision-Phase 3"), and (ii) subject all of the Real Property subjected to the Amended CC&R's and Waters Edge Subdivision-Phase 3 to the terms of that certain Storm Drainage Operations & Maintenance Manual (the "O&M Manual") prepared by KM Engineering, LLP, dated August 28, 2013 and revised September 27, 2013, with respect to the public right-of-way and easements shown on the Waters Edge Subdivision-Phase 3 Final Plat, as such term is used in the O&M Manual.

AMENDMENT

1. Except to the extent otherwise defined herein, all capitalized terms used in this Amendment shall have the meaning ascribed thereto in the Amended CC&R's.

2. Waters Edge Subdivision-Phase 3 is hereby annexed as additional Real Property and made subject to the Amended CC&R's pursuant to Section 12.1 of the Amended CC&R's.

3. The Real Property is hereby made subject to the terms of the O&M Manual, a copy of which shall be retained on file with the Board.

4. Except to the limited extent expressly amended by this Amendment, the Amended CC&R's shall remain and continue in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, this Amendment has been executed by the Declarant under and in further amendment of the Amended CC&R's and by the owner of the Annexed Property in consent of its subjection to the Amended CC&R's, to be effective upon recordation by the Ada County Recorder.

[*signature pages follow*]

DECLARANT:

ORION HOLDINGS, LLC,
an Idaho limited liability company

By _____
Donald G. Newell, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 18 day of November, 2013, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager of **ORION HOLDINGS, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

KIRSTI ALLPHIN NOTARY PUBLIC STATE OF IDAHO

_____
NOTARY PUBLIC FOR IDAHO
Residing at Star, Idaho
My Commission Expires 2-20-18

OWNER OF ANNEXED PROPERTY:

MAGELLAN DEVELOPMENT, LLC,
an Idaho limited liability company

By _____
Donald G. Newell
Manager/Managing Member

STATE OF IDAHO)
) ss.
County of Ada)

On this 18 day of November, 2013, before me, a Notary Public in and for said state, personally appeared **DONALD G. NEWELL** known or identified to me (or proved to me on the oath of _____) to be the Manager/Managing Member of **MAGELLAN DEVELOPMENT, LLC**, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and who acknowledged to me that such company executed the same.

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

KIRSTI ALLPHIN NOTARY PUBLIC STATE OF IDAHO

_____
NOTARY PUBLIC FOR IDAHO
Residing at Star, Idaho
My Commission Expires 2-20-18

EXHIBIT A

(Legal Description of Annexed Property)

A PARCEL OF LAND SITUATED IN THE SW 1/4 OF THE SW 1/4 OF SECTION 17 AND IN GOVERNMENT LOT 4 OF SECTION 20, TOWNSHIP 4 NORTH, RANGE 1 EAST, BOISE MERIDIAN, CITY OF EAGLE, ADA COUNTY, IDAHO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND ALUMINUM CAP MARKING THE SOUTHWEST CORNER OF SAID SECTION 17, WHICH BEARS S00°36'20"W A DISTANCE OF 2,635.60 FEET FROM A FOUND ALUMINUM CAP MARKING THE WEST ONE QUARTER CORNER OF SAID SECTION 17, THENCE FOLLOWING THE WESTERLY LINE OF SAID SW 1/4 OF THE SW 1/4, N00°36'20"E A DISTANCE OF 502.88 FEET TO A FOUND 5/8 INCH REBAR AND THE POINT OF BEGINNING.

THENCE FOLLOWING SAID WESTERLY LINE, N00°36'20"E A DISTANCE OF 814.78 FEET TO A FOUND 5/8 INCH REBAR MARKING THE SOUTH 1/16 CORNER OF SAID SECTION 17;
THENCE LEAVING SAID WESTERLY LINE AND FOLLOWING THE NORTHERLY LINE OF SAID SW 1/4 OF THE SW 1/4, S89°08'03"E A DISTANCE OF 630.81 FEET TO A FOUND 5/8 INCH REBAR MARKING THE NORTHWEST CORNER OF WATERS EDGE SUBDIVISION, A SUBDIVISION ON FILE IN BOOK 104, PAGES 14,015 THROUGH 14,017, RECORDS OF ADA COUNTY, IDAHO;
THENCE LEAVING SAID NORTHERLY LINE AND FOLLOWING THE WESTERLY BOUNDARY LINE OF SAID WATERS EDGE SUBDIVISION, S15°28'25"E A DISTANCE OF 360.52 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S20°14'45"E A DISTANCE OF 149.64 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S20°38'44"E A DISTANCE OF 120.00 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S31°53'42"E A DISTANCE OF 117.47 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S20°07'36"E A DISTANCE OF 127.62 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S20°06'38"E A DISTANCE OF 30.00 FEET TO A FOUND 5/8 INCH REBAR MARKING THE NORTHEAST CORNER OF WATERS EDGE SUBDIVISION - PHASE 2, A SUBDIVISION ON FILE IN BOOK 104, PAGES 14,171 THROUGH 14,173, RECORDS OF ADA COUNTY, IDAHO;
THENCE LEAVING SAID WESTERLY BOUNDARY LINE AND FOLLOWING THE NORTHERLY BOUNDARY LINE OF SAID WATERS EDGE SUBDIVISION - PHASE 2, S71°45'09"W A DISTANCE OF 171.08 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID NORTHERLY BOUNDARY LINE, S62°09'31"W A DISTANCE OF 66.89 FEET TO A FOUND 5/8 INCH REBAR;

THENCE FOLLOWING SAID NORTHERLY BOUNDARY LINE, S69°37'30"W A DISTANCE OF 199.95 FEET TO A FOUND 5/8 INCH REBAR;
THENCE LEAVING SAID NORTHERLY BOUNDARY LINE AND FOLLOWING THE WESTERLY BOUNDARY LINE OF SAID WATERS EDGE SUBDIVISION - PHASE 2, S13°30'18"E A DISTANCE OF 125.90 FEET TO A FOUND 5/8 INCH REBAR;
THENCE FOLLOWING SAID WESTERLY BOUNDARY LINE, S18°03'49"E A DISTANCE OF 153.46 FEET TO A FOUND 5/8 INCH REBAR;
THENCE LEAVING SAID WESTERLY BOUNDARY LINE AND FOLLOWING THE SOUTHWESTERLY BOUNDARY LINE OF SAID WATERS EDGE SUBDIVISION - PHASE 2, S59°52'24"W A DISTANCE OF 199.93 FEET TO A FOUND 5/8 INCH REBAR ON THE ON THE NORTH BANK OF THE SOUTH CHANNEL OF THE BOISE RIVER;
THENCE LEAVING SAID SOUTHWESTERLY BOUNDARY LINE AND FOLLOWING THE SAID NORTH BANK THE FOLLOWING COURSES:

1) N59°38'10"W A DISTANCE OF 20.49 FEET TO A FOUND 5/8 INCH REBAR;
2) N04°01'40"E A DISTANCE OF 63.95 FEET TO A FOUND 5/8 INCH REBAR;
3) N64°03'57"W A DISTANCE OF 58.45 FEET TO A FOUND 5/8 INCH REBAR;
4) N60°56'04"W A DISTANCE OF 127.92 FEET TO A FOUND 5/8 INCH REBAR;
5) N44°40'24"W A DISTANCE OF 223.51 FEET TO A FOUND 5/8 INCH REBAR;
6) N14°03'18"W A DISTANCE OF 93.16 FEET TO A FOUND 5/8 INCH REBAR;
7) N20°41'58"W A DISTANCE OF 121.11 FEET TO A FOUND 5/8 INCH REBAR;
8) N44°38'32"W A DISTANCE OF 58.06 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 19.99 ACRES, MORE OR LESS.