

The Village At Teton Creek

CCR's and Rules & Regulations



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CONDOMINIUM DECLARATION

FOR

THE TETON CREEK RESORT CONDOMINIUM PLAT PHASE I

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF A CONDOMINIUM WITHIN THE FORM CONDOMINIUMS SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS, RESPONSIBILITIES AND PROHIBITIONS IMPOSED UPON ALL OWNERS AND UNITS LOCATED WITHIN THE FORM CONDOMINIUMS.

THE FORM CONDOMINIUMS ARE A UNIQUE LIVING ENVIRONMENT. EACH POTENTIAL OWNER IS ADVISED TO MAKE FULL AND COMPLETE INQUIRY ABOUT THE FORM CONDOMINIUMS BEFORE ACQUIRING A UNIT. EACH OWNER ACKNOWLEDGES AND UNDERSTANDS THAT THE UNITS WILL BE SUBJECT TO ASSESSMENTS LEVIED BY THE FORM CONDOMINIUMS OWNERS' ASSOCIATION.

THE GRANTOR, AS DEFINED IN THIS CONDOMINIUM DECLARATION, EXPRESSLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, STATEMENTS OR INFORMATION NOT SET FORTH HEREIN OR IN ANY WRITTEN DOCUMENT EXECUTED BY THE GRANTOR.

**POTENTIAL OWNERS ARE ADVISED TO REVIEW THIS CONDOMINIUM
DECLARATION PRIOR TO ACQUIRING A UNIT.**

**CONDOMINIUM DECLARATION
FOR
THE TETON CREEK RESORT CONDOMINIUM PLAT PHASE I**

THIS CONDOMINIUM DECLARATION FOR THE TETON CREEK RESORT CONDOMINIUM PLAT PHASE I ("Declaration") is made this 1st day of September, 2021, by TCR, LLC, an Idaho limited liability company (the "Grantor"). All capitalized terms not otherwise defined in the text of this Declaration are defined in Section 3.

SECTION 1-RECITALS

1.1 Property Covered

Grantor is the owner of certain real property located in Teton County, Idaho (the "Property"), which is that certain real property legally described as shown on the Teton Creek Resort Condominium Plat Phase I, as per the recorded plat thereof, recorded June 7, 2021, as Instrument No. 268864, records of Teton County, Idaho (the "Plat"), a copy of which is attached hereto as *Exhibit A*, and incorporated herein by this reference. The Property, together with all the improvements and structures now or hereafter placed on the Property shall hereinafter be referred to as the "Project."

1.2 Residential Property

Grantor intends to develop the Property as a residential condominium development in accordance with the Plat, this Declaration, and the existing development approvals obtained from the County of Teton, Idaho.

1.3 Purpose

The purpose of this Declaration is to provide for condominium ownership of the Project pursuant to the Idaho Condominium Property Act, designate Common Area and Limited Common Area, create the The Village at Teton Creek Condominium I Owners Association, Inc., and set forth the terms, restrictions, covenants, limitations, easements, conditions and equitable servitudes that shall apply to the Project and this condominium ownership regime (collectively "Restrictions") that are unique to the Property and the condominium ownership regime.

SECTION 2 -DECLARATION

2.1 Condominium Declaration

Grantor hereby declares that the Property and every parcel or portion thereof shall be held, sold, conveyed, encumbered, hypothecated, used, occupied and improved subject to the provisions of this Declaration, each and all of which are hereby declared to be in furtherance of a general plan for the creation, maintenance and sale of an ownership in fee simple of separate interests in Units and for co-ownership with others, as tenants-in-common, of the Common Area, all pursuant to the Condominium Act. All provisions hereof shall be deemed covenants running with the land or as equitable servitudes and shall constitute benefits and burdens to the Owners and all persons hereafter acquiring or owning any interest in the Project, however such interests may be obtained.

Each Owner of a Condominium is subject to all of the rights and duties contained within the Condominium Documents.

2.2 TVATC Master Association, Inc. Declaration

Grantor hereby declares that the Property and every parcel or portion thereof shall be held, sold, conveyed, encumbered, hypothecated, used, occupied and improved subject to the provisions of the covenants, conditions, and restrictions that may be adopted by the TVATC Master Association, Inc. and amended from time to time (the "Master CCR"). All provisions of the Master CCR shall be deemed covenants running with the land or as equitable servitudes and shall constitute benefits and burdens to the Owners and all persons hereafter acquiring or owning any interest in the Project, however such interests may be obtained. Each Owner of a Condominium is subject to all of the rights and duties contained within the Master CCR. Each Owner of a Condominium will also be a member of the TVATC Master Association, Inc.

The Master CCR may encumber all or portions of Lot 5 of the Amended Plat for Teton Creek Resort recorded as Instrument No. 194238 on December 20, 2007; Open Area 5A, Lot 9B, Lot 10B, Lot 11B, Lot 13B, and Lot 17B of the Second Amended Final Plat for Teton Creek Resort Planned Unit Development recorded as Instrument No. 255615, recorded on July 30, 2019 in Teton County Idaho; Open Area 6A, Open Area 7A, Lot 12B, Lot 16B, Lot 18B, and Recreation Lot 19A of the Third Amended Final Plat for Teton Creek Resort Planned Unit Development recorded as Instrument No. 255616, recorded on July 30, 2019 in Teton County Idaho; and Utility Lot 14A as depicted on that Boundary Line Adjustment recorded as Instrument No. 127864 on August 6, 1997 in Teton County, Idaho (the "Lots"), and is intended to promote the health, safety and welfare of the owners of Units within these Lots.

SECTION 3 – ADDITIONAL DEFINITIONS

3.1 Articles

Articles mean the Articles of Incorporation of The Village at Teton Creek Condominium I Owners Association, Inc., as the same may be amended from time to time.

3.2 Assessment

Assessment means a share of the funds required for the payment of common expenses, including those expenses attributable to less than all Owners in the case of Limited Assessments, which, from time to time, are assessed against the Owners, and shall include Regular, Special and Limited Assessments, as more particularly described in Section 9 hereof.

3.3 Association

Association means The Village at Teton Creek Condominium I Owners Association, Inc. an Idaho nonprofit corporation, its successors and assigns.

3.4 Association Rules

Association Rules means the rules and regulations that may be adopted, amended, or repealed from time to time by the Board, as more particularly described in this Declaration.

3.5 Board

Board means the duly elected board of directors of the Association.

3.6 Building or Buildings

Building or Buildings mean the buildings to be constructed on the Property.

3.7 Bylaws

Bylaws mean the bylaws of the Association as they exist from time to time.

3.8 Common Area

Common Area means the entire Project, except the Units.

3.9 Condominium

Condominium means a separate interest in a Unit together with an undivided interest in common in the Common Area, expressed as percentages of the entire ownership interest in the Common Area and attached hereto and incorporated herein as Exhibit B.

3.10 Condominium Act

Condominium Act means the "Condominium Property Act" of the State of Idaho, Idaho Code Section 551501 et seq.

3.11 Condominium Documents

Condominium Documents means this Declaration, the Articles, the Bylaws, the Plat, Association Rules, any services agreements entered into by the Association, and any and all other related documents and instruments as the same may be amended from time to time.

3.12 Grantor

Grantor means TCR, LLC, an Idaho limited liability company, or any person or entity to whom the rights under this Declaration are expressly transferred by the Grantor.

3.13 Limited Assessment

Limited Assessment means an assessment levied against an Owner by the Association for costs and expenses incurred by the Association for the construction, installation, maintenance, repair and replacement of Common Area, and equipment and facilities located thereon, including any corrective action necessitated due to damage by the acts of any Owner or occupant of a Unit

who is occupying a Unit with the consent, either express or implied, of such Owner, as more particularly described in Section 9.8 herein.

3.14 Management Agreement

Management Agreement means any agreement or amendments thereto entered into by the Association, which provides for the management, maintenance and operation of the Project, including, without limitation, the Common Area, by a management individual or entity.

3.15 Limited Common Area

Limited Common Area means those portions of the Common Area designated for the exclusive use of an Owner or Owners to the exclusion, limitation or restriction of other Owners. Limited Common Area may be established from time to time by Grantor or the Association on any portion of the Property by describing such area on a recorded plat, by granting or reserving it in a deed or other instrument, or by designating it as such in this Declaration. Limited Common Area shall include, without limitation, driveways, lawns and sidewalks associated with a unit and Patio/Deck Spaces. For purposes of applying this Declaration to the Property, the term Common Area as used in this Declaration shall include Limited Common Area.

3.16 Management Company

Management Company means the person or entity hired by the Association to manage the Project, as defined in the Management Agreement, and acting as the Management Body, as such power is delegated herein.

3.17 Member

Member means each person or entity holding a membership in the Association.

3.18 Mortgage

Mortgage means any mortgage, deed of trust or other security instrument by which a Condominium or any part thereof is encumbered.

3.19 Mortgagee

Mortgagee means any person or any successor to the interest of such person named as the mortgagee, trust beneficiary, or creditor under any Mortgage under which the interest of any Owner, or successor to the interest of such Owner, is encumbered.

3.20 Owner

Owner means any person or entity, including Grantor, at any time owning a Condominium. The term "Owner" shall not refer to any Mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

3.21 Patio/Deck Space

Patio/Deck Space means that outdoor space attached to the Units, as shown on the Plat. Patio/Deck Space, including, without limitation, any railing or fences surrounding the Patio/Deck Space, shall be Limited Common Area.

3.22 Plat

Plat means the Plat of Teton Creek Resort Condominium Plat Phase I, which is the condominium map as required by the Condominium Act, a copy of which is attached hereto as *Exhibit A*.

3.23 Project

Project means that certain residential condominium development, as shown on the Plat, commonly known as "The Teton Creek Resort I Condominiums" which shall include, but shall not be limited to residential uses, in accordance with the Plat.

3.24 Regular Assessment

Regular Assessment means an assessment by the Association to provide for the payment of all estimated expenses or reserves growing out of or connected with the Project as a whole, as more particularly described in Section 9.6 herein.

3.25 Special Assessment

Special Assessment means an assessment by the Association for the purpose of defraying, in whole or in part, the costs of any new acquisitions and/or new capital improvement, construction or reconstruction or unexpected or extraordinary repair, maintenance or replacement of the Project or any part thereof, including, without limitation, snow and ice removal, or for any expense incurred or to be incurred as provided in this Declaration, or in the event that the Assessment assessed for any particular year is or will become inadequate to meet the expenses of the Association, such assessment being authorized pursuant to the terms and conditions provided herein, as more particularly described in Section 9.7 herein.

3.26 Unit

Unit means the separate interest in a Condominium as depicted on the Plat and which is bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows, skylights, if any, together with all fixtures and improvements therein contained, including, without limitation, all pipes, wires, conduits and other utility lines and heating, ventilation and air conditioning systems serving the particular Unit and including both the portions of the Building so described and the airspace so encompassed. The following are not part of the Unit: bearing walls, columns, floors, roofs (except for the interior surface thereof, if a perimeter wall, floor or ceiling), foundations, elevator equipment and shafts, central heating serving more than one Unit, reservoirs, tanks, pumps, and other central services, pipes, ducts, flues, chutes, conduits, wires and other utility installations (other than those specified above), wherever located, except the outlets thereof when located within the Unit. The interior surfaces of a perimeter window, skylight or door means the

points at which such surfaces are located when such window, skylight or door is closed. The physical windows, skylights or doors themselves are part of the Limited Common Area as defined herein.

SECTION 4 - NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

4.1 Estates of an Owner of a Condominium

The Property is hereby divided into Condominiums, each consisting of a separate interest in a Unit and an undivided interest in common in the Common Area. The percentage of ownership interest in the Common Area which is to be allocated to each Condominium as a whole for purposes of Assessments, voting, tax assessment under Section 551514 of the Condominium Act and liability as provided by Section 551515 of the Condominium Act, is set forth on the attached *Exhibit B*.

4.2 Title

Title to a Condominium may be held or owned by any individual or entity and in any manner in which title to any other real property may be held or owned in the State of Idaho.

4.3 Inseparability

No part of a Condominium or of the legal rights comprising ownership of a Condominium, including any Limited Common Area associated with the Condominium, may be separated from any other part thereof during the period of Condominium ownership prescribed herein, so that each Unit and the undivided interest in the Common Area appurtenant to such Unit shall always be conveyed, devised, encumbered, transferred and otherwise affected only as a complete Condominium. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Condominium or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance or conveyance, respectively, of the entire Condominium together with all appurtenant rights, created by law or this Declaration.

4.4 Partition of Common Area Not Permitted

The Common Area shall be owned in common by all of the Owners of Units, and no Owner may bring any action for partition thereof.

4.5 Taxes and Assessments

Each Owner shall execute such instrument and take such actions as may reasonably be specified by the Association to obtain separate real property tax assessments of the interest of each Owner in each Condominium. If any taxes or special district or other assessments may, in the opinion of the Association, nevertheless, be a lien on the Property or any part thereof, the Association shall pay the same and assess the same to the responsible Owner or Owners. Each Owner shall pay the taxes and assessments assessed against such Owner's Condominium, or interest therein, and such Owner's interest in the Common Area, or any part of any or all of the foregoing. The Association reserves the right to protest any tax valuation or assessment by any government agency and to pay for any costs associated with such protests. Each Owner agrees to

reimburse the Association for any costs associated with such protests as related to that Owner's Unit.

4.6 Owner's Rights with Respect to Interiors

Each Owner shall have the exclusive right to maintain, finish, refinish and decorate the interior surfaces of the walls, ceilings, floors, windows and doors forming and within the interior boundaries of his Unit, including but not limited to the installation of carpet or other floor coverings and paint or wallpaper, subject to the reasonable rules and regulations adopted by the Association and, with respect to window treatments, Section 7.13 of this Declaration and amended or repealed from time to time, and provided that no action described herein shall require access through another Unit to be completed.

SECTION 5 - EASEMENTS

5.1 Easements for Encroachments

If any part of the Common Area encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Area, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered encumbrances on the Common Area or the Units. Encroachments referred to herein include, but are not limited to encroachments caused by settling, rising or shifting of the earth under a Building, or by changes in position caused by repair or reconstruction of a Building or any part thereof.

5.2 Easements of Access for Repair, Maintenance and Emergencies

The Owners shall have the irrevocable right, to be exercised by the Association, as their agent, to have access to each Unit and to all Common Area from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Area located therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to another Unit or Units or to correct a violation of any restriction set forth in this Declaration when, after reasonable efforts by the Association, the Owner fails to do so. The Association shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair or replacement of any of the Common Area or as a result of emergency repairs within another Unit at the instance of the Association or of Owners shall be an expense of all of the Owners; provided, however, that if such damage is the result of the negligence of an Owner or such Owner's invitees, licensees or lessees of a Unit, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the Unit shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Association as an Assessment pursuant to Section 9 herein.

5.3 Owner's Right to Ingress, Egress and Support

Each Owner shall have the right to ingress and egress over, upon and across the Common Area necessary for access to the Owner's Condominium and shall have the right to the horizontal and lateral support of such Owner's Condominium, and such rights shall be appurtenant to and pass with the title to each Condominium. In exercising the rights granted in this Section, each Owner agrees to use commercially reasonable efforts to avoid interference with the access to other Condominiums.

5.4 Association's Right to Use of Common Area

The Association shall have a nonexclusive easement to make such use of the Common Area as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to grant access easements, utility easements, alter the Common Areas, and construct and maintain maintenance and storage facilities in the Common Area for use by the Association.

5.5 Grantor's Right Incident to Construction

Grantor and persons it shall select shall have the express and unconditional right to ingress and egress over, upon and across the Project, including the Common Area, the right to store materials thereon and to make other use thereof as may be reasonably necessary or incident to completion of development and construction of the Buildings and Units shown on the Plat and the completion of all Units for use and occupancy.

5.6 Easements Deemed Created

All conveyances of Condominiums hereafter made, whether by the Grantor or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to Sections 5.1, 5.2, 5.3, 5.4, and 5.5 above, even though no specific reference to such easements or to those Sections appear in any such conveyance.

5.7 Emergency Easement

A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and all other similar emergency agencies or persons to enter upon all streets and property within the Project in the proper performance of their duties.

5.8 Recorded Easements

The Property, and all portions thereof, shall be subject to all easements shown on any recorded Plat affecting the Property, or any portion thereof, and to any other easements of record or of use, including, without limitation, any storm drainage easements, street light easements, sanitary sewer easements, sidewalks, or any other public utility easement shown on the Plat.

SECTION 6 - DESCRIPTION OF A CONDOMINIUM

Every contract for the sale of a Condominium and every other instrument affecting title to such Condominium shall describe that Condominium by the Unit number shown on the Plat as set forth on Exhibit A, with appropriate reference to the Plat and to this Declaration as such appear in the official records of Teton County, Idaho, in the following manner:

The Village at Teton Creek Condominium I Unit # *[fill in Unit number here]*, as shown on the Teton Creek Resort Condominium Plat Phase I filed June 7, 2021 as Instrument No. 268864, official records of Teton County, Idaho, as said Plat may be amended or supplemented from time to time, and as defined in the Condominium Declaration for The Village At Teton Creek Condominium I, recorded on September 8, 2021 as Instrument No. *[fill in the Instrument # affixed to the cover page by Teton County]*, official records of Teton County, Idaho, as said declaration may be amended or supplemented from time to time.

Any Condominium deed may include a designation of Limited Common Area associated with the Unit. Such description shall be construed to describe the Unit, together with an appurtenant undivided ownership interest as tenants-in-common in the Common Area, and to incorporate all the rights incident to ownership of a Condominium and all the limitations on such ownership as described in the Condominium Documents or any amendments or supplements thereto, whether or not so specified in the instrument.

SECTION 7 - USE OF CONDOMINIUMS

7.1 Obstructions of Common Area

There shall be no obstruction of the Common Area, nor shall anything be stored on any part of the Common Area without the prior written consent of the Association. Nothing shall be altered on, planted in, constructed on, or removed from the Common Area except upon the prior written consent of the Association.

7.2 Maintenance of Interiors and Limited Common Area

Each Owner shall keep the interior of such Owner's Unit, including, without limitation, interior walls, windows, glass, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean, sanitary, and attractive condition, and good state of repair and shall keep the heating and air conditioning equipment, water heater and related devices exclusively serving the Owner's Unit in a good state of maintenance. Further, each Owner agrees that such Owner's Unit will be used exclusively for single-family residential purposes and home office use solely by persons residing in that Unit. Each Owner shall keep the Limited Common Area, designated for the exclusive use of such Owner in connection with the Unit in a clean, sanitary and attractive condition. Each Owner shall notify the Association of any unsafe condition existing in, on or around the Limited Common Area. In addition, nothing unsightly, in the reasonable discretion of the Board, shall be kept on the Patio/Deck Space. Each Owner shall notify the Association of any unsafe condition existing in, on or around the Limited Common Area, as identified on the Plat.

7.3 Prohibition of Damage and Certain Activities

Nothing shall be done or kept in any Unit or in the Common Area or any part thereof which would result in the cancellation of or increase in the rate of the insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association or which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner, licensee, guest, or other occupant, or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by Owner, Owner's invitees, licensees, or guests, provided, however, that any invitee, licensee or guest of an Owner shall not under any circumstances be deemed to be an invitee of any other Owner. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Area or any part thereof and nothing shall be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing or working in a Unit. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices which have been approved by the Board), flashing lights or search lights, shall be located, used or placed on the Common Area or in a Unit, if such placement of such item in a Unit will unreasonably bother or constitute a nuisance to others. No unsightly articles shall be permitted to remain on any portion of the Property so as to be visible from any other portion of the Project, including, but not limited to, flags and political signs. Without limiting the generality of the foregoing, refuse, garbage, trash, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, plant waste, metals, bulk material, and scrap shall be kept at all times in such containers (or otherwise screened) and in areas approved by the Board. No clothing or fabric shall be hung, dried or aired in a manner inconsistent with the Association Rules.

- 7.3.1** Owners agrees that they will not use or suffer or permit any person or persons to use the Units or any part thereof for any use or purpose in violation of the laws of the United States of America, the State of Idaho, Teton County, Idaho, or the ordinances, regulations and requirements of such governmental (public or quasi-public entities) or other lawful authorities.
- 7.3.2** Owners shall not do or permit anything to be done in or about the Buildings nor bring or keep anything therein which will in any way increase the existing rate or affect any fire or other insurance upon the Buildings or any of their contents (unless the Association has consented in writing to such use and such Owner pays any increased premium as a result of such use or acts), or cause a cancellation of any insurance policy covering the Buildings or Condominiums, or any of its contents, nor shall Owners sell or permit to be kept, used or sold in or about said Buildings any articles which may be prohibited by an extended coverage policy of fire and other casualty insurance.
- 7.3.3** Owner shall not do or permit anything to be done in or about the Unit or Common Area which will in any way obstruct or interfere with the rights of

other Owners or occupants in the Buildings, create undue noise and disruption, or injure or annoy them or use or allow the Unit to be used for unlawful or any objectionable purpose, nor shall Owner cause, maintain or permit any nuisance in, or about the Buildings. Nothing herein shall be construed to prohibit the rental of Units on a short or long term basis, subject to all other terms and conditions herein

7.4 No Hazardous Activities

No activities shall be conducted on the Property, which are or might be unsafe or hazardous to any person or property, including any open fires (except in a contained barbecue unit or city approved gas fire place or fire pit) and/or the discharge of firearms.

7.5 Vehicles and Equipment

The use of all vehicles and equipment, including, without limitation, trucks, automobiles, bicycles, motorcycles, recreational vehicles, all-terrain vehicles, motor homes, motor coaches, campers, trailers, snowmobiles, aircraft, boats, snow removal equipment, garden maintenance equipment, and yard maintenance equipment shall be subject to any portion of the Condominium Documents which prohibit or limit the use thereof within the Property. Without limiting the foregoing, the following specific restrictions apply: 1) all on-street parking shall be limited to those specific areas where on-street parking is not expressly prohibited; 2) vehicles shall not extend or otherwise be permitted on or into any sidewalk, bicycle path, or pedestrian path, unless such vehicle is engaged in an emergency procedure, or as provided elsewhere in the Condominium Documents; 3) no motor homes, motor coaches, campers, trailers, snowmobiles, aircraft, boats, recreational vehicles, all-terrain vehicles, flat bed trucks or trailers, unlicensed, dilapidated or unrepaired and unsightly vehicles or similar equipment such as snow removal equipment, construction equipment (except for short-term construction purposes), garden or lawn care maintenance equipment and all other unsightly equipment and machinery shall be placed upon any portion of the Property including, without limitation, streets, interior or exterior parking areas and driveways, unless the same are enclosed by a structure concealing them from view in a manner approved by the Board (provided, however, that mobile homes, motor homes, motor coaches, boats, and trailers may be parked for a limited period in accordance with such rules and regulations as the Association may impose, provided (a) the vehicle is owned by a visiting guest or relative of an Owner, (b) the Owner obtains the prior written approval of the Association, and (c) such vehicle is not occupied during the time in which it is parked. Notwithstanding the foregoing, nothing herein shall be intended to limit the right of the Owners or their guest(s) to temporarily park any passenger vehicle in such driveway access to each Unit in the ordinary course.

7.6 Parking

The Association may allocate or designate parking areas or spaces from time to time as authorized in 8.4.1.3 of this Declaration and develop any and all necessary regulations for the use of the Owners or their guests.

7.7 Animals/Pets

No Owner shall permit any pet to be a nuisance, which includes but is not limited to excessive barking, biting or growling, and an Owner shall immediately remove such Owner's pet's excrement from public or private property including the Common Area. The Association expressly reserves the right to require any Owner to immediately remove any animal exhibiting signs of aggressive behavior, including, without limitation, biting, growling, and lunging toward any other Owner, guest, invitee or licensee of an Owner.

Without limiting the generality of the foregoing, consistent and/or chronic barking by dogs shall be considered a nuisance. Additionally, without limiting the generality of the foregoing, domesticated dogs, domesticated cats and other household pets discovered in the Limited Common Area of an Owner, without that Owner's permission or direct supervision by the Owner, shall be considered a nuisance. Each dog in the Project shall be subject to all "leash laws" of the County of Teton when such animal is off the premises of its owner.

7.8 No Temporary Structures

No house trailer, tent (other than for short term recreational use), or other temporary building or structure shall be placed upon any portion of the Property, except by the Grantor during any construction on the Project.

7.9 Energy Devices

No generators of any kind shall be constructed or maintained in any portion of the Common Area without the written approval of the Board. In the event that the addition or use of such a device is approved by the Board, it must be screened in the manner approved by the Board.

7.10 Over the Air Reception Devices

All Owners who desire to use any device or antenna to receive over the air transmissions shall be required to use one common antenna which shall be located on each Building in which such Owner's Unit is located in the discretion of the Grantor and shall be subject to any other reasonable restrictions established by the Board. Notwithstanding the foregoing, no portion of this restriction shall apply to the extent it conflicts with any federal or state law governing such devices.

Notwithstanding the foregoing, subject to the approval of the Board and in accordance with all rules of the Association, Owners shall be permitted to install small satellite dishes within the service well located on the roof of the Building in which the Owner's Unit is located, as the same is determined by the Board, on the roof of the appropriate Building for cable services using the electrical conduit system located in the core of the Building, if and only if, the service provided by the common antennae or other television services is not adequate to meet the Owner's needs.

7.11 Rules and Regulations

No Owner, lessee, occupant or invitee shall violate the Association Rules as defined in Section 8.5.1.5.

7.12 Limited Common Areas

Each Owner of a Unit is hereby granted the exclusive use of the Limited Common Area contiguous to and associated with said Unit. No Owner shall, or shall permit anyone else to, paint, stain, repair, replace, add to or otherwise alter any Limited Common Area without the written consent of the Board. Additionally, nothing shall be stored in or placed on any Limited Common Area except upon the written consent of the Board. Further, except for the Units shown on the Plat, no Owner shall construct a building in the Project for residential purposes or otherwise without the prior written approval of the Association.

The use of any and all Patio/Deck Spaces attached to a Unit shall be governed by those standards and rules that may be adopted and approved by the Board. All maintenance and repair in the Limited Common Area shall be conducted through the Association. The Owner shall be responsible for all costs associated with such maintenance and repair, including a reasonable supervisory fee.

An Owner may plant deciduous shrubs and trees, along with a light use of conifers in order to provide for privacy screening on an Owner's Limited Common Area with the written approval of the Board. An Owner must submit an application for the use of such screening with detailed drawings depicting the same and obtain written approval before commencing planting or construction of the same.

7.13 Window Treatments

All window treatments which are visible from the exterior of the Unit shall not cause the exterior of any Building to be unsightly, which shall be determined in the sole discretion of the Board. All windows treatments shall be in compliance with and subject to Association Rules, as amended from time to time.

7.14 Structural Alterations

No Owner shall make any alterations to any Unit that would cause structural weakness or damage, and no architectural changes, plumbing, electrical or similar work within the Common Area shall be performed without the prior written consent of the Board. All such approved work shall comply with all applicable law.

7.15 Sewer System Restrictions

No Owner or other Person shall deposit any glass, metal, seafood shells, diapers, clothing, rags, plastic, sanitary napkins, tampons, flammable material, oil, gas, grease, chemicals or other objects or materials other than natural human waste into the sewer system either directly or through an Owner's kitchen waste disposal unit. The cost of any and all damage sustained by the sewer system caused by an Owner's deposit in the sewer system of any of the items listed above shall be the sole responsibility of said Owner.

7.16 Unit Rentals and Requirement to Use Rental Management Company.

The Declarant or his successor or assigns may establish a rental management company (the "Rental Management Company") which will be the sole and exclusive property rental management

company for the all Units. No Owner may rent or lease a Unit without going through the Rental Management Company. All Owners that wish to rent their Unit will enter into a rental management agreement with the Rental Management Company by which the Owner will be obligated to pay the Rental Management Company a fee and or a commission fixed from time to time by the Rental Management Company.

7.16 Deed Restrictions

No Owner may divide or adjust such Owner's Unit without the prior written approval of the Association.

7.17 Right to Enjoy and Use Units

Each Owner shall be entitled to use and enjoy his/her Unit for its intended purpose and nothing herein is intended to impose or grant the authority to impose any restrictions, limitations or prohibitions which would deprive an Owner of the reasonable use and enjoyment of his/her Unit. Notwithstanding the foregoing, no Owner shall be entitled to use his/her Unit for any uses not allowed under this Declaration or any other Condominium Documents.

SECTION 8 - THE VILLAGE AT TETON CREEK CONDOMINIUM I OWNERS ASSOCIATION, INC.

8.1 Creation

This Declaration designates and creates the Association as a non-profit corporation under the laws of the State of Idaho. The Association shall be organized by the Grantor and operated by the Association to carry out and enforce the Restrictions set forth in this Declaration with respect to the Project and to serve as the Management Body for the Project.

8.2 Membership. Every Owner shall be entitled and required to be a member of the Association. Each Unit in the Buildings shall be entitled to one (1) membership, either a Class A membership or Class B Membership as described herein, in the Association. No person or entity other than an Owner may be a Member of the Association, and the Articles and/or Bylaws of the Association shall so state and shall in addition state that the memberships in the Association may not be transferred except in connection with the transfer of a Condominium or portion thereof. Provided, however, that the rights of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium or to any person or organization that has assumed by contract, or otherwise, liability for paying assessments of any Owner.

There shall be initially two (2) classes of membership. All Owners, including the Grantor, shall be deemed Class A members and the Grantor shall be deemed the Class B member, and each shall have those rights set forth herein.

8.3 Voting Rights in the Association

Each Owner of a Unit shall be entitled to the number of votes allocated to each Owner's Unit, as identified on *Exhibit B*, representing that Owner's percentage ownership interest in the Common Area and each owner shall be a Class A member. When more than one (1) person holds

such interest in any Condominium, all such persons shall be Members, but all such persons deemed Class A members shall only be entitled to the number of votes established for such Unit.

Except as otherwise provided herein, all matters submitted to a vote of the Association shall be determined, made, or approved or authorized upon a majority (51% or more) vote, i.e. the votes in favor exceed those opposed.

Notwithstanding anything in this Declaration to the contrary, the Grantor, as the Class B member, for a period of three (3) years following the recordation of the first deed to a Condominium, shall have the exclusive right, power and authority to appoint and elect the Board and otherwise manage the affairs of the Project so long as the Grantor owns a Unit in the Project. The Class B member shall cease to be a voting Member of the Association at the earlier of (i) three (3) years after the recordation of the first deed to a Condominium; or (ii) four (4) months after the sale of one hundred percent (100%) of the total Units. Until such time Grantor is no longer a Class B member, Class A members shall not be entitled to any voting rights set forth in this Section 8.2.

8.4 Transfer

Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth herein or reserved herein may be transferred or assigned to any other person or entity; provided, however, that no such transfer or assignment shall relieve the Association of any of the obligations set forth herein and no such transfer or assignment shall revoke or change any of the rights or obligations of any Owners as set forth herein.

8.5 Powers and Duties of the Association.

8.5.1 Powers. The Association shall have all the powers of a non-profit corporation organized under the general non-profit corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Condominium Documents as the same may be amended from time to time, and is hereby designated the "Management Body" of the Project as provided in the Condominium Act. The Association, functioning through the Board, shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under the Condominium Documents and necessary or proper for, or incidental to the proper management, operation and administration of the Project, including, without limitation:

8.5.1.1 Assessments. The power to levy Assessments on the Owners of Condominiums and to force payment of such Assessments.

8.5.1.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners

who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Condominium Documents, including the Association Rules as defined herein and adopted pursuant to this Declaration, and to enforce by mandatory injunction or otherwise, all provisions hereof.

8.5.1.3 Parking. The power and authority from time to time to re-assign and relocate any parking areas or identify or restrict any on-street parking, if necessary to comply with applicable laws, regulations or ordinances.

8.5.1.4 Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as the Management Body as defined in the Condominium Act, and specifically the authority to delegate its powers and duties to a management firm pursuant to a Management Agreement; provided, however, that any delegation of the Association's powers and duties may be revoked upon thirty (30) days written notice to such management firm. Neither the Association nor the members of the Board shall be liable for any omission or improper exercise by any person or entity to whom any such duty or power has been delegated. Any person or entity delegated any powers authorizing it to act as the Management Company shall be required to carry all appropriate insurance, including, but not limited to workers' compensation, liability insurance and bonds, and such Management Company shall ensure that any other person or entity working on the Project on the Management Company's behalf shall carry the same.

8.5.1.5 Association Rules. The power to adopt, amend and repeal by majority vote of the Board such rules and regulations as the Board deems reasonable or proper from time to time (the "Association Rules") including fees and/or fines for violation of the Condominium Documents and the Association Rules. The Association shall have the express authority to make and enforce any rules, regulations, restrictions, protocols and procedures regarding construction activities, use of the Limited Common

Area, vehicles and equipment, the leasing and renting of the Units, social events, animals and pets, moving hours and any other events or items related to the Project or the use and enjoyment thereof. The Association shall govern the use of the Units and Common Area by the Owners, their invitees, licensees, lessees, occupants, and contract purchasers of Owners, it being understood that the Association Rules shall apply equally to all Owners and shall not be inconsistent with the Condominium Documents. A copy of the Association Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. Upon such mailing or delivery, 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 any such Association Rules and any other provision of the Condominium Documents, the provisions of the Association Rules shall be deemed to be superseded by the provisions of the Condominium Documents to the extent of any such inconsistency. The Association Rules may from time to time supplement and add to the Condominium Documents.

8.5.1.6 Emergency Powers. The power to enter upon any Unit as necessary in connection with any maintenance or construction for which it is responsible, or when necessitated by violation of this Declaration or Association Rules, or in the event of any emergency involving illness or potential danger to life or property and may take corrective action. Such entry shall be made with as little inconvenience to the Owners as practicable and any damage caused thereby shall be repaired by the Association, except as otherwise provided herein.

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

8.5.1.7.1 Underground lines, cable, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone, television, other utility services and above-ground lighting structures, meters and other facilities associated with the provision of lighting and services.

8.5.1.7.2 Sewers, storm drains, water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes; and

8.5.1.7.3 Cross parking easements, sidewalk abutments, drive lanes, parking areas, curb cuts, landscaping abutting Common Areas, public and private streets or land conveyed for any public or quasi-public purpose.

8.5.1.8 Miscellaneous Services. The power to obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may arrange with others to furnish electrical, water, sewer, trash collection services, and other common services to each Condominium (subject to reimbursement by the respective Owner for such services as an Assessment), and may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration.

8.5.1.9 Property for Common Use. The power to acquire and hold for the use and benefit of all of the Owners, or for the benefit of only those Owners within a particular Condominium, tangible and intangible personal property and real property and may dispose of the same by sale or otherwise, and the

beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interest in the Common Area. Such interest shall not be transferable except with the transfer of a Condominium. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners.

8.5.1.10 Inspection. The power and authority to enter a Unit for the purpose of conducting a regular maintenance inspection.

8.5.1.11 Implied Rights. Notwithstanding the foregoing, the Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Such rights shall include, without limitation, the right to acquire water meters for each Unit.

8.5.1.12 Public Right of Ways. The power and authority to maintain all areas associated with the Project that may in the public right of way and to charge any assessments, as deemed necessary in the Association's sole discretion, to pay for all costs associated with this maintenance.

8.5.1.13 Litigation. The power and authority to file lawsuits or institute other legal proceedings on behalf of and for the benefit of the Association, as a whole, upon obtaining the approval of fifty-one percent (51%) or more of the Members.

8.5.2 Duties of the Association. In addition to the power delegated to it by the Condominium Documents, the Association or its agents shall have the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:

8.5.2.1 Operation and Maintenance of Common Area. Operate, maintain and otherwise manage or provide for the operation, maintenance and

management of the Common Area and all improvements thereon, including parking areas, drive lanes, common seepage beds, storm sewers or related storm drainage facilities and the exteriors of Buildings as described in Section 8.4.2.5 below and including the repair and replacement of property damaged or destroyed by casualty loss and all other property acquired by the Association, and maintaining the same in a good, clean, attractive and sanitary condition, order and repair.

8.5.2.2 Taxes and Assessments. Pay all real and personal property taxes and assessments separately levied against the Common Area, if any, owned and managed by the Association or against the Association and any property owned by the Association and all such taxes shall be paid or a bond insuring payment 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 corporation.

8.5.2.3 Water and Other Utilities. Acquire, provide and/or pay for water, pressurized irrigation system water and maintenance, storm drainage system maintenance, sewer, garbage, disposal, refuse and rubbish collection and other necessary services for the Common Area and Units.

8.5.2.4 Insurance. Obtain, from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the policies of insurance described in Section 13 hereof.

8.5.2.5 Maintenance of Exteriors and Improvements. Maintain and repair the exterior surfaces of the Buildings and improvements in the Project. The exterior maintenance shall include: painting, staining, repairing, restaining, replacing and caring for all exterior surfaces including roofs and exterior portions of doors as necessary to maintain them in good condition.

8.5.2.6 Inspection and Maintenance Guidelines.

The Board shall adopt inspection and maintenance guidelines for the periodic inspection and maintenance of the Common Area, including, without limitation, the sewer system and drainage facilities. The Board periodically, and at least once every two (2) years, shall review and update the inspection and maintenance guidelines. The Board shall take all appropriate steps to implement and comply with the inspection and maintenance guidelines, and shall keep records of such implementation and compliance.

8.5.2.7 Drainage Facilities. Operate and maintain all storm drainage systems and restricted Buildings area. Notwithstanding anything to the contrary, no buildings or other similar improvements shall be constructed within the storm drainage and restricted Buildings area that would materially interfere with the Property's drainage system.

8.5.2.8 Operation and Maintenance of Sidewalks and Landscaping. The Board shall operate, maintain and otherwise manage or provide for the operation, maintenance and management of the sidewalks, including, without limitation, snow removal, and landscaping located within the Project or located in the public right of way, adjacent to the Project.

8.6 Maintenance of Records and Right of Inspection

The Association shall keep and maintain at its principal place of business, current copies of the Condominium Documents, any rules and regulations applicable to the Property and its books, records and financial statements. The membership register, books of account and minutes of meetings of the Board and committees of the Association shall be made available for inspection and copying by any Owner or by such Owner's duly appointed representatives, at any reasonable time and for a purpose reasonably related to such Owner's interest as an Owner at the office of the Association or at such other place as the Board shall prescribe. No Owner or any other person shall copy the membership register for the purposes of solicitation of or direct mailing to any Owner.

8.7 Amplification

The provisions of this Section are amplified by the Bylaws; provided, however, that no present or future provision of such Bylaws shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

8.8 Use of Association Powers

Notwithstanding the foregoing, the Association shall not take any action that would impair an Owner's right to enjoy and use his/her Unit as set forth herein, and, in particular in Section 7.18.

SECTION 9 - ASSESSMENTS

9.1 Covenant to Pay Assessments

By acceptance of a deed to any Condominium, each Owner of such Condominium thereby covenants and agrees to pay when due all Assessments or charges made by the Association against such Owner pursuant to the provisions of this Section 9 and this Declaration. The due date, manner and method of payment shall be as set forth in this Declaration or as established by the Board from time to time.

9.2 Initial Assessments

Owners acquiring their Condominiums from Grantor agree to pay an initial Assessment and deposit reserves as part of any conveyance through deed or other recorded instrument of a Condominium or portion of a Condominium, as provided for herein, that shall be used to purchase personal property for the Building, including, but not limited to seasonal decorations and furnishings for Common Area and to establish contingency and replacement reserves.

9.3 Rate of Assessment

Except as otherwise provided herein, all Owners shall be responsible for Regular Assessments and Special Assessments levied by the Association in proportion to their percentage ownership interest in the Common Area, as set forth on *Exhibit B*. All Owners shall be responsible for Limited Assessments levied by the Association, as set forth in Section 9.8.

9.4 Assessment Constitutes Lien

The Assessments and charges together with interest, costs, including, but not limited to any fees incurred by the Management Company, and reasonable attorneys' fees, all which may be incurred in collecting the same, shall be a charge on the Condominium against which each such Assessment or charge is made.

9.5 Assessment is Personal Obligation

Each of the Assessments, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Unit at the time such Assessments become due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them but shall remain such Owner's personal obligation regardless of whether he/she/it remains an Owner. Notwithstanding the foregoing, a purchaser of a Condominium shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium up to the time of grant or conveyance without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such Assessments.

9.6 Regular Assessments.

9.6.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by the Association, including legal and attorneys' fees and other professional fees, for the conduct of its affairs as provided in Section 8, including without limitation the costs and expenses of construction, improvement, protection, maintenance, repair, management and operation of the Common Area or furnishing utility services, including water and sewer, and other common services to each Unit (if separately metered), any deficit remaining from previous periods, a management contingency reserve, and an amount allocated to an adequate reserve fund to be used for repairs, replacement, maintenance and improvement of those elements of the Common Area, or other property of the Association that must be replaced and maintained on a regular basis (collectively the "Expenses"). Grantor and/or the Association reserves the right to separately meter utility services provided to each Condominium, and in such event the Owner of the Condominium shall be fully responsible for the costs of providing utilities for the Owner's individual use.

9.6.2 Computation of Regular Assessments. Unless otherwise determined by the Board, the Association shall compute and forecast the amount of its Expenses and Regular Assessments on an annual basis. The computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of the Association, unless a change in Members or the Management Company makes it impracticable to compute the Regular Assessments in the time frame. In such event, the Owners shall be immediately notified upon completion of such computation. Notwithstanding the foregoing, the computation of Regular Assessments shall be completed in good faith and shall be valid upon completion. The computation of the Regular Assessments for the period from the recordation of this Declaration until the beginning of the next fiscal year shall be reduced by an amount which fairly reflects the fact that such period was less than one year. The Board shall have the exclusive right to approve any Assessment under this Section 9. Expenses and Regular Assessments shall be levied by the Association against Owners in proportion to their percentage ownerships in the Common Area as set forth on *Exhibit B*.

9.7 Special Assessments

In the event that the Board shall determine that the Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of the Association for any reason, including,

without limitation, costs of construction, reconstruction, unexpected repairs or replacement of improvements upon the Common Area, attorneys fees and/or litigation costs, other professional fees, or for any other reason, the Board shall determine the approximate amount necessary to defray such Expenses and levy a Special Assessment. The Board shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

9.8 Limited Assessments.

9.8.1 Corrective Actions. The Association may levy against any Owner a Limited Assessment equal to the costs and expenses incurred by the Association, including legal and management fees, for the construction, installation, inspection, operation, maintenance, repair and replacement of the Common Area, equipment and facilities located thereon, including any corrective action necessitated due to damage by the negligent acts of an Owner, or any person or entity occupying a Condominium with the Owner's consent, either expressed or implied, or for costs and expenses incurred in bringing the Owner's Condominium into compliance with the provisions of the Condominium Documents.

9.8.2 Extraordinary Expenses. A Limited Assessment may also be levied against any Owner or group of Owners whose Unit requires or consumes a material disproportionate percentage of water, sewer, heating, ventilation, and air conditioning services and charges or any other Expense. If such Limited Assessment shall affect more than one Condominium, but not the entire Building in which the Unit is located, the Owners of the effected Condominiums shall pay those costs associated solely with their Condominiums in proportion to their percentage ownership, while all Owners shall share such costs associated with the Common Area in proportion to their percentage ownership interest set forth on *Exhibit B*, as applicable.

9.9 Notice and Assessment Due Date

Unless the Board establishes a different schedule for the payment of Regular Assessments, monthly installments of the Regular Assessment shall become delinquent if not paid by the first (1st) day of each month. If not paid within five (5) days, a late fee equal to ten percent (10%) of the Assessment shall be charged to the Owner. Each Assessment, other than a Regular Assessment, shall become delinquent if not paid within ten (10) days of the date of notice thereof to the Owner. With each delinquent payment, a single late charge up to ten percent (10%) of the delinquent installment shall be charged. In addition, each installment payment which is delinquent from more than twenty (20) days may accrue interest at the lesser of (i) twelve percent (12%) per annum or (ii) the maximum rate allowed by the law of the State of Idaho calculated from the date of delinquency to and including the date full payment is received by the Association. The Association may bring an action against any delinquent Owner and may foreclose the lien against such Owner's Condominium, as more fully provided herein. The Association expressly

reserves its rights to file any liens against such Owner pursuant to city, county and/or state law for any payment not made by the fifteenth (15th) day of the month for Regular Assessments or fifteen (15) days after notice of any other Assessment.

9.10 Estoppel Certificate

The Association, upon at least twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request, a statement in writing stating whether or not, to the knowledge of the Association, a particular Owner is in default under the provisions of this Declaration, and further stating the dates to which any Regular and Special Assessments have been paid by the Owner. Any such certificate delivered pursuant to this Section may be relied upon by any prospective purchaser or mortgagee of the Owner's Condominium. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge. Owners agree to pay for all reasonable costs associated with obtaining this estoppel certificate.

9.11 No Reserves Provided by Grantor

Owners acknowledge and agree that they have been fully notified and informed that the Grantor did not or will not pay any part of or contribute any initial assessments or deposit reserves for use in the Project.

9.12 Association Contribution

Upon the re-sale of each Unit (resale meaning every transfer after the initial sale of a Unit by the Grantor) a percentage of the gross sales price of such Unit shall be paid to the Association at the closing or transfer of each such Unit. The applicable percentage will be determined by the Board from time to time by resolution. The Grantor may record a separate instrument memorializing this obligation.

9.13 Grantor's Assessment Obligations

For a period of two (2) years following the recordation of the Plat, Grantor shall only be responsible for the lesser of (1) the shortfall of any operating costs of the Project after the collection of all dues and assessments from the Owners, excluding the Grantor or (2) those dues and assessments, less any assessed reserves for replacement, assessed to those Units owned by the Grantor.

SECTION 10 - ENFORCEMENT OF ASSESSMENTS; LIENS

10.1 Right to Enforce

The Association has the right to collect and enforce its Assessments, including any late charges and/or interest accrued thereon, pursuant to the provisions hereof. Each Owner shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration, including any late charges and/or interest accrued thereon, and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with

or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay reasonable attorneys' fees and costs, including the costs and expenses for any lien releases, in addition to any other relief or remedy obtained against such Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board may exercise the power of foreclosure and sale pursuant to this Section to enforce the liens created pursuant to this Section. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

10.2 Assessment Liens.

10.2.1 Creation. There is hereby created a claim of lien with power of sale on each and every Condominium to secure payment of any and all Assessments levied against such Condominium pursuant to this Declaration together with interest thereon at the maximum rate permitted by law and all costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorneys' fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Condominium upon recordation of a notice of assessment with the Teton County Recorder. Such lien shall be prior and superior to all other liens or claims created subsequent to the recordation of the notice of assessment except for tax liens for real property taxes on any Condominium and any assessment on any Condominium in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

10.2.2 Notice of Assessment. Upon default of any Owner in the payment of any Assessments issued hereunder, the Association may cause to be recorded in the office of the Teton County Recorder a notice of assessment. The notice shall state the amount of such Assessment and other authorized charges (including the cost of recording such notice), a sufficient description of the Condominium against which the same have been assessed, and the name of the record Owner thereof. Each assessment shall constitute a separate basis for a notice of assessment, but any number of assessments may be included within a single notice. Upon payment to the Association of such assessment and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof. The Association may demand and receive the cost of preparing and recording such release before recording the same.

10.3 Method of Foreclosure

Such lien may be foreclosed by appropriate action in court or by sale by the Association, its attorney or other person authorized to make the sale. Such sale shall be conducted in accordance

with the provisions of the Idaho Code applicable to the exercise of powers of sale in deeds of trust or any other manner permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any title company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

10.4 Required Notice

No action may be brought to foreclose the lien created by recordation of the notice of assessment, whether judicially, by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such notice of assessment has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner described in such notice of assessment, and to the person in possession of such Condominium(s) and a copy thereof is recorded by the Association in the Teton County Recorder's Office.

10.5 No Subordination

The lien for the Assessments provided for herein in connection with a given Condominium shall not be subordinate to the lien of any Mortgage filed and recorded after the date of such Assessment. Notwithstanding the foregoing, all delinquent Assessments shall be subordinate to any mortgage recorded within the real property records of Teton County, Idaho prior to the date of the Assessment. The sale or transfer of any Condominium shall affect neither the Assessments lien provided for herein, nor the creation thereof by the recordation of a notice of assessment, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.

10.6 Priority of Lien and Rights of Mortgagees

An Assessment Lien is prior to all other liens and encumbrances on a Unit except as follows:

- a) Liens and encumbrances recorded before the recording of this Declaration;
- b) A security interest on the Unit which has priority over all other security interests on the Unit and which was recorded before the date on which the Assessment sought to be enforced became delinquent. An Assessment Lien is prior to the security interest described in the preceding sentence to the extent of an amount equal to all the Assessments which would have become due, in the absence of any acceleration, during the six (6) months immediately preceding institution by the Association, or any party holding a lien senior to any part of the Association lien created under this Article 10, of an action or a non-judicial foreclosure either to enforce or to extinguish the lien;
- c) Liens for real estate taxes and other governmental assessments or charges against the Unit; and
- d) As may otherwise be allowed by law. The priority of mechanics and materialmen's liens is not affected by this Declaration. This Article 10 does not prohibit an action or suit to recover sums for which this Article 10 creates a lien or prohibits the Association from taking a deed in lieu of foreclosure, sale or transfer of any Unit shall not affect the lien for an Assessment.

SECTION 11 - RIGHTS TO COMMON AREAS

11.1 Use of Common Area

Every Owner shall have a nonexclusive right and easement to use the Common Area (exclusive of Limited Common Area) and an exclusive or semi-exclusive right to use Limited Common Area designated for exclusive or semi-exclusive use by the Owner, which shall be appurtenant to and shall pass with the title to every Condominium, subject to the following provisions:

11.1.1 Assessments. The rights of the Association to levy Assessments as provided herein and the payment by an Owner of all such Assessments;

11.1.2 Voting. The right of the Association to suspend the voting rights and rights to use of or interest in Common Area by an Owner for any period during which any Assessments or charges against such Owner's Condominium remains unpaid;

11.1.3 Dedication or Transfer. The right of the Association to dedicate or transfer all or any part of Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No dedication or transfer shall be effective unless an instrument verifying such dedication or transfer is executed and recorded by the Association verifying that (i) Members representing fifty-one percent (51%) or more of the total number of votes which may be cast by all of the Members, and (ii) fifty-one percent (51%) or more of all Mortgagees have approved such dedication or transfer; and

11.1.4 Association Rules. The right of the Association to establish and enforce such Association Rules as the Association deems proper regarding the Project and use of Common Area.

11.2 Delegation of Right to Use

Any Owner may delegate in accordance with the respective Condominium Documents, such Owner's reasonable right of enjoyment to the Common Area to his or her licensees, invitees and lessees, or contract purchasers who reside in such Condominium.

11.3 Damages

Each Owner shall be liable for expenses for corrective action necessitated by violation of this Declaration or Association Rules or for any damage to such Common Area which may be sustained by reason of his or her guests, invitees or licensees. In the case of joint ownership of a Condominium, the liability of such Owners shall be joint and several. The cost of corrective action shall be assessed as an Assessment against the Condominium and may be collected as provided herein for the collection of other Assessments.

SECTION 12 - MECHANIC'S LIEN RIGHTS

No labor performed or services or materials furnished with the consent of or at the request of an Owner or such Owner's agent, contractor or subcontractor shall be the basis for the filing of a lien against the Condominium of any other Owner or against any part thereof, or against any other property of any other Owner, unless such other Owner has expressly consented to or requested in writing the performance of such labor or furnishing of such materials or services. Such express written consent shall be deemed to have been given by the Owner of any Condominium in the case of emergency corrective action undertaken by the Association. Labor performed or services or materials furnished for the Property if duly authorized by the Association shall be deemed to be performed or furnished with the express consent of each Owner. Any Owner may remove his or her Condominium from a lien against two or more Condominiums or any part thereof by payment of sums secured by such lien which is attributable to such Owner's Condominium.

SECTION 13 - INSURANCE

13.1 Types of Insurance

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

13.1.1 Casualty Insurance. The Association shall obtain insurance on the Buildings in such amounts as shall provide for full replacement thereof, including, but not limited to, those costs associated with rebuilding, design, any required permits, legal fees and any other fees associated with the replacement of the Buildings, in the event of damage or destruction from the casualty against which such insurance is obtained. Such insurance shall include fire and extended coverage, vandalism and mischief, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

13.1.2 Public Liability and Property Damage Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the Buildings.

13.1.3 Workers' Compensation and Employer's Liability Insurance. The Management Company shall purchase, on behalf of the Association, workers' compensation and employer's liability insurance and all other similar insurance in respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

13.1.4 Other. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Buildings, including any personal property of the Association located thereon.

13.1.5 Optional Insurance. The Association may obtain the following types of insurance coverage, but is not required to do so.

13.1.6 Personal Property Casualty Insurance. The Association may in its discretion obtain casualty and public liability insurance on the personal property and furnishings initially placed in any Units by Grantor, if any, upon completion of construction of the Buildings in such amounts as shall provide for the full replacement thereof in the event of damage or destruction from casualties against which such insurance is obtained. It is expressly understood that any Owner desiring to obtain additional condominium insurance may do so at the sole cost of the Owner.

13.1.7 Casualty and Public Liability Insurance. The Association may in its discretion obtain casualty and public liability insurance coverage, in amounts it may select, with respect to an Owner's activities within each Unit.

13.1.8 Form. Casualty insurance shall be carried in a form or forms naming the Association as the insured as trustee for the Owners, which policy or policies shall specify the interest of each Owner (Owner's name, Unit number, and the appurtenant undivided interest in the Common Area) and which policy or policies shall provide a standard loss payable clause providing for payment of insurance proceeds to the Association as trustee for the Owners and for the respective first Mortgagees which from time to time shall give notice to the Association of such Mortgages, such proceeds to be used in accordance with this Declaration. Each policy shall also provide that it cannot be canceled by either the insured or the insurance company until after ten (10) days' prior notice is first given to each Owner and to each first Mortgagee requesting such notice. The Association shall furnish to each Owner and to Grantor a true copy of such policy together with a certificate identifying the interest of the Owner. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in

respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Public liability and property damage insurance shall name Grantor, the Management Company and the Association as the insured, with the Association as trustee for the Owners, and shall protect each Owner against liability for acts of the Association in connection with the ownership, operation, maintenance or other use of the Buildings. In the event the entire Project is damaged or destroyed and eighty percent (80%) of the Owners elect not to rebuild the Project, the insurance proceeds will be distributed to the Owners passed on their percentage ownership in the Common Area. In the event that some but not all the Buildings in the Project are damaged or destroyed, eighty percent (80%) of the Owners of each Building in the Project that has been damaged or destroyed elect not to rebuild the Project, the insurance proceeds will be distributed to the Owners passed on their percentage ownership in the Common Area.

If the affected Owners elect not to rebuild the Building in which their Units are located, such Owners shall automatically cease to be Members of the Association and thereafter the Association shall re-allocate the ownership, voting rights and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such re-allocation to the remaining Owners for approval and amendments of this Declaration as provided in Section 16.1.2 hereof.

13.2 Insurance Proceeds

The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Section and as provided in Section 14 hereof.

13.3 Owner's Own Insurance

Notwithstanding the provisions of Section 13.1 hereof, each Owner may obtain insurance at the Owner's own expense providing coverage upon the Owner's Condominium, personal

property, personal liability, and covering such other risks as the Owner may deem appropriate, but each policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Section. All such insurance on the Owner's Condominium shall waive the insurance company's right of subrogation against the Association, the other Owners, and the servants, agents and guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver of rights of subrogation.

SECTION 14 - CASUALTY, DAMAGE OR DESTRUCTION

14.1 Affects Title

Title to each Condominium is hereby made subject to the terms and conditions set forth in this Declaration, as amended from time to time, which bind the Grantor and all subsequent Owners, whether or not it be so expressed in the deed by which any Owner acquires a Condominium.

14.2 Association As Agent

All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney-in-fact in their name, place and stead for the purpose of dealing with their Condominium upon the Condominium's damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Grantor or from any Owner shall constitute such appointment.

14.3 General Authority of Association

As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in succeeding Sections of this Declaration means restoring the Condominiums, including the site improvements, equipment and facilities therein, to substantially the same condition in which it existed prior to damage, with each Unit and the Common Area having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless eighty percent (80%) of the Owners and all first Mortgagees of the affected Buildings agree not to rebuild in accordance with the provisions set forth hereinafter.

14.4 Estimate of Costs

As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Association shall obtain estimates that it deems reliable of the costs of repair or reconstruction of that part of the Project damaged or destroyed, if the Owners and Mortgagees of the Buildings damaged or destroyed elect to rebuild in accordance with Section 14.3.

14.5 Repair or Reconstruction

As soon as practicable after receiving these estimates, the Association shall diligently pursue to completion the repair or construction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as

attorney-in-fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans and specifications of that portion of the Project damaged or destroyed or may be in accordance with any other plans and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than five percent (5%) from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications, and the location of the Units shall be substantially the same as prior to damage or destruction.

14.6 Funds for Reconstruction

The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association, pursuant to Section 9.7 hereof, may levy in advance a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such Special Assessments shall be allocated and collected as provided in that Section. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

14.7 Disbursement of Funds for Repair or Reconstruction

The insurance proceeds held by the Association and the amounts received from the assessments provided in Section 14.6 constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for the cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions by each Owner pursuant to the assessments by the Association under Section 14.6 of this Declaration.

SECTION 15 - CONDEMNATION

15.1 Consequences of Condemnation

If at any time or times during the continuance of the condominium ownership regime pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this Section 15 shall apply.

15.2 Proceeds

All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

15.3 Complete Taking

In the event that all of the Units are taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership regime pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners in the same

proportions as their share of the Common Area in the Project, provided that if a standard different from the value of the Condominiums as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the last preceding paragraph, the Association shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled and pay such amounts as soon as practicable.

15.4 Partial Taking

In the event that less than all of the Units are taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership regime hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners as follows:

15.4.1 Allocation to Common Area. The total amount allocated to taking of or injury to the Common Area shall be apportioned among the Owners in the same proportions as their shares of the Common Area as provided in the Plat; and

15.4.2 Allocation to Condominiums. The total amount allocated to severance damages shall be apportioned to those Condominiums which were taken or condemned as follows: (a) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements an Owner has made within the Owner's own Unit shall be apportioned to the particular Unit involved; and (b) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable.

15.5 Reorganization

In the event a partial taking results in the taking of a complete Unit, then, upon the distribution of such Owner's apportioned proceeds, the Owner thereof automatically shall cease to be a member of the Association. Thereafter the Association shall re-allocate the ownership, voting rights and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such re-allocation to the remaining Owners for approval and amendment of this Declaration as provided in Section 16.1.2 hereof.

15.6 Reconstruction and Repair

Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 14.6 above.

SECTION 16 - MISCELLANEOUS

16.1 Amendment.

16.1.1 By Grantor. Until the recordation of the first deed to a Condominium, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to or terminated (collectively "Amendment") by the Grantor by recordation of a written instrument setting forth such Amendment. Additionally, so long as a Grantor owns a Condominium, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to or terminated by a recorded amendment by the Grantor to comply with all applicable law or as necessary to allow the Project to be developed and improved as contemplated in the Condominium Documents.

Notwithstanding the foregoing, any material Amendment shall require approval by the vote or written consent of the Members representing sixty-seven percent (67%) or more of the total votes which may be cast by all of the Members. A material Amendment shall include amendments to the voting rights of the Members, any increase in a previously assessed amount by more than twenty-five percent (25%), Assessment liens or the priority of Assessments, reductions in any reserves, to the delegated party responsible for maintenance and repairs, any reallocation of ownership interests or right to use Common Area, expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the Project; imposition of any restriction on an Owner's right to sell or transfer his or her Unit; termination of the legal status of the project for any reason; redefinition of any Unit boundaries, the conversion of any Unit into Common Area or vice versa, changes in the fundamental nature of the Project, change in the hazard or fidelity insurance requirements, any leasing restrictions, Section 15, or any provisions that would expressly benefit any Mortgagees, insurers or guarantors. Notwithstanding any other provision herein, no Amendment may be made to this Declaration which would result in any impediment to the enforcement of section 7.16 regarding the use of the Rental Management Company without the express written consent of the Declarant or the Rental Management Company.

16.1.2 By Members. Except as provided in Section 16.1.1, after the recordation of the first deed to a Condominium, any Amendment to this Declaration, other than herein provided in this Section 16.1, shall be by an instrument in writing signed and acknowledged by the

president and secretary of the Association certifying and attesting that such Amendment has been approved by the vote or written consent of Members representing sixty-seven percent (67%) or more of the total votes which may be cast by all of the Members and fifty-one percent (51%) of all Mortgagees, except where a greater percentage is required by express provision in this Declaration, and such Amendment shall be effective upon its recordation with the Teton County Recorder. Any Amendment to this Section 16.1 shall require the vote or written consent of Owners holding ninety-five percent (95%) of the total votes which may be cast by all of the Members.

Notwithstanding the foregoing, nothing in this Section 16.1.2 shall allow an amendment that would limit the rights of the Owners as stated in Sections 7.18 and 8.7.

16.1.3 Effect of Amendment. Any Amendment of this Declaration approved in the manner specified above shall be binding on and effective as to all Owners notwithstanding that such Owners may not have voted for or consented to such Amendment. Such Amendment may add to and increase the Restrictions applicable to the Project but shall not prohibit or unreasonably interfere with the allowed uses of such Owner's Condominium which existed prior to the said amendment.

16.2 Mortgage Protection

Upon written request to the Association from any holder, insurer or guarantor of any first Mortgage, stating both its name, address and the Unit number or address of the Unit on which it has its first Mortgage, said holder, insurer, or guarantor of a first Mortgage encumbering a Unit shall be entitled to notice of the following:

Any condemnation or casualty loss that affects either a material portion of a Building or a Unit encumbered by such first Mortgage;

Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which it holds a first Mortgage;

A lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

Any proposed action that requires the consent of a specified percentage of eligible Mortgage holders.

16.3 Enforcement and Non-Waiver.

16.3.1 Right of Enforcement. Except as otherwise provided herein, any Owner, the Association or Grantor shall have the right

to enforce any or all of the provisions of this Declaration against any property within a Building and against the Owners thereof.

16.3.2 Non-Waiver. Failure of the Grantor or the Board to insist upon strict compliance with this Declaration, the Bylaws or the Association Rules, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment of the right to insist on compliance in the future with any term, covenant, condition or restriction. The receipt by the Board of payment of an assessment from an Owner, with knowledge of a breach by the Owner, shall not be a waiver of the breach. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed for by the Board.

16.4 Registration of Mailing Address

Each Owner shall register such Owner's mailing address with the Association and all notices or demands intended to be served upon any Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. If an Owner fails to provide the Association with a valid address, all notices shall be sent to that Owner's address on record with the Teton County, Idaho. All notices or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the Bylaws. All notices or demands to be served on Mortgagees pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee at such address as the Mortgagee may have furnished to the Association in writing. Unless the Mortgagee furnishes the Association such address, the Mortgagee shall not be entitled to receive any of the notices provided for in this Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section.

16.5 Interpretation

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

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

16.5.2 Restrictions Severable. Notwithstanding the provisions of the foregoing Section 16.5.1, each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof

shall not affect the validity or enforceability of any other provision herein.

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

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

16.6 Owner's Obligations Continue

All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that such Owner may have leased, rented or entered a contract of sale of his interest as provided herein, but the Owner of a Condominium shall have no obligation for expenses or other obligations accruing after the Owner conveys such Condominium.

16.7 Exhibits

All exhibits attached hereto are incorporated herein as if set forth in full herein. However, in the event of any conflict between such exhibits and the text of this Declaration, this Declaration shall control.

16.8 Acknowledgement and Waivers

All Owners expressly acknowledge that there are no understandings, representations, warranties or promises of any kind that have been made to induce the Owners into owning Units in the Project except as set forth in this Declaration or any other written valid and binding agreement between the Grantor and the Owners, that this Declaration or any other written valid and binding agreement between the Grantor and the Owners sets forth in full the entire agreement between the parties and governing the Project, and the Owners have not relied on any verbal agreement, statement, representation, warranty or other promises that is not expressed in writing in this Declaration or any other written valid and binding agreement between the Grantor and the Owners. Except as may be set forth in any written agreement between Owner and Grantor, each Owner has acquired and accepted its Condominium Unit "as is, where is" with all faults. No person, agent or employee of Grantor has any authority to modify the terms of this Section, and no person on Grantor's behalf is authorized to make any future verbal agreement upon which any Owner may rely to cancel, change or modify any portion of this Declaration. This Declaration or any other written valid and binding agreement between the Grantor and the Owners supersedes any and all prior understandings and agreements. This Declaration or any other written valid and binding agreement between the Grantor and the Owners may be amended or modified only by the terms included herein.

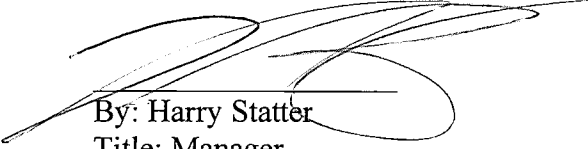
16.9 Grant of Power of Attorney. In the event that the Grantor needs to amend the Plat or this Declaration to conform with any deviations between the Project and the Plat or to effectuate the addition of any future phases, or to cause any other changes to the Plat or this Declaration that do not reduce each Member's percentage of ownership in the Common Area, each Member will grant to Harry Statter, as a principal of the Grantor, a power coupled with an interest herein, to make such amendments.

16.10 Transfer of Grantor's Powers

It is understood that Grantor, at any time in the exercise of its sole discretion, may sell, assign, transfer, encumber or otherwise convey to any person or entity, upon such terms and conditions as Grantor may determine, all of Grantor's rights, powers, privileges and authority arising hereunder by virtue of Grantor's capacity as Grantor (which rights, powers, privileges and authority are in addition to those arising from Grantor's ownership of one or more Units).

This Declaration is executed effective this 1st day of September, 2021

TRC, LLC


By: Harry Statter
Title: Manager

STATE OF IDAHO)
) ss.
County of Teton)

On this 1st day of September, before me Abbi Sarthou, personally appeared Harry Statter, known or identified to me, to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.


NOTARY PUBLIC FOR IDAHO

Residing at VICTOR, ID
My Commission Expires 4/22/25

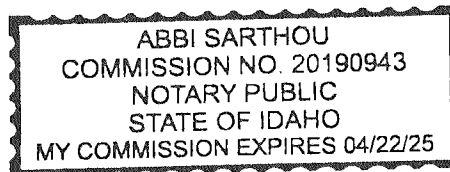
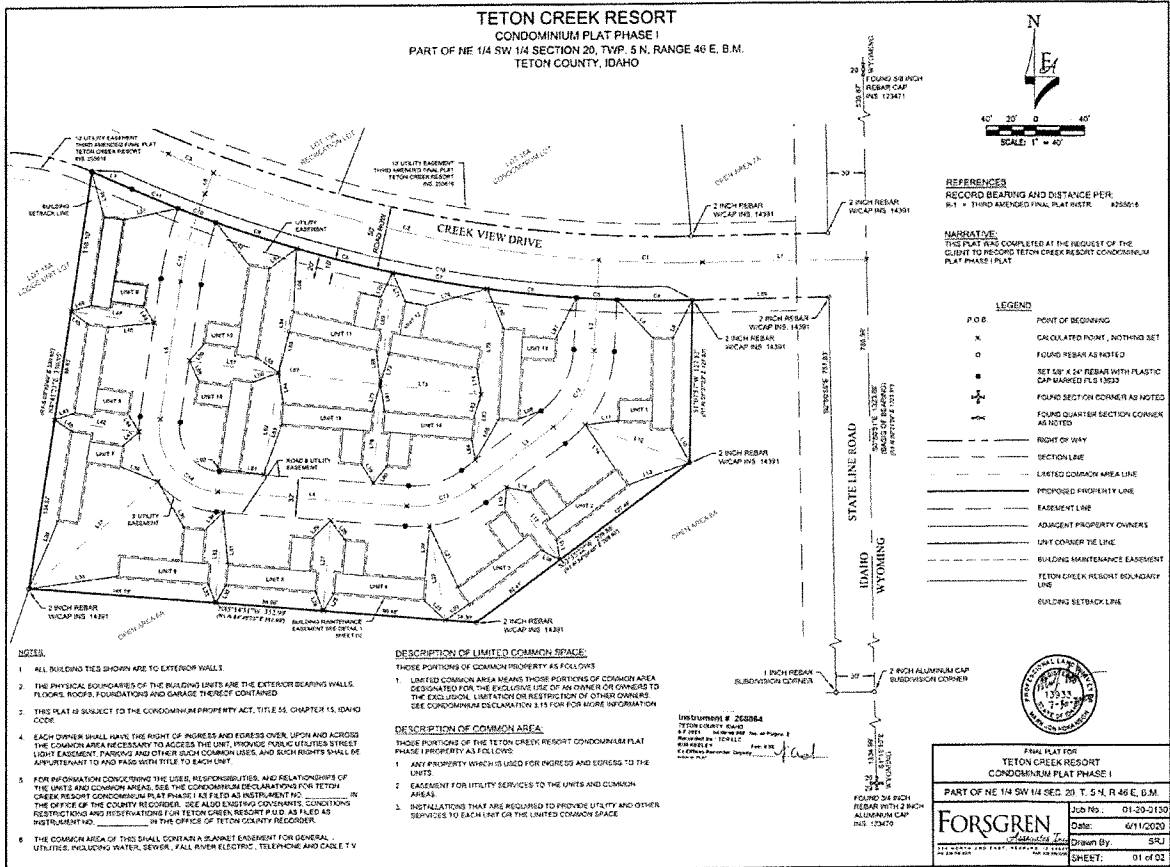


EXHIBIT A

Teton Creek Resort Condominium Plat Phase I



THE TETON CREEK RESORT CONDOMINIUM
(all phases)

RULES AND REGULATIONS

Revised _____, 2021

P R E A M B L E

The TVATC Master Association, Inc. (the “Master Association”) has implemented these Rules and Regulations for all phases of the Teton Creek Resort Condominiums. These Rules and Regulations have been adopted by the Village at Teton Creek Condominium I Owners Association, Inc.

These Rules and Regulations have been adopted as necessary, desirable, and appropriate for the operation of the associations, and the use and enjoyment of all phases of the Teton Creek Resort Condominiums (the “Resort”).

Each Owner and Occupant (and all other Persons who are authorized users of any part of the Resort) shall comply with the Rules & Regulations. The Rules & Regulations shall have the same force and effect as if they were set forth in and were part of the covenants for the associations. In the event of conflict between the Rules & Regulations and the provisions of the covenants, the provisions of the covenants shall govern.

MASTER ASSOCIATION RULES & REGULATIONS

The following Rules & Regulations have been adopted by the Board of the Master Association and apply to all areas and users of the Resort.

Trash Cans and Other Refuse

“No refuse, garbage, trash, grass, shrub, or tree clippings, plant waste, scrap, rubbish, or debris of any kind shall be kept, stored, maintained or allowed to accumulate or remain on any Unit, except that any approved container containing such materials may be placed next to the street on the designated morning of garbage collection and must be returned to its enclosed structure that same day. All garbage containers, trash cans or receptacles shall be kept in the designated space for such containers, and except when placed for pickup they shall not be visible from another Unit or the Common Areas. All such refuse, garbage, trash, plant waste, scrap materials, rubbish and debris shall be promptly removed from the Resort and shall not be burned thereon. “

Fine for breach: \$50.00 each occurrence

Snowmobiles, Motorcycles and ATV's

Snowmobiles, off-road motorcycles, mini-bikes and all-terrain vehicles shall not be used or operated but may be transported on trailers within the Resort except those motorcycles or other vehicles properly licensed for operation on public roads may be used on public roads within the Resort. Motorized vehicles used specifically for maintenance or transportation of guests which are operated under the authority of the Master Association are permitted within the Resort.

Fine for Breach: \$100.00 each occurrence

Vehicle Parking and Storage

Vehicles may be parked on the streets except in those areas where parking is prohibited by signage. The Resort will conduct snow removal from the streets and will ticket and or tow any vehicles parked in violation of such signage. No boats, trailers, campers, motorcycles, snowmobiles, or any other similar items shall be parked or stored on the streets.

The Owner of a Unit may park a single boat, trailer, van, motor home, or camper (on or off supporting vehicles), on the side of such Units garage on compacted gravel. No boat (including trailer), trailer, van, motor home, or camper shall exceed 25 feet in overall length. No other boats, trailers, vans, motor homes, campers, snowmobiles, recreational vehicles, trucks, industrial or commercial vehicles, shall be parked or stored in or upon the Common Areas or upon a Unit except within a garage. This restriction shall not prevent the non-commercial washing and cleaning of vehicles. No more than four passenger vehicles shall be parked at any time in the driveway of any Unit, except during special occasions and then only for the event.

Notwithstanding above, vehicles may be temporarily parked on driveways on Units and on public streets within the Resort for loading, delivery or emergency purposes, but only for the time required to accomplish such purpose, and as necessary for the construction or maintenance of Improvements within the Resort.

Fine for Breach: \$100.00 each occurrence

Landscaping and Landscape Maintenance

No landscaping installation shall be performed on any Unit without prior written approval of the Master Association. Notwithstanding the foregoing, no review or approval shall be required for the replacement or replanting of the same or similar kind of trees, plants, flowers or other vegetation that has been previously approved by the Master Association. Any substantial change in the type or location of approved landscaping vegetation shall require the further approval of the Master Association.

Fine for Breach: \$200.00 each occurrence

Damage to Common Areas

Each Owner is responsible for any damage caused to roads, streets, ditches, fences, trails, natural drainage courses, utilities, Common Areas, the exterior of their own Units or to other Units or Improvements thereon.

Fine for Breach: \$100.00 first occurrence
 \$200.00 second occurrence
 \$1,000.00 each additional occurrence

Upon a notice of violation, the responsible Owner shall promptly repair and clean up any such damage, at its sole expense within 10 days of the postmark of the notice. If the Owner fails to repair damage within 10 days following receipt of written notice from the Master Association, the Master Association shall have the right to perform such repairs on behalf of the Owner, and to levy a reimbursement Assessment upon the Owner and its Unit to recover the costs thereof.

Signs and Advertising

No sign, poster, billboard or advertising device of any kind (including, but not limited to, signs commonly used by contractors, architects and tradesmen and signs advertising an "Open House" for sale or rent) shall be allowed or displayed upon any Unit or any Common Area within the Resort except: (a) such signs as may be used by the Declarant in connection with the development, marketing and sale of Units in the Resort; (b) such signs as may be required by legal proceedings, or the prohibition of which

is precluded by law; (c) such signs as may be required for traffic control and regulation of Common Areas; (d) neighborhood monuments (e.g., entrance signs) which are compatible with the architecture of the area and which receive the prior written approval of the Master Association.

“For Sale” or “For Rent” signs for any Units are expressly prohibited except that the 9” x 11” clear plastic flyer boxes which commonly hold real estate flyers, may be directly attached to a completed home for purposes of holding an 8 ½” x 11” real estate flyer for real estate sales.

Fine for Breach: \$100.00 each occurrence

Satellite Dishes and Antennae

If a Unit Owner wishes to install an antenna or satellite dish to receive video, audio or computer signals, the Unit Owner shall notify the Master Association in writing of the planned installation and the proposed location thereof at least ten (10) days before installation. The antenna installation and location shall comply with all fire, electrical and other applicable safety codes, and the installing Unit Owner shall to the extent feasible install the antenna in a location that minimizes its visibility from neighboring Units and Common Areas. The installing Unit Owner shall be obligated to paint the antenna so that it blends into the background against which it is mounted and to plant and maintain such reasonable landscaping as will screen the antenna, to the extent feasible, from neighboring Units, Common Areas. Provided always, that in the event that in any particular situation any of the foregoing requirements or restrictions cause an unreasonable delay or cost in the installation, maintenance or use of the antenna or dish, or prevent the reception of acceptable quality signals, said requirements or restrictions shall be invalid as they apply to that particular situation.

Lease Rules

As per 7.16 of the Declaration, the Declarant or his successor or assigns may establish a rental management company (the “Rental Management Company”) which will be the sole and exclusive property rental management company for the all Units. No Owner may rent or lease a Unit without going through the Rental Management Company. All Owners that wish to rent their Unit will enter into a rental management agreement with the Rental Management Company by which the Owner will be obligated to pay the Rental Management Company a fee and or a commission fixed from time to time by the Rental Management Company.

Compliance and Enforcement

Every Owner and Occupant of a Unit in the Resort and every other person who may be an authorized user of any part of the Common Areas, shall fully and faithfully observe, abide by, comply with and perform all of the covenants conditions and restrictions set forth in the Master Declaration, any Supplemental Declaration, the Articles, Bylaws, master Rules and Regulations, and all approvals granted by the Master Association, as the same or any of them may be amended from time to time. In additions to any other rights or remedies that may be provided to any Person under the terms and provisions of their Master declaration of any Supplemental Declaration, Declarant (for as long as it holds any of the rights set fourth in Article 6 hereof), the Association through its Board, The Master Association as to matters arising under Article 4 hereof, and every Unit and Unit Owner (except an owner that is delinquent in the payment of Assessments here under) shall have the right, acting alone or together with others having such right, to enforce, by any proceeding at law or in equity, any or all of the covenants, conditions, restriction, assessment, charges, liens, servitudes, easements and other provisions

now or hereafter imposed by the Master Declaration, any supplemental declaration, the Articles, Bylaws, Master Rules and Regulations, the Master Declaration, and Supplemental Declarations, the Articles, and Bylaws .

Such enforcement rights shall include without limitation the right to bring an injunctive action for any form of injunctive relief available under Idaho law (including specific performance), or an action for damages, or both. Injunctive relief any include, without limitation, orders to complete performance and an other orders appropriate under the circumstances.

The Board shall have the further right (s) to levy and collect, after notice and hearing per applicable law, reasonable fines for the violation of any of the foregoing matters, (b) to levy and collect a reimbursement Assessment against any Owner, (c) to enter upon any Unit within the Resort, after giving the Unit Owner or Occupant at least five (5) days' written notice of the nature of the violation, (unless an emergency exists, in which case without notice), without liability to the Owner or Occupant thereof, to enforce or cause compliance with such matters, at the cost and expense of the Owner of Occupant in violation, and /or (d) where the violation has continued for more than ninety (90) days after the Board has given the Unit Owner or Occupant written notice of the violation, the Board my temporarily cut off any of all master Association Services to benefits to the subject Owner or Occupant and his Unit, Including the right to use Common Areas (except access roads), until the violation is cured.

In any action brought under this Section the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs incurred in the connection therewith. Failure by any party entitled to do so to exercise in a particular instance any of the rights available to it under this Section shall in no event be deemed a waiver of the right to do so in any other instance.

Provided always, that no Owner shall have the right to bring an enforcement action against another Owner or Occupant for breach by the Owner or Occupant of any of such matters, or against the Master Association for a breach by the Owner or Occupant of any of such matters or for a failure by the master Association to enforce compliance with such matters by others, until the aggrieved Owner has given the offending Owner or Occupant and the Master Association at least thirty (30) days prior written notice of the aggrieved Owner's complaint and the opportunity to resolve the problem during that thirty (30) day period.

And further provided, that notwithstanding any law to the contrary, no action shall be commenced or maintained to enforce the terms of any building restriction contained in the provisions of this Master Declaration, any Supplemental Declaration, the Bylaws, the Articles of Incorporation, or the Master Rules and regulations, or to compel the removal of any building or Improvement because of the violation of the terms of any such building restriction, unless the action is commenced with in one (1) year from the date from which the person commencing the action knew or in the excise of reasonable diligence should have known of the violation for which the action is sought to be brought or maintained.

Action for non-compliant leasing:

Letter with warning upon notification of non-compliance

\$500.00 fine for failure to fix non- compliance

\$1,000.00 fine for continued non-compliance

Judicial action if homeowner continues to violate CC&R's