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G. HOFF, JAMES
CANYON COUNTY RECORDER

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AFFIDAVIT AUTHORIZING CORRECTION TO
PLAT OF
CRESTWOOD ESTATES SUBDIVISION NO. 1

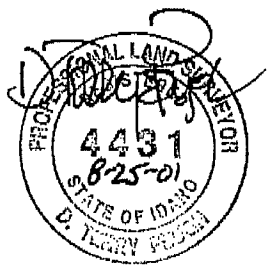
STATE OF IDAHO)
) SS
COUNTY OF CANYON)

I, D. Terry Peugh, a Professional Land Surveyor, licensed by the State of Idaho, do hereby certify that the plat of Crestwood Estates Subdivision No. 1, recorded in the office of the Canyon County Recorder on April 25, 2001, in Book 29 of Plats at Page 33, Instrument No. 200115663, was prepared by me. Since the date of recording a spelling error has been discovered.

This affidavit is for the purpose of authorizing the Canyon County Recorder to make notation on said Plat correcting this error:

NARRATIVE:

W. Rainer Avenue is misspelled. The correct street name is: **W. Rainier Avenue.**

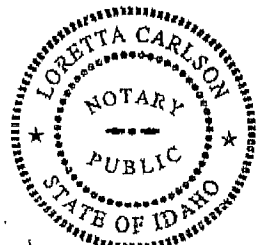


D. Terry Peugh, P.L.S.
Idaho Certificate No. 4431

STATE OF IDAHO)
) SS
COUNTY OF CANYON)

On this 25 day of Aug., 2001, before me, the undersigned a notary Public in and for said State, personally appeared D. Terry Peugh, known to me to be the person, whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



Loretta Carlson
Notary Public for Idaho
Residing at: Boise, Idaho
My commission Expires: 10-02-2002

**DECLARATION OF
SOLAR COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CRESTWOOD ESTATES SUBDIVISION NO. 1**

THIS DECLARATION, made on the date hereinafter set forth by Crestwood Development, LLC, hereinafter referred to as the "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the owner of certain property in the City of Nampa, County of Canyon, State of Idaho, which is more particularly described on Exhibit A, incorporated herein by reference.

WHEREAS, the Declarant proposes to subdivide Crestwood Estates Subdivision No. 1 pursuant to City of Nampa and Idaho law as shown on Exhibit A, incorporated herein by reference.

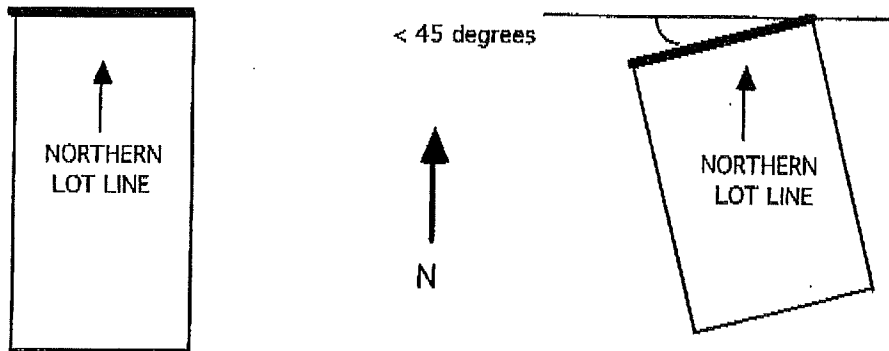
WHEREAS, the City of Nampa subdivision ordinance requires that private restrictions be recorded with subdivision plats which provide the same level of solar access protection as required under the city's solar setback and new development solar access design ordinances.

NOW THEREFORE, in recognition of the economic and environmental benefits of solar energy use, the Declarant desires to provide for the preservation of solar access in the subdivision and to that end desires to impose, in the form of covenants, conditions, and restrictions running with the land, a general scheme of solar access protection upon the ownership, use, and occupation of all lots therein which shall be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

**ARTICLE I
SOLAR ACCESS DEFINITIONS**

A. Exempt Tree. Any vegetation listed on Attachment A, as exempt; also, all solar friendly vegetation.

B. Northern Lot Line. All lot lines at an angle of forty-five degrees (45°) or less from a line drawn due east-west and intersecting the northernmost point of the lot. The pole of flag lots is excepted. If no such line exists, the line nearest to forty-five degrees (45°) shall be used. If the north side of the lot adjoins an unbuildable area (e.g., rights-of-way, private roads, commonly owned open space or parking areas) other than a required yard area the northern lot line shall be at the northerly edge of the unbuildable area.

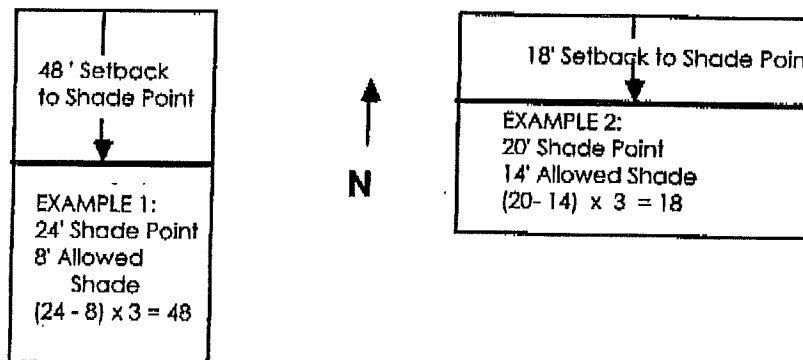


C. Protected Solar Building Line. A line on a plat, which establishes the southernmost boundary for a structure on a lot.

D. Shade Point. The part of a structure or tree which casts the longest shadow at 10:00 A.M. and 2:00 P.M. on December 21.

E. Solar Friendly Tree. Any vegetation determined by the City of Nampa not to create significant shadows during the winter months because of its bare branch pattern, foliar period, and growth characteristics.

F. Solar Setback. The minimum distance the shade point of a structure, or non-exempt tree on a lot created under the provisions of Nampa's New Development Solar Access Design Standard after June 1, 1987, must be set back from the northern lot line or solar building line, whichever is applicable. The distance of the solar setback shall be measured along a line running perpendicular to the northern lot line or solar building line.



ARTICLE II
SOLAR ACCESS COVENANTS,
CONDITIONS AND RESTRICTIONS

A. Governmental Regulation. No tree, structure, or other obstruction shall be planted, constructed, altered, installed, or otherwise maintained or undertaken unless in compliance with the solar access regulations of the City of Nampa. If at a future date city solar access regulations are amended those amendments shall be applicable and the provisions of this covenant shall not be construed to allow violation of any city solar access regulation. The City can provide property owners with information, technical specifications and assistance in complying with the solar setback requirements.

B. Solar Setbacks for Structures and Trees. A solar setback for structures and trees shall apply to every lot. The effects of the solar setback vary depending on whether the lot has been designed to meet solar options A, A1, B, C, D, D1, E or F. See Exhibit B, incorporated herein by reference, to determine which option applies to a given lot. See Exhibit C, incorporated herein by reference, for an illustration of the solar setback effects for lots complying with the different solar design options. The requirements for each of the six options are described below.

1. Option A, A1, and B: The solar setback shall be three feet (3') for every one foot (1') of shade point height over eight feet (8') measured at the northern lot line. In addition, the roof ridgeline of any dwelling located on an Option A1 lot shall be oriented within 30 degrees of a true east-west axis.

2. Option C: The solar setback shall be one foot (1') for every three feet (3') of height measured from the protected solar building line of the lot to its north. Solar building lines are shown on Exhibit A, incorporated herein by reference.

3. Option D and D1: The solar setback shall be three feet (3') for every one foot (1') of shade point height over eight feet (8') measured at the northern lot line. In addition, the roof ridgeline of any dwelling shall be oriented within 30 degrees of a true east-west axis.

4. Option E: Only manufactured homes are allowed on these lots. The long axis for the manufactured homes must be oriented within 30 degrees of true east-west.

5. Option F: The solar setback shall be three feet (3') for every one foot (1') of shade point height over fourteen feet (14') measured at the northern lot line.

C. Exempt Trees. The following trees are exempt from any solar setback requirements.

1. Pre-Existing Trees: Pre-existing non-solar friendly trees listed on Exhibit D, tree map, incorporated herein by reference, are exempt from all solar setback requirements.

2. **Solar Friendly Trees:** All solar friendly trees, whether pre-existing or planted at any time in the future, are exempt from all solar setback requirements. A list of solar friendly trees is available from the City.

D. **Multi-family Buildings.** All multi-family buildings to be erected on lots designated as solar lots by the Declarant in order to obtain a density bonus under City of Nampa solar access regulations shall have a minimum of twenty five percent (25%) of their total wall area facing within thirty degrees (30°) of south and a minimum of eighty percent (80%) of the south facing wall area shall be outside of the shadow pattern of other buildings. Exhibit B, incorporated herein by reference, lists respective lots designated and approved for multi-family buildings under these provisions.

ARTICLE III
SOLAR ACCESS RIGHTS, DUTIES
AND RESPONSIBILITIES

A. **Solar Access Rights.** The owner(s) of any lot within Crestwood Estates Subdivision No. 1 shall have a right to solar access in accordance with the solar setback restrictions place on neighboring lots as identified in Exhibits A and B.

B. **Solar Access Duties.** The owner(s) of any lot within Crestwood Estates Subdivision No. 1 shall not build, install, or otherwise allow a structure or non-solar friendly tree on that lot to cast more shade at their northern lot line than permitted under the above solar access covenants, restrictions and conditions.

C. **Enforcement and Non-Waiver.** Any lot owner, homeowner association, or the City, whether or not directly affected, shall have the right to enforce, by any proceeding at law or in equity, any violation or threatened violation of a provision of this Declaration. The failure of any person to enforce any covenant or restriction herein contained shall not be deemed a waiver of the rights of any other person. Waiver of one breach does not constitute waiver of any other breach. There can be no waiver of the right to solar access created by this Declaration.

Planning officials of the City of Nampa will exercise reasonable care to verify that a structure for which a building or other permit is required will not violate the duties and rights created by this Declaration, based on an application for a building or other city-issued permit for a lot in the subdivision. The city may presume information in an application is correct. It is the intent of the City that the private property owners take primary responsibility for enforcing the provisions of this covenant which relate to: 1) structures which do not require a building permit from the City, and 2) trees.

ARTICLE IV
MISCELLANEOUS

A. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions, which shall remain in full force and effect.

C. Duration and Applicability to Successors. The covenants, conditions, and restrictions set forth in this Declaration shall be in effect perpetually, shall run with the land and shall inure to the benefit of and be binding upon the Declarant and all lot owners in the subdivision and their successors in interest.

D. Amendment. This Declaration may be amended by the action of the owners of a majority of the lots in the subdivision affected by such amendment and the amendment is approved by the City of Nampa before it becomes effective.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed this 4th day of April, 2001.

Crestwood Development, LLC


Barry Teppola, Manager

Declarant

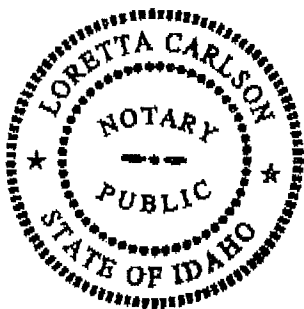
ACKNOWLEDGMENT

STATE OF IDAHO)
) ss
County of Canyon)

On this 4 day of April, in the year of 2001, before me
Loretta Carlson, personally appeared Barry Teppola, Manager of Crestwood
Development, LLC, known or identified to me, to be the person whose name is subscribed to the
within instrument, and acknowledged to me that he executed the same for and in behalf of said
Corporation.

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

(SEAL)



Loretta Carlson
Notary Public for Idaho
Residing at Boise, Idaho
My Commission expires: 10-02-2002

"EXHIBIT B"

SUMMARY OF SOLAR ACCESS CHARACTERISTICS OF LOTS
CRESTWOOD ESTATES SUBDIVISION NO. 1

(See below explanations)

Block #	Lot #	N-S Lot Dimension	Shade Allowed At N. Lot Line	Opt. A		Opt. B		Opt. C		Opt. D		Opt. E		Opt. F		Pre-Existing Exempt Bldg. Trees	Multi-Family Density Bonus
				Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot		
3	3	200.00'	8'	X											X	None	N/A
3	4	95.00'	14'												X	"	"
3	5	95.00'	14'												X	"	"
3	6	222.00'	14'												X	"	"
3	7	160.00'	8'		X											"	"
3	9	156.00'	8'		X											"	"
3	10	156.00'	8'		X											"	"
3	11	156.00'	8'		X											"	"
3	12	156.00'	8'		X											"	"
3	13	156.00'	8'		X											"	"
3	14	156.00'	8'		X											"	"
3	15	109.00'	8'		X											"	"
3	16	109.00'	8'		X											"	"
3	17	109.00'	8'		X											"	"
3	18	80.00'	14'		X											"	"
3	19	85.00'	14'													"	"
3	20	100.00'	14'												X	"	"
3	21	98.00'	14'												X	"	"
3	22	176.00'	8'		X										X	"	"
3	23	176.00'	8'		X										X	"	"
3	24	176.00'	8'		X										X	"	"
3	25	176.00'	8'		X										X	"	"
3	26	176.00'	8'		X											"	"
3	27	90.00'	14'													"	"
3	28	80.00'	14'												X	"	"
3	29	62.00'	14'												X	"	"
3	30	62.00'	14'												X	"	"
3	31	68.00'	14'												X	"	"
3	32	72.00'	14'												X	"	"
3	33	68.00'	14'												X	"	"
3	34	72.00'	14'												X	"	"
3	35	68.00'	14'												X	"	"

"EXHIBIT B" continued...

**SUMMARY OF SOLAR ACCESS CHARACTERISTICS OF LOTS
CRESTWOOD ESTATES SUBDIVISION NO. 1**

(See below explanations)

Block #	Lot #	N-S Lot Dimension	Shade Allowed At N. Lot Line	Opt. A		Opt. B		Opt. C		Opt. D		Opt. D1		Opt. E		Opt. F		Pre-Existing Exempt Trees	Multi-Family Density Bonus
				Lot	Line	Lot	Line	Lot	Line	Lot	Line	Lot	Line	Lot	Line	Lot	Line		
3	36	72.94'	14'														X	None	N/A
3	37	70.00'	14'														X	"	"
3	38	75.00'	14'														X	"	"
3	39	102.00'	14'														X	"	"
3	40	100.00'	14'														X	"	"
3	41	100.00'	14'														X	"	"
3	42	100.00'	14'														X	"	"
3	43	102.00'	14'														X	"	"
3	44	110.00'	8'														X	"	"
3	45	115.00'	8'														X	"	"
3	46	108.50'	8'														X	"	"
3	47	108.50'	8'														X	"	"
3	48	108.50'	8'														X	"	"
3	49	108.50'	8'														X	"	"
4	1	100.00'	8'														X	"	"
4	2	100.00'	8'														X	"	"
4	3	100.00'	8'														X	"	"
4	4	100.00'	8'														X	"	"
4	5	100.00'	8'														X	"	"
4	6	100.00'	8'														X	"	"
4	7	100.00'	8'														X	"	"
4	8	100.00'	8'														X	"	"
4	9	156.00'	8'														X	"	"
4	10	156.00'	8'														X	"	"
4	11	156.00'	8'														X	"	"
4	12	156.00'	8'														X	"	"
4	13	156.00'	8'														X	"	"
4	14	156.00'	8'														X	"	"
4	15	156.00'	8'														X	"	"

"EXHIBIT B" continued...

**SUMMARY OF SOLAR ACCESS CHARACTERISTICS OF LOTS
CRESTWOOD ESTATES SUBDIVISION NO. 1**

(See below explanations)

Block #	Lot #	N-S Lot Dimension	Shade Allowed At N. Lot Line	Opt. A		Opt. B		Opt. C		Opt. D		Opt. E		Opt. F		Pre-Existing Exempt Bldg. Trees	Multi-Family Density Bonus
				Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot	Lot		
4	16	156.00'	8'	X												None	N/A
5	1	100.00'	8'	X												"	"
5	2	100.00'	8'	X												"	"
5	3	100.00'	8'	X												"	"
5	4	100.00'	8'	X												"	"
5	5	100.00'	8'	X												"	"
5	6	100.00'	8'	X												"	"
5	7	100.00'	8'	X												"	"
5	8	100.00'	8'	X												"	"
5	9	100.00'	8'	X												"	"
5	10	100.00'	8'	X												"	"
5	11	100.00'	8'	X												"	"
5	12	100.00'	8'	X												"	"
5	13	100.00'	8'	X												"	"
5	14	100.00'	8'	X												"	"
5	29	156.00'	8'	X												"	"
5	30	156.00'	8'	X												"	"
5	31	156.00'	8'	X												"	"
5	32	156.00'	8'	X												"	"
5	33	156.00'	8'	X												"	"
5	34	163.00'	8'	X												"	"
5	35	175.00'	8'	X												"	"
5	36	170.00'	8'	X												"	"
6	2	150.00'	8'	X												"	"
6	3	156.00'	8'	X												"	"
6	4	156.00'	8'	X												"	"
6	5	156.00'	8'	X												"	"
6	6	156.00'	8'	X												"	"

"EXHIBIT B" continued...

**SUMMARY OF SOLAR ACCESS CHARACTERISTICS OF LOTS
CRESTWOOD ESTATES SUBDIVISION NO. 1**

(See below explanations)

Block #	Lot #	N-S Lot Dimension	Shade Allowed At N. Lot Line	Opt. A Lot	Opt. B Lot	Opt. C Lot	Opt. D Lot	Opt. E Lot	Opt. F Lot	Pre-Existing Exempt Trees	Multi-Family Bldg. Density Bonus
8	2	160.00'	8'	X						None	N/A
8	3	160.00'	8'	X						"	"
8	4	155.00'	8'	X						"	"

SUMMARY INFORMATION ON SOLAR ACCESS - Total Number of Lots: 92

No. of Lots Meeting Solar Design Standards A-E: 68
Percent of Lots Meeting Solar Design Standards A-E: 74%

Design Standard Number of Lots General Description of Standard

- Option A: 68 (Platted with a North-South lot dimension of 100' or more and front lot line oriented within 30° of East-West)
- Option A1: (Platted with a North-South lot dimension of 100' or more and roof ridge line to be oriented within 30° of East-West)
- Option B: (North-South lot depth 80'-99', 8' maximum shade allowed at the northern lot line)
- Option C: (Solar building line oriented within 30° of East-West, 48' minimum to midpoint of the North-South lot dimension)
- Option D: (North-South lot width 80'-99', 8' maximum shade at northern lot line, roof ridge line to be oriented within 30° of East-West)
- Option D1: (North-South lot width, lot restricted to single story construction, 8' maximum shade allowed at northern lot line)
- Option E: (Manufactured home or like manufactured site built home lot, long axis or roof ridge line to be oriented within 30° of East-West)
- Option F: 24 (Non-solar lots, 14' maximum shade allowed at northern lot line)

"EXHIBIT C"

Illustration of Solar Setback for Options A, B, D, and D1

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CANYON CNTY RECORDER

BY *C. McLaughlin*
Sp.

REQUEST *Hubble Engineers*
TYPE *Misc* FEE *36.00*

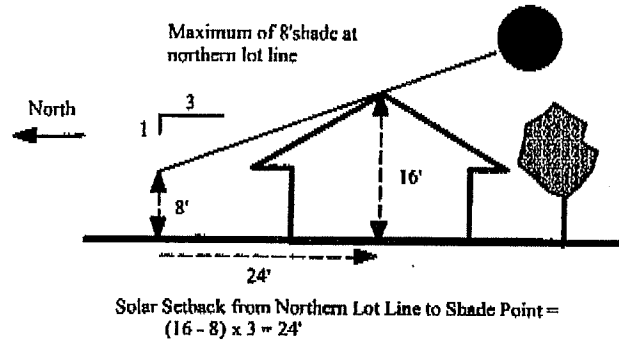


Illustration of Solar Setback for Option F

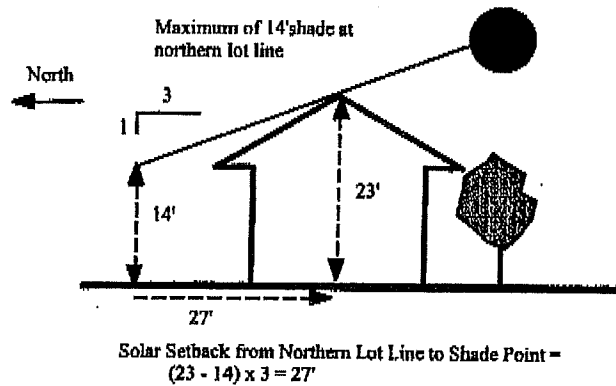
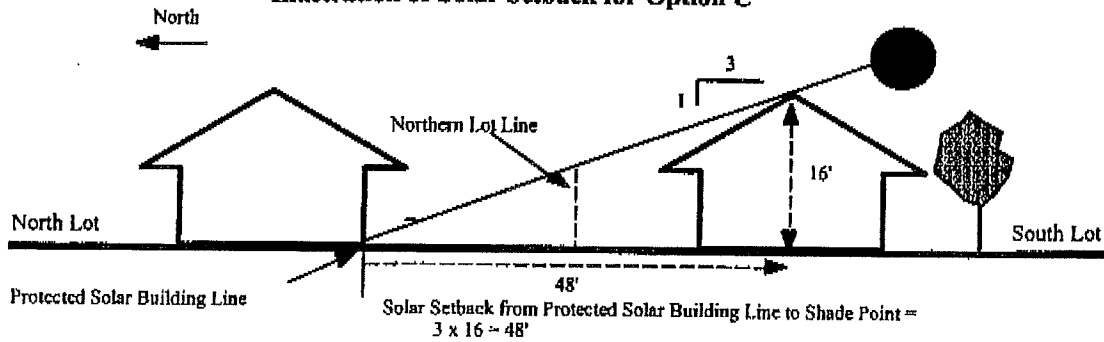


Illustration of Solar Setback for Option C



200142423

RECORDED

2001 OCT 15 PM 3 22

NOEL JAMES
CANYON COUNTY RECORDER

Frankie James

REQUEST *Crestwood Develop*
TYPE *Map* FEE *159.00*

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CRESTWOOD ESTATES SUBDIVISION NO. 1

[NOTE: This Amended and Restated Declaration hereby amends, restates and completely replaces those original Covenants, Conditions and Restrictions recorded in Canyon County the 16th day of July, 2001, as Instrument # 200128059.]

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CRESTWOOD ESTATES SUBDIVISION NO. 1 is made effective as of the 15th day of October, 2001, by Crestwood Development LLC, (hereinafter "Grantor" or "Declarant") whose address is 701 S. Allen St., Suite 103, Meridian, Idaho, 83642.

ARTICLE 1: RECITALS

1.1 Property Covered. The Property subject to this Amended and Restated Declaration of Covenants, Conditions and Restrictions (hereinafter referred to as "Declaration" or "CC&R's") is that property in Canyon County, State of Idaho, which is contained in Crestwood Estates Subdivision No. 1, and which is legally described on Exhibit A attached hereto, together with any additions or annexations as may hereinafter be brought within the jurisdiction of these CC&R's and the Crestwood Neighborhood Association, Inc.

1.1.1 "Common Area" Lots. The "Common Area" Lots contained in this Subdivision are set out in Paragraph 3.8 and discussed in further detail in Paragraph 4.31 below.

1.1.2 Annexation of Additional Properties or Additional Subdivisions into these CC&R's. Additional phases of Crestwood Estates Subdivision (for example Crestwood Estates Subdivision No. 2) are contemplated to be annexed into these CC&R's. In the event that any other properties are annexed into these CC&R's then those properties shall also be subject to these CC&R's except as modified by the recorded Declaration of Annexation. All annexed property will be under the jurisdiction of the Association as set out below. These CC&R's and any Declarations of Annexation shall be construed together as if all had been done at the same time. Each annexed property may have different covenants and building restrictions and different Common Areas particular to that annexed property. However, all Common Areas here and in annexed properties shall be for the benefit of all Owners in this subdivision and in the annexed properties. Crestwood Neighborhood Association, Inc. shall own, operate and manage all Common Areas in this subdivision and all annexed properties as if all were in one subdivision. In the event that any other properties are annexed, this Declaration shall be referred to as the "Master" Declaration.

1.2 Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions and equitable servitudes that will apply to the development and use of the Property. This Declaration is designed to preserve the Property's value, desirability and attractiveness, and to guarantee adequate maintenance of the Common Area, and any Improvements located thereon.

ARTICLE 2: DECLARATION

2.1 Grantor Declaration; Owner Agreement by Accepting Deed. Grantor declares that all the Property described on Exhibit A shall be held, sold, transferred, encumbered, leased, used, occupied and improved subject to these CC&R's. Each Owner by accepting a deed to any of the property, and each occupant or tenant, by occupying or renting any part of the premises specifically agrees to be bound by these CC&R's.

2.2 Runs With The Land. These CC&R's shall run with the land described on Exhibit A and shall be binding upon all persons with any right, title or interest in the land. They are for the benefit of all the property and bind all successors, assigns, heirs and transferees.

2.3 **Enforcement.** These CC&R's may be enforced by Grantor, any Class A Lot Owner or by the Association.

2.4 **Grantor's Rights; Model Homes and Sales Office.** Notwithstanding the foregoing or any provision contained herein, no provision of this Declaration shall be construed as to prevent or limit Grantor's right to complete development of the Property and to construct improvements thereon. Grantor may maintain model homes, construction, sales or leasing offices, or temporary parking areas or similar facilities on any Lot or portion of the Property, including the Common Area or any public right-of-way. Grantor may also post signs incidental to construction, sales or leasing.

2.5 **Commercial Development to the East.** The property to the east of this subdivision and east of Lots 27 through 38, Block 3 Crestwood Estates Subdivision is zoned for commercial development and the Lot Owners are hereby advised accordingly.

2.6 **Special Provisions Regarding Lot 2, Block 3.** Lot 2, Block 3 is a unique Lot. At the time this Declaration is recorded, the exact boundary lines of this Lot are disputed by a neighboring property owner. Declarant will maintain title to this Lot until some future time and may, at the sole discretion of the Declarant, transfer title to this Lot to the Association; to any other entity; or may distribute the adjacent portions of Lot 2, block 3 to each of the adjacent Lot Owners of Lots 27 through 38, Block 3. In the event that this Lot is transferred to the Association, then this Lot shall be a Common Area Lot to be owned, managed and maintained by the Association. In the event that this Lot is transferred to another entity or to the neighboring property owner, then the Owners of the Lots 27 through 38, Block 3 are advised that there may not be a Common Area Lot behind them.

ARTICLE 3: DEFINITIONS

3.1 "**Articles**" shall mean the Articles of Incorporation of the Association or other organizational or charter documents of the Association.

3.2 "**Architectural Control Guidelines**" shall mean those Guidelines published from time to time by the Board (the Architectural Control Committee) defining and setting out certain building, design and architectural requirements and restrictions for this Subdivision. These Guidelines are on file with the Board of Directors of Crestwood Neighborhood Association and are incorporated herein as part of these

Covenants, Conditions and Restrictions as if set out in full.

3.3 "**Assessments**" shall mean those payments required of Class A Owners and Association Members (excluding Declarant) and include but are not limited to all Assessments (whether regular, irrigation, start-up, special or limited), late charges, attorneys' fees, interest, and other charges set out in these CC&R's.

3.4 "**Association**" shall mean Crestwood Neighborhood Association, Inc., a nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

3.5 "**Board**" shall mean the Board of Directors of Crestwood Neighborhood Association, Inc. or other governing board or individual, if applicable, of the Association and includes its authorized agents and representatives. The Board shall also be the Architectural Control Committee and may designate and appoint any persons or entities to act and perform the duties of the Architectural Control Committee.

3.6 "**Building Lot**" (or shall mean one or more Lots as specified or shown on any Plat upon which Improvements may be constructed. The term "Building Lot" shall not include any Common Area, any area dedicated to the public, or any Lots deeded to an irrigation entity for an irrigation pump facility.

3.7 "**By-laws**" shall mean the By-laws of the Association (a copy of which is attached hereto as Exhibit B).

3.8 "**Common Area**" shall mean all Lots in this Subdivision that are designated herein or on the Plat as common open space, a Common Area or a common landscaped area, including but not limited to the following parcels which Declarant shall deed to, and shall be managed and maintained by, the Crestwood Neighborhood Association:

Lot 1	Block 1	Street Island Landscaping
Lot 1	Block 2	Street Island Landscaping
Lot 1	Block 3	Street Buffer Landscaping Berm and Common Fence
Lot 8	Block 3	Street Buffer Landscaping Blanket Drainage and Utility Easement to City of Nampa
Lot 44	Block 3	Multi-Use Open Space and Landscape Area Swale and Water Retention Area Drainage Easements to City of Nampa
Lot 1	Block 6	Street Buffer Landscaping
Lot 1	Block 7	Open Space and Landscaping

		Subsurface Drainage Trench
		20 X 80 Drainage Easement to City of Nampa
		10 Foot Wide Pressurized Irrigation Easement
		20 Foot Wide Pioneer Irr. District Easement
Lot 1	Block 8	Street Buffer Landscaping
		Easements to Nampa and Pioneer Irr. District
		10 Foot Wide Irrigation Easement
		13 Foot Wide Pioneer Irr. District Easement

The Association shall own, manage, maintain and operate these Common Area Lots and any other commonly maintained areas as provided in this Declaration.

3.9 "Declaration" shall mean this Declaration as it may be amended from time to time.

3.10 "Grantor" shall mean Crestwood Development, LLC and any successor in interest, or any person or entity to whom the rights under this Declaration are expressly transferred by Grantor or its successor. Grantor may also be referred to as the "Declarant".

3.11 "Improvement" shall mean any improvement or object, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Property, including but not limited to buildings, fences, driveways, landscaping, signs, lights, mail boxes, recreational facilities, and fixtures of any kind.

3.12 "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Building Lot, directly attributable to the Owner, equal to the cost (plus a management fee equal to 10% of the cost) incurred by the Grantor or the Association for corrective action performed pursuant to the provisions of this Declaration. (See Article 9 below.)

3.13 "Member" shall mean each person or entity holding a membership in the Association. Members must be either a Class A Lot Owner or Grantor.

3.14 "Owner" shall mean the person or other legal entity, including Grantor, holding fee simple interest of record to a Building Lot which is a part of the Property, but excludes those having an interest merely as security for the performance of an obligation. A "Class A" Owner shall be any Owner of a Building Lot other than Grantor.

3.15 "Person" shall mean any individual, partnership, corporation or other legal entity.

3.16 "Plat" shall mean any subdivision plat covering any portion of the

Property as recorded at the office of the County Recorder.

3.17 "Property" shall mean all of the Property described in Exhibit A including each Lot or portion thereof, together with all water rights associated with or appurtenant to such property. This subdivision may also be referred to herein by name or as the Property or just Subdivision.

3.18 "Regular Assessment" shall mean the regular assessments assessed against all Class A Owners to defray the cost of maintaining, improving, repairing, managing and operating the Common Areas and all Improvements located thereon, and the other costs and expenses of the Association.

3.19 "Start-up Assessment" shall mean that initial fee payable to the Declarant to start-up the Association and for other activities. This one time start-up fee is assessed against the buyer of each Lot upon the first purchase of each Lot. It is paid only one time.

3.20 "Special Assessment" shall mean the portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments.

3.21 "Transfer Special Assessment" shall mean that transfer fee assessed against each Lot transferred, to be paid to the Association on each transfer of legal title and recording of a deed to a Lot in this subdivision.

ARTICLE 4: GENERAL AND SPECIFIC RESTRICTIONS

4.1 Prior Plan Approval; Architectural Control Guidelines. No Improvement of any kind shall be placed or permitted to remain upon any part of the property unless a written request for approval has been approved by the Board of Directors of Crestwood Neighborhood Association (the Architectural Control committee) or a person designated by the Board to approve same. (See Article 6 below.) The written request to the Board shall contain the plans, specifications, landscaping plan, and exterior color scheme. The approval of the Board will not be unreasonably withheld if the plans and specifications comply with:

- A) these CC&R's,
- B) the Architectural Control Guidelines published by, and on file with, the Board,
- C) all government ordinances, and
- D) the general harmony of the existing structures and improvements located in this Subdivision.

4.1.1 Architectural Control Guidelines. The Architectural Control Guidelines provide additional covenants, conditions and restrictions for all buildings, improvements, colors, landscaping, and other matters of interest for this Subdivision. Such Guidelines shall be published by the Board from time to time as the Board determines is in the interests of the general harmony and aesthetics for the entire subdivision. These Architectural Control Guidelines are on file with the Board and any interested party may obtain copies thereof upon request. These Architectural Control Guidelines are incorporated herein as if set out in full.

4.2 Government Rules. In the event any of these CC&R's are less restrictive than any governmental rules, regulations or ordinances, then the more restrictive governmental rule, regulation or ordinance shall apply.

4.3. Use and Size of Dwellings. All Building Lots shall be used exclusively for one or two-story single-family homes, and shall be at least 900 square feet in size (excluding eaves, steps, open porches, car ports, garages and patios in the computation of square footage).

4.4 Basements. Basements are prohibited in this subdivision.

4.5 Accessory Structures; Storage Sheds; Patio Covers; Outbuildings. There shall be no metal or wood storage attachments to any home except as approved by the Board.

Storage sheds attached to the residential structure shall be constructed and roofed with the same materials as the residential structure and shall be a similar color.

Patio covers shall be constructed and roofed with the same materials as the residential structure and shall be a similar color. Provided, however, that the Board may approve a different design, color and materials if aesthetically compatible with the residential structure. (A patio cover is not to be considered as an outbuilding.)

Outbuildings shall be limited to one per Lot, and shall be constructed of quality materials, be finished or painted in the same general color as the residential structure and be first approved by the Board.

4.6 Setbacks. All setbacks shall comply with the pertinent local government ordinances.

4.7 Garages. All residential homes shall have an attached enclosed

garage which holds no less than two cars and shall be constructed of the same materials and colors as the main building or as approved by the Board. Garages shall not to be used as living quarters nor to be used primarily as storage. Garages are primarily for the parking of vehicles. In no case shall a garage be used for storage leaving no room therein for the parking of vehicles.

4.8 Exterior: Appearance; Colors. The exterior materials and colors of each building and the appearance of the building shall comply with the Architectural Control Guidelines published by and on file with the Board of Directors of Crestwood Neighborhood Association.

Approval of all exterior colors must be obtained from the Board, and any future changes to colors or exterior must be first approved by the Board.

4.9 Solar Covenants. All structures and landscaping shall comply with all Nampa City ordinances governing solar access and that "Declaration of Solar Covenants" recorded the 5th day of April, 2001 with the Canyon County Recorder as Instrument 200112610. These recorded Solar Covenants are incorporated herein by reference as if set out in full. In the event that the City of Nampa abolishes or amends the Solar Covenant requirements, then the Solar Covenants for this subdivision shall be abolished or amended accordingly.

4.10 Driveways. All Lots shall have a concrete driveway and a minimum of two concrete car parking spaces within the boundaries of each Lot. No driveway or parking area shall be asphalt, dirt, rock or gravel.

4.11 Roofs. Roofs must be of at least 5 in 12 pitch. No gravel roofs are allowed. Roofing materials and colors shall be in compliance with the Architectural Control Guidelines published by, and on file with, the Board.

4.12 Business Activity. No building in this Subdivision may be used for any commercial business purposes, manufacturing operations or as a retail business. A "Home Office" business shall be allowed if permitted under the applicable City Ordinances. Any Home Offices, however, shall be subject to the following restrictions:

A) no signs of any kind shall be allowed on the premises advertising the business,

B) no commercial vehicles shall be parked in the street,

- C) no more than two "customers" or "clients" visit the Home Office business at any one time and they park in the driveway and not in the street,
- D) no unsafe or unsightly conditions shall be allowed to exist on the premises.

4.13 Landscaping. Landscaping shall comply with the Architectural Control Guidelines published by, and on file with the Board. Berms and sculptured planting areas are strongly encouraged. Landscaping of the front yard shall be completed within thirty (30) days after occupancy of the home (weather permitting) and such landscaping shall be the responsibility of each respective Owner of the Lot. Landscaping, at a minimum, shall include:

- A) sod or hydro-seeding in the front yard;
- B) at least two (2) trees of one inch (1") caliper; ("Caliper" is the diameter of the tree trunk measured 6 inches above the root ball);
- C) five (5) one gallon shrubs in the front yard.

The "front yard" shall be defined as that portion of the Building Lot from one side Lot line to the opposite side Lot line lying in front of the front exposure of the house. For Building Lots on corners, the "front yard" shall also include all of the side yard next to the side street from the front Lot line to the rear Lot line.

The back yard of each home shall be landscaped (at a minimum grass shall be planted, hydro-seeded or sodded) within one year of occupancy.

4.14 Fences.

4.14.1 Subdivision Perimeter Fences. Grantor may construct a perimeter fence around portions of the exterior of this subdivision property. After Grantor has transferred title to any Lot which contains a portion of this perimeter fence it shall be the responsibility thereafter of the Owner of that Lot to maintain, repair and/or replace as needed that portion of the perimeter fence on that Owner's Lot (except as set out below). The maintenance, repairs and/or replacement shall be performed so as to keep the perimeter fencing uniform, attractive and harmonious.

4.14.2 Fences to be Owned and Maintained by Association. The Association shall own and maintain the following fences: (A) the perimeter fences along Highway 55 (Karcher Road); (B) any fence constructed in the Common Area

on the west side of Lot 3, Block 3, or in Lot 8, Block 3 (if this fence was constructed by Declarant); (C) any fence constructed by Declarant on Lot 44, Block 3. The Association may, in its sole discretion, maintain some or all of any other fencing in this subdivision as a Common Area expense.

4.14.3 Other Owner Fences. For any Lots adjacent to any open or exposed portions of the Elijah Drain, a 6 foot high chain link fence shall be installed and maintained by the Lot Owner. Other Owner fences are not required. If a fence is desired, such fence shall comply with the Architectural Control Guidelines and plans for it shall be approved by the Board prior to construction.

4.14.4 Distance From Street. No fence shall be constructed on any Lot (including corner Lots) closer to the front Lot line than two (2) feet behind the front edge of the dwelling. For corner Lots, the fence along the side street shall be at least fifteen (15) feet from the back of the sidewalk. (The back of the sidewalk is the side away from the street.)

4.14.5 Chain link fences. A 6' chain link fence is required to be installed and maintained on all Lot lines adjacent to Elijah Drain. No other chain link fences are allowed.

4.15 Construction. No pre-existing, mobile home or prefabricated home shall be moved onto any Lot. All homes in this Subdivision must be constructed on the Lot. Once construction has begun, completion of each building or other improvement shall be diligently pursued and completed within 12 months.

4.16 Antennae. For general aesthetic reasons and the benefit of the entire subdivision, antennae or satellite dishes are to be located, where practical, to the rear of the structure and reasonably screened from view of other front and side Lot Owners. The installation plan and the location shall be first reviewed by the Board.

4.17 No Further Subdivision. No Building Lot may be split or subdivided without the prior written approval of the Board.

4.18 Nuisances. No rubbish, grass clippings or other debris of any kind shall be placed on, dumped on, or allowed to accumulate anywhere on the Property, including Common Areas or vacant Building Lots. No unsanitary, unsightly, or offensive conditions shall be permitted to exist on any part of the

Property. Noise or other nuisances in violation of local ordinances are prohibited. No Owner shall permit any noise, party or other activity in the Common Area which unreasonably interfere with the peace and quiet of the other Owners or occupants.

4.18.1 Disabled, Dilapidated or Stored Vehicles. Any disabled vehicles, vehicles not used on a regular basis, or dilapidated vehicles located upon any portion of the property or a Lot are a nuisance and absolutely prohibited unless they are fully enclosed in a Board approved structure. Such vehicles may be removed by the Board as a corrective action as provided in Article 9 below.

4.19 Exterior Maintenance; Owner's Obligations. All Improvements, especially the exterior appearance of the home, lawn, trees, fencing and landscaping shall be kept in good condition and repair. In the event an Owner permits an Improvement to fall into disrepair, or to create a dangerous, unsafe, hazardous, unsightly or unattractive condition, then the Board or Grantor, after thirty (30) days prior written notice to the offending Owner, shall have the right to enter upon that Owner's property to correct such condition. Owner shall be obligated to reimburse the Board or Grantor for all of the costs of the corrective action as set out in Article 8 and 9 below.

4.20 Unsightly Articles. No unsightly articles or materials, junk, car bodies, disabled vehicles, or any other unsightly property shall be permitted to remain on any Lot so as to be visible from any other Owner's property. Trash is to be kept in containers and areas approved by the Board. Clothing or fabrics are not to be hung or aired in such a way as to be visible to other property. No equipment, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, building materials or scrap shall be kept, stored or allowed to accumulate on any property except within an enclosed structure. Vacant residential structures shall not be used for storage. The Board may remedy any violations as a corrective action under Article 9 below.

4.21 No Temporary Structures. No house trailer, mobile home, tent, shack or other temporary building, improvement or structure shall be placed upon any portion of the Property or on any streets. Temporary construction structures are permitted only during the time of construction.

4.22 No Unscreened Boats, Campers and Other Vehicles. No operational boats, trailers, campers, all-terrain vehicles, motorcycles, recreational vehicles,

motor homes, bicycles, or similar equipment shall be placed upon any portion of the Property (including, without limitation, streets, parking areas and driveways) unless enclosed by a concealing structure or other screening as approved by the Board. Notwithstanding anything contained herein, an operational boat, camper, trailer or motor home may be parked in a driveway or in the street in front of the Owners Lot (if permitted by local ordinances) for a temporary time not to exceed three consecutive days.

4.23 Animals/Pets. No farm animals, animals creating a nuisance, or animals in violation of governmental ordinances shall be kept on any Property. Chronic dog barking shall be considered a nuisance. No more than two domestic cats and no more than two domestic dogs shall be allowed to inhabit any one Lot. All dogs outside the home or outside the Lot fence must be leashed. Pets shall not be allowed in the Common Areas unless leashed. Any kennel or dog run must be screened, placed inside the Lot fences, and approved by the Board.

4.24 Signs. No sign shall be displayed to public view without the approval of the Board except: (A) signs used by Grantor in connection with the development and sale of the Property; (B) signs identifying the development; (C) informational signs by the Board displayed on Common Areas; (D) one sign of less than 6 square feet displayed by an Owner (other than Grantor) on that Owner's property advertising the home for sale or lease; and (E) signs required by the governing authorities. No signs other than Grantor's shall be placed in the Common Area without the written approval of the Board.

4.25 Additional Easements. In addition to the easements shown on the recorded plat, an easement is further reserved and each Lot shall be subject to an easement five (5) feet on each side of all other Lot lines for installation and maintenance of irrigation and drainage.

4.26 Exemption of Grantor. Nothing contained in these CC&R's shall limit the right of Grantor; to subdivide or re-subdivide any portion of the Property owned by Grantor; to grant easements, licenses, or to reserve rights-of-way with respect to Common Areas; to complete excavation, grading and construction of any portion of the Common Areas, or Property owned by Grantor; to alter construction plans and designs; to construct additional Improvements; to erect, construct and maintain structures and displays as necessary for the conduct of Grantor's business. Prior to transferring title to a Building Lot Grantor shall have the right to

grant, establish and/or reserve on that Building Lot additional licenses, reservations and rights-of-way to Grantor, to utility companies, or to others. Grantor may use any structures owned by Grantor on the Property as model home complexes or real estate sales or leasing offices. The rights of Grantor may be assigned by Grantor to any successor in interest by a written assignment recorded in the Office of the County Recorder.

4.27 Water.

4.27.1 Water Rights. Each party accepting and recording a deed to any property in this Subdivision or occupying any property in this Subdivision acknowledges and understands and agrees to the following: a) that such property is in an irrigation district, (hereinafter "District"); b) that the water in District has not been transferred from this property; c) that each Owner of any Lot is subject to all assessments levied by District, the City of Nampa, or other water supplier and/or the Association; d) that each Lot Owner shall be responsible to pay any levies attributable to that Lot by District, the City of Nampa, or other water supplier and/or the Association; e) that water assessments are a lien upon the Lot. Each Owner or occupant of any Lot specifically releases and waives any and all claims of any kind against Declarant, its agents, employees, officers, members and directors relating to irrigation water, or the lack of it, or the quantity or quality of it, in this subdivision.

4.27.2 Irrigation District Agreements. The Lots in this Subdivision shall be subject to any existing or future recorded agreements or license agreements with the City of Nampa, Pioneer Irrigation District and/or any other Irrigation District regarding this Subdivision, irrigation easements, irrigation water, or other related matters.

4.27.3 Pressurized Irrigation System. Irrigation water, when seasonally available, will be supplied through the City of Nampa via a pressurized urban irrigation system (PUIS). Each individual Lot will have a control valve on the pressurized irrigation system to allow irrigation water onto that individual Lot. The PUIS shall be owned, maintained and operated by the City of Nampa with all operation and maintenance costs billed to Lot Owners. Each Lot Owner shall pay for the costs of maintenance and operation of the PUIS as billed by the City of Nampa.

Each Lot Owner shall be responsible for his own irrigation system on his own

Lot downstream from the control valve (e.g. filters, screens, sprinkler lines and sprinkler heads). Each Owner shall install a sufficient sand screen or similar filter set up to keep sand and other irrigation ditch debris out of the Owner's irrigation system. Each Owner shall clean and maintain their own screens and filter systems.

Any Owner damaging the main PUIS system shall be responsible for all of the costs of that damage.

4.27.4 Water Costs. All irrigation water costs (including water costs for all Common Area Lots) shall be paid by the Lot Owners either from individual assessments against each Lot by the City of Nampa or other water suppliers; or, if the water supplier provides one billing to the Association, then the water costs shall be paid as part of the Association's Assessments to Lot Owners. Each Lot Owner shall pay his or her share of all the commonly billed water costs regardless of actual water used. Each Lot Owner shall use all reasonable efforts to conserve and not waste irrigation water.

4.27.5 Water Unreliable. The area of the country where this subdivision is located is desert. Irrigation water is not always reliable and the water is not unlimited. Irrigation water may not be available due to drought, harsh weather conditions, government actions, system breakdowns, transmission failures, overuse by Lot Owners or any other causes. [As one example; In 1977, a drought year, some irrigation ditches ceased carrying any water in July of that year.]

4.27.6 Rotation. No Lot in this Subdivision shall have any right to, or assurance of, a continuous or unlimited supply of irrigation water from the PUIS. Nor is any Lot guaranteed enough water from the PUIS to irrigate all of the landscaping on the Lot. Each Lot shall be subject to, and each Lot Owner by accepting a deed to a Lot in this subdivisions agrees to be bound by and to comply with, any rules or regulations which may be established for the use and rotation of irrigation water between the Lots by the Association, the City of Nampa or by the Irrigation District. All Lot Owners and occupants shall follow said water rotation schedules and any rules promulgated relative to the use of irrigation water. Failure to adhere to the rotation schedule or rules may, following notice from the Board, the City or the District result in suspension of the right to use irrigation water.

4.27.7 No Liability For Lack of Water. Neither the City of Nampa, the Association, the District nor the Declarant (or any members, employees, agents, officers or directors thereof) shall have any liability OF ANY KIND to any Lot Owner,

tenant, Association, member of the Association or any others for any losses or damages relating in any respect to the irrigation system, or irrigation water, or the lack thereof, including but not limited to damages to, or loss of lawns, landscaping, trees, shrubs, gardens or the like caused by the lack of, or shortage of, irrigation water. Each Owner accepts the risk of loss or damage due to the unavailability, shortage or lack of irrigation water. Each Lot Owner, by accepting a deed to the property, and each tenant or occupant, by occupying the premises, specifically waives any and all claims of any kind against the Association, District and Declarant, their agents, employees, officers Directors, Members and/or shareholders for any loss or damage relating in any respect to the water, or the supply of water.

4.27.8 Extended Season Water. Extended season irrigation water (water which may be provided before or after the normal irrigation season or to supplement the irrigation water) may, if available or provided for, be provided to the subdivision by the City of Nampa and/or other water supplier. No Lot shall have any right to extended season water, and neither Declarant, District or the Association shall have any obligation to provide extended season or supplemental water. Any facilities needed by the City of Nampa, the water supplier, District or Association for this extended season water shall be considered to be part of the PUIS and shall be governed by this Declaration. All costs of extended season or supplemental water (if there is any such water) shall be included as a cost of operation of the PUIS and shall be assessed to the Lots in the subdivision as all other costs are assessed. Extended season water may, or may not, be provided to the subdivision.

4.27.9 Irrigation Water Not Drinkable.

WARNING!

IRRIGATION WATER IS NOT DRINKABLE

Notice is hereby given to each Owner in this subdivision that the water in the pressurized irrigation system is NOT fit for human consumption. It contains untreated ditch water, which may contain dirt, hazardous wastes, dangerous farm chemicals or disease-causing organisms. Drinking of the irrigation water may make a person sick, and while less likely, may result in death or permanent disability.

NEVER DRINK WATER FROM THE PRESSURIZED IRRIGATION SYSTEM

It is the duty of each Owner to:

A) educate all family members, guests, tenants and invitees that the water from the pressurized irrigation system is not drinkable;

B) ensure that ALL of the faucets and risers in the pressurized irrigation system are adequately marked, and if not marked to check with the local health department to determine what type of markings are required by that health department or agency;

C) not remove any existing tags or other warning markers from the pressure irrigation risers;

D) not install, or maintain the installation of, any cross connections between the pressurized irrigation system and the drinking water system unless the cross connection has been approved in writing by the Association AND the supplier of the irrigation water AND the supplier of the drinking water AND the cross connection backflow prevention device meets all relevant governmental and building code requirements.

No Liability for Quality of Water. Neither the City of Nampa, the Association, the District nor the Declarant (or any members, employees, agents, officers, shareholders or directors thereof) shall have any liability OF ANY KIND to any Lot Owner, tenant, Association, member of the Association or any others for any losses, damages, or personal injuries relating in any respect to the quality of the irrigation water, or the ingestion of, or contact with, the irrigation water. Each Owner, tenant and occupant accepts the risk of using the irrigation water and waives any and all claims relating thereto.

4.28 Lot Grading and Drainage Requirements. Each Lot Owner shall grade and maintain their individual Lot to prevent the runoff of storm water and irrigation water onto adjacent Owner's Lots. Each Lot Owner shall have the specific duty to prevent any water (whether storm or irrigation) on the Owner's Lot from getting to or draining onto any neighbor's adjoining Lot.

All Lots are to be graded at the time of building (and such grading shall be maintained thereafter) so that:

- A) drainage of storm and irrigation water is kept away from adjacent Lots;
 - B) the Lot will drain sufficiently away from the foundation with a proper slope;
- and,
- C) all drainage is in accordance with local building code requirements.

4.28.1 Special Lot Grading and Berm Drainage Requirements for Lots Along Highway 55/Karcher road. Lots 3, 4, 21, 22, 23, 24, 25, 26, and 27, Block 3 are all Lots that have a buffer berm between the Lots and Karcher Road. The Owners of each of these Lots shall install and maintain water retention and drainage trenches or similar facilities at the bottom of the berms to catch the storm/irrigation water flowing off of the berms such that the storm/irrigation water will not pond up or flow onto a neighbors Lot.

4.28.2 Special Landscape Drainage Maintenance Areas in Lots 3, 4, 21, 22, 23, 24, 25, 26, and 27, Block 3. In the rear yards of these named Lots there is a berm between the structures on these Lots and the adjoining Common Area Lot 1, Block 3. At the base of this berm on each of the Lots is a covered drainage trench and a buried drainage pipe installed for the purpose of capturing and draining water coming off of the berm or originating from any of the Lots. No Lot Owner may remove or interfere with any part of this drainage system. This drainage system shall be maintained only by the Association and the Association and its agents shall have such access over and across these Lots for the purpose of this maintenance.

4.29 Special Berm and Slope Restrictions and Easements. Lots 3, 4, 21, 22, 23, 24, 25, 26, and 27, Block 3 are subject to special restrictions and easements concerning the berm and slopes on these Lots. Each of these Lots is on the southern boundary of the Subdivision adjacent to Karcher Road. On the southern boundary of each of these Lots, Grantor will construct a berm and a Common Area fence to buffer these Lots from the road. A portion of this berm will be constructed on the adjacent Common Area Lot, and the remaining portion will be constructed on part or all of the southern 15 feet of each of the Lots described above.

That portion of the berm lying in the Common Areas shall be owned, operated and maintained by the Association. That part of the berm lying in any of the Lots described herein shall be owned and maintained by the individual Lot Owner. Near the top of this berm, at the Lot boundary lines, Declarant will construct the Common Area fence to be owned and maintained by the Association.

4.29.1 Maintaining the slope. Each Owner of a Lot described in this Paragraph shall be obligated to maintain the existence and integrity of the berm and the slope of the berm as originally constructed. No such Owner may remove the berm, or diminish the slope of the berm without the express written consent of the Board. Such consent may be conditional on the requesting Owner constructing a properly engineered retaining wall in lieu of the slope to maintain the integrity of the remaining portion of the berm and Common Area fence.

4.29.2 Easement; Liability for Repairs. The southern 15 feet of these Lots shall be subject to an easement for the maintenance of the berm and slope as set out herein. Such easement shall be for the Grantor, the Association or their agents and contractors. In the event any Owner interferes with the structural integrity of the berm by removing or altering the berm or the slope of the berm, Grantor, or the Association may make any repairs and/or replacements as are necessary to maintain the integrity of the berm and slope and take corrective action as set out in Article 9 below. The responsible Owner shall pay all of the costs of the corrective action and such costs shall be treated as a special assessment. The southern 20 feet of these Lots are also subject to utility easements as shown on the Plat.

4.30 Laws; Ordinances. These CC&R's are subject to all rules, regulations, laws and ordinances of all applicable governmental bodies. In the event a governmental rule, regulation, law or ordinance would render a part of these CC&R's unlawful, then in such event that portion shall be deemed to be amended to comply with the applicable rule, regulation, law or ordinance.

4.31 Common Areas; No Liability. The Common Areas of this Subdivision are set out in Paragraph 3.8 above. Each Lot Owner by accepting a deed to a Lot in this Subdivision and each occupant by occupying a Lot, and each user of the Common Areas by using the Common Areas, specifically agrees that the Declarant, its agents, officers, employees and shareholders shall have no liability of any kind whatsoever relating in any way to the use of the Common Areas including, but not limited to, any accidents or bodily injuries which result from the use of the Common Areas, and all claims relating thereto are specifically waived and released. Nor shall the Association, its officers, agents, or employees have any such liability. All Lot Owners, occupants and users of the Common Areas specifically assume the risk and waive any and all claims relating to the use of the Common Areas.

4.31.1 Association Landscape Areas; Water Retention Swale Areas; Maintenance; Nampa Easements. Common Area Lot 44, Block 3; and Lot 8, Block 3, are landscape areas to be owned and maintained by the Association and are, to the extent practical, for the use of all Lot Owners in the Association. These Common Area Lots are also subject to blanket storm water drainage easements in favor of the City of Nampa as set out below.

A) Nampa Storm Water and Drainage Easement; Sewer Easement. The City of Nampa is hereby granted a perpetual easement over and under these Common Area Lots for the installation, maintenance, repair and/or replacement of the sanitary sewer facilities. The City of Nampa is also hereby granted a perpetual blanket storm water, drainage, overflow, and drainage/retention easement over all of these Common Area Lots where such facilities are located. This easement shall be for access to the Common Area Lots, and to retain water (in the swale areas of Lot 44, Block 3), and construct, install, maintain and replace a storm water and drainage system on both Lots. The storm drain system also includes the street gutters, drop inlets, storm drainpipes and all related facilities.

B) Drainage Easement Area Restrictions. The Association shall maintain a grass lawn in the easement areas and shall keep the lawn mowed and the area free of trash and debris. No permanent buildings, fences, trees, or structures shall be placed in the floor of any water retention swale areas. Playground equipment and benches and the like may be placed in the water retention areas; provided, however, that if The City of Nampa has to remove or displace any of these items in the swale areas for any maintenance, neither the City of Nampa nor the Highway Department shall have any liability for such removal or displacement. Furthermore, the City shall have no responsibility to repair or replace any items that are disturbed in the easement areas. Landscaping, shrubs, grass and trees may be planted on the slopes of any water

retention swale area providing they do not interfere with the easements or interfere with the drainage/retention system.

C) **"Heavy" Maintenance of Drainage/Retention Area.** Heavy maintenance consists of periodically inspecting the retention and drainage facility to ensure it is functioning properly; cleaning out the facility piping and mucking out the facility when the sediment level exceeds the designed storage level. All other maintenance shall be referred to herein as "light" maintenance. The City of Nampa has opted to perform this "heavy" maintenance and shall be allowed to perform this maintenance work. In the event the City of Nampa shall decide not to do such "heavy" maintenance, then the Association shall do so.

D) **"Light" Maintenance.** The Association shall provide all "light" maintenance of the drainage/retention and easement areas as follows: 1) Inspection. Association shall inspect the drain system at least monthly. This inspection shall include checking the banks of the retention area for water spots and/or erosion. If found, Association shall have repaired by licensed earthwork contractor. Association shall also inspect the bottom of the retention areas and if clogged with sediment or organics to notify the City of Nampa so heavy maintenance can be performed; 2) Lawn and Landscape Maintenance. All grass areas and landscaping shall be watered and fertilized, mowed weekly, and aerated periodically to keep healthy and to help drainage; 3) Irrigation. Irrigation shall be applied that will keep the landscaping healthy, but not too heavy to interfere with the operation of the retention and drainage purposes. Over-watering will deteriorate the drainage abilities of the retention areas; 4) Trash. Association shall keep all trash out of the easement areas.

E) **Association Failure to Maintain; City of Nampa Remedies.** In the event that City of Nampa determines, in

its sole discretion, that the Association is not adequately performing its maintenance responsibilities, then City of Nampa shall, before undertaking maintenance of said common area, provide written notice of its intention to begin maintenance within a thirty (30) day period. Within that 30 days, the Association may undertake to initiate and conclude all maintenance defects as identified by City of Nampa. In the event that the Association shall fail to commence and conclude maintenance to the extent said items of specific maintenance are identified by City of Nampa within the prescribed thirty (30) days, then in that event, City of Nampa may begin to undertake such maintenance. The City of Nampa is hereby granted an irrevocable license and easement to enter upon any portion of the Common Area to perform such inspection and maintenance of the Common Area identified herein.

Should the City of Nampa engage in maintenance of the defined common area or facility after having provided notice to the Association and having provided the Association an opportunity to undertake said maintenance, the City of Nampa shall first bill the Association and if such bill shall not be paid within sixty (60) days, then City of Nampa shall be entitled to and empowered to file a taxable lien against all lots within this subdivision with power of sale as to each and every lot in order to secure payment of any and all assessments levied against all lots in these subdivisions pursuant to the Master Declaration as if said maintenance had been performed by the Association, together with interest at the rate which accrues on judgments thereon and all costs of collection which may be paid or incurred by the City of Nampa.

The Association shall not be dissolved or relieved of its responsibility to maintain the defined common area and facilities contained therein without prior written approval from City of Nampa. The Association and all lot owners by accepting title to a Lot agree that all Lot Owners within these subdivisions are benefitted property owners of such maintenance.

4.32 Park Development Exaction Fee Agreement. All Lots in this Subdivision shall be subject to that "Park Development Exaction Fee Agreement" entered into between Declarant and the City of Nampa which obligates all Lot Owner's to pay a fee to the City for City of Nampa parks at the time a building permit is issued. This Agreement was recorded the 13th day of April, 2001 in Canyon County as Instrument No. 200113889 and is incorporated herein as if set forth in full.

4.33 Renting/Leasing. No home (or any other part of the property) owned by a Lot Owner in this subdivision shall be rented or leased to third parties except where: (A) the Tenant has acknowledged, in writing, receipt of a copy of these CC&R's; (B) the Tenant has executed a written lease or rental agreement wherein the Tenant has affirmatively agreed to be bound by the terms and conditions of these CC&R's, specifically including but not limited to the Lot landscaping and maintenance requirements; and, (C) the Lot Owner has provided in the lease or rental agreement that the Lot landscaping will be maintained in accordance with the CC&R's.

During any rental or lease term, the Lot Owner shall remain primarily responsible for the condition of the property, as well as for all assessments and all other obligations under these CC&R's. In addition, the Lot Owner shall be responsible for any damages caused by the Lot Owner's Tenants or their guests to any Common Areas or other common facilities owned or maintained by the Association.

In the event that the Lot Owner and the Tenant fail to maintain the landscaping and the exterior appearance of the property then the Declarant or the Association, after 30 days notice to the Lot Owner (with a copy to the Tenant, if known), shall have the right to perform that maintenance as a corrective action and the Lot Owner shall be responsible for all of the costs thereof as a Limited Assessment as provided in these CC&R's.

ARTICLE 5: CRESTWOOD NEIGHBORHOOD ASSOCIATION, INC.

5.1 Organization of Crestwood Neighborhood Association, Inc. Crestwood Neighborhood Association, Inc. (the "Association") shall be initially organized by Grantor as an Idaho non-profit corporation under the provisions of the Idaho Code relating to general non-profit corporations and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws (attached hereto as Exhibit B) and this Declaration. Neither the Articles nor the

Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

5.2 Membership. Each Owner of a Lot subject to assessment, by virtue of being an Owner, and for so long as such Ownership is maintained, shall be a Member of the Association. The memberships in the Association shall not be transferred, pledged, assigned or alienated except upon the transfer of Owner's title. Any prohibited membership transfer shall be void and will not be reflected on the books of the Association.

5.3 Voting. Voting in the Association shall be carried out by Members (including Grantor) who shall cast the votes attributable to the Building Lots which they own. The number of votes any Member may cast on any issue is determined by the number of Building Lots owned. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the vote attributable to the Building Lot. One Lot, one vote. For voting purposes, the Association shall have two (2) classes of Members:

5.3.1 Class A Members. Owners other than Grantor shall be Class A Members. Each Class A Member shall be entitled to cast one (1) vote for each Building Lot owned by such Class A Member(s) on the day of the vote. One Lot, one vote.

5.3.2 Class B Member. The Grantor shall be the Class B Member, and shall be entitled to five (5) votes for each Building Lot owned by Grantor. The Class B Member shall cease to be a voting Member in the Association at the time the Grantor deeds the last Building Lot in the subdivision.

5.3.3 No Fractional Votes or Severance from Land. Fractional votes are not allowed. If joint Owners cannot agree how their vote will be cast, they lose their right to vote on the matter being put to a vote. A vote cast will be conclusive for all purposes that the Owner had authority and consent of all joint Owners. Votes may not be severed from the Building Lot. However, an Owner may give a revocable proxy, or assign the Owner's right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Building Lot concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of a Building Lot to a new Owner automatically transfers the voting right to the new Owner.

5.4 Board of Directors and Officers. The affairs of the Association shall be managed by a Board of Directors ("Board") and such officers or agents as the Board may elect or appoint as provided in the Bylaws. The Board shall be elected in accordance with the Bylaws.

5.5 Power and Duties of the Association. The Association shall have all the powers of a corporation organized under the laws of the State of Idaho subject only to the limitations set forth in the Articles, Bylaws, and this Declaration. The Association shall have the power to appoint representatives and the power to perform all acts which may be necessary or incidental to discharge it's duties and responsibilities and to manage and operate the Association's Common Areas and assets. The Association's powers include, but are not limited to, the following:

5.5.1 Assessments. The power to levy Assessments on any Class A Owner as set out herein and to force payment as provided in this Declaration.

5.5.2 Enforcement. The power and authority in its own name, or on behalf of any Owner who consents, and at its own discretion, to file and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration, the Articles or the Bylaws; and to file and maintain any action to enforce the terms thereof.

5.5.3 Emergency Powers. The power to enter upon any property (but not inside any building) in any emergency where there is potential danger to life or property or when necessary to protect or maintain Improvements for which the Association is responsible. The Association may also enter upon any property to prevent the waste of irrigation water. Such entry shall be made with as little inconvenience to the Owner as practical. Any damage caused by the Association shall be repaired by the Association.

5.5.4 Licenses, Easements and Rights-of-Way; Cooperative Agreements. The Association shall have the power to enter into any cooperative or license agreements regarding water or irrigation systems. The Association shall have the power to grant and convey to any third party licenses, easements and rights-of-way in, on or under the Common Area or in any easement areas of any Lots as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment of the Property and Common Area, and for the preservation of the health, safety, convenience and welfare of the Owners. The right to grant such

licenses, easements and rights-of-way are hereby expressly reserved to the Association and may be granted at any time prior to twenty-one (21) years from the date of recording of these CC&R's.

5.6. Duties of the Association. In addition to duties necessary and proper to carry out the powers delegated to the Association by this Declaration, the Articles and Bylaws, the Association shall have the authority to perform, without limitation, each of the following duties:

5.6.1 Operation and Maintenance. Operate, maintain, and otherwise manage or provide for the operation, maintenance and management of the Common Area, and, at the discretion of the Board, provide for: a) the cleaning and sweeping of the streets in the subdivision to keep construction mud and debris to a minimum; b) mowing the vacant Lots and maintaining right of way areas in or adjacent to the subdivision to keep the subdivision as a whole as aesthetically pleasing as possible.

5.6.2 Taxes and Assessments. Pay all real and personal property taxes and assessments including but not limited to water costs separately levied against the Common Area or against the Association and/or any other property in this Subdivision owned or managed by the Association. Taxes, assessments and water costs may be contested or compromised by the Association and the costs are a Common Area expense. The Association shall pay any applicable federal, state or local taxes levied against the Association.

5.6.3 Water and Other Utilities. Acquire, provide and pay for water, utilities, maintenance, operations costs, and other necessary services for the Common Areas or any pressurized urban irrigation system.

5.6.4 Insurance. Acquire insurance coverage as the Board deems necessary or advisable, from insurance companies authorized to do business in the State of Idaho, and maintain any insurance policies including, but not limited to the following: (A) Comprehensive public liability insurance insuring the Board, the Association, the Grantor and/or the individual grantees and agents and employees of each against any liability incident to the Ownership and/or use of the Common Area; (B) Directors' and officers' liability insurance; (C) Motor vehicle insurance and Workmen's Compensation insurance; (D) Performance, fidelity and other bonds the Board deems necessary to carry out the Association functions or to insure the

Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of Association funds or other property. The Association shall be deemed trustee of the interests of all Owners in connection with any insurance proceeds paid to the Association under such policies, and shall have full power to receive the Owner's interests in such proceeds. All proceeds shall be used for Association purposes. Insurance premiums for the above insurance coverage shall be a common expense to be included in the Regular Assessments levied by the Association.

5.6.5 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably advisable or necessary at the discretion of the Board to enforce any of the provisions of this Declaration, the Articles or the Bylaws.

5.7 No Liability. No Board member, committee member, Association officer, Grantor or its officers, directors or shareholders (collectively herein "Grantor") shall be personally liable to any Owner, or any other party, including the Association, for any damage, loss or prejudice suffered or claimed on the account of any act, omission, error or negligence of that person provided that the person has acted in good faith and without gross, willful or intentional misconduct.

5.8. Budgets; Operating Statement; Balance Sheet; Inspection. Within sixty (60) days after the close of each calendar year, the Association shall cause to be prepared and shall make available for inspection by any Owner; (1) a balance sheet as of the last day of the Association's calendar year; (2) an annual operating statement reflecting the income and expenditures of the Association for its last calendar year; and (3) a proposed budget and schedule of Assessments for the current year. Notice of scheduled Assessments due shall be given at least once a year.

5.9 Meetings of Association; Notice of Meeting and Assessments. Each year the Association shall hold at least one annual meeting of the Members on April 30, or some other date set by the board between April 15 and May 31. If any meeting date falls on a weekend or holiday then the meeting shall be on the next following business day. Notice of such meeting shall be given at least 10 and no more than 30 days prior to the meeting and such notice may include notice of the Assessments scheduled due for the coming year. Only Members or their proxies shall be entitled to attend Association meetings. All other persons may be

excluded. Notice for all Association meetings, regular or special, shall be given by regular mail to all Members, at the address for the Lot in the subdivision or the address supplied in writing to the Association. This notice shall set forth the place, date and hour of the meeting and the nature of the business to be conducted. All meetings shall be held within the Property, or as close thereto as practical, at a reasonable place selected by the Board. The presence at any meeting of the Class B Member (or representative) where there is such a Member, and of Class A Members representing Owners holding at least ten percent (10%) of the total votes of all Class A Members, shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to another time not more than thirty (30) days from the time the original meeting was scheduled. If the rescheduled meeting is more than 30 days then additional notice of the next meeting shall be given. At any subsequent meeting properly called, the presence of any Member shall constitute a quorum.

ARTICLE 6: ARCHITECTURAL CONTROL

No building, structure, fence, wall, hedge, landscaping, painting, obstruction, berm, driveway, or Improvement shall be placed on, under, over or across any part of Crestwood Subdivision unless a written request (given to one of the Board of Directors of the Association or a person designated by the Board) for approval thereof containing the plans and specifications therefor, including exterior color scheme, has been approved, in writing, by a member of the Board or any person designated by the Board. The initial Board is as follows: Barry Teppola, Richard J. Tomlinson, and Kevin Keller. The initial address of the Board shall be 701 S. Allen Street, Suite 103, Meridian, Idaho 83642.

In the event the Board fails to approve or disapprove such request within thirty (30) days after such request has been submitted in writing, approval shall not be required and this Article will be deemed to have been complied with.

ARTICLE 7: RIGHTS TO COMMON AREAS

7.1 Use of Common Area. Every Owner shall have the equal right to enjoy the use of those Common Areas or common facilities which are designed and built for such use. The Association may make reasonable rules governing use of the Common Areas and facilities, and the use of some Common Areas, such as canals, may be prohibited. All Common Areas and facilities in this Subdivision shall be owned by the Association, unless otherwise set out herein. The Association shall

have the power to suspend the use of all Common Areas to Members who are in arrears for non-payment of Assessments. However, the Association may not suspend street or sidewalk access to a Member's Lot or home. The Association may dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes agreed to by the Members. No dedication, mortgage or transfer of said Common Area shall be effective unless an instrument agreeing to such dedication or transfer is signed by the Grantor (if Grantor still owns any of the Building Lots), and two-thirds (2/3) of the Class A Members. Transfer must also be approved by any local government having jurisdiction over the transfer. Said transfer shall become effective when the instrument is recorded. In the event that an Owner's access to his Lot is over any Common Area, then any transfer of that Common Area shall be subject to an easement for the access of the Owner.

7.2 Damages. Any Owner shall be liable for damage to any Common Area which may be sustained by reason of the negligence or willful misconduct of the Owner, the Owner's tenant, or the Owner's family, guests, agents, contractors or invitees. In the case of joint Ownership the liability of such Owners shall be joint and several. The cost of correcting the damage shall be treated as a Limited Assessment against the Owner and Building Lot and may be collected as provided herein. No Owner shall be liable for any amounts greater than is legally allowable under Idaho law.

ARTICLE 8: ASSESSMENTS

8.1 Covenant to Pay Assessments. By acceptance of a deed to any property subject to these CC&R's, each Class A Owner hereby covenants and agrees to pay, when due, all Assessments or charges made by the Association pursuant to this Declaration. In the event this subdivision is developed in phases, the Lots in uncompleted phases shall not be assessed until they become Class A Owner's Lots. Declarant shall not pay any Assessments for Lots owned by Declarant. No Mortgagee shall be required to collect any assessments.

8.1.1 Assessment Constitutes Lien. Such Assessments and charges set out herein, together with interest, costs and reasonable attorneys' fees which may be incurred in collecting the same, shall be a continuing lien upon the property against which each such Assessment or charge is made.

8.1.2 Assessment Personal Obligation. Each Assessment obligation set out herein which accrues during the time of Ownership shall also be the personal obligation of the Owner beginning the time the Assessment falls due. This personal obligation for Assessments shall remain Owner's personal obligation regardless of whether he remains an Owner. Notwithstanding anything contained herein, the failure to pay assessments does not constitute a default on an Owner's federally insured mortgage.

8.2 Regular Assessments. All Class A Owners are obligated to pay Regular Assessments to the Association on a schedule of payments established by the Board.

8.2.1 Initial Regular Assessment: The initial Regular Assessment for the year is to be two hundred and ten dollars (\$210.00) per calendar year per Lot. This initial assessment is due upon sale of a Lot from Grantor and shall be prorated on a calendar year basis based on the date of closing and shall be paid to the Association by the Buyer upon closing of the first transfer of the Lot from the Declarant to the Buyer.

8.2.2 Regular and Irrigation Assessments. The proceeds from Regular, any Irrigation (and other) Assessments are to be used to pay for all costs and expenses incurred by the Association, including but not limited to; (A) legal, accounting, management, and professional fees; (B) the costs and expenses of construction, improvement, protection, maintenance, repair, management and operation of the Common Area and common facilities; (C) an amount allocated to an adequate reserve fund, established by the Board, 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; (D) the costs and expenses of irrigation water and the PUIS.

8.2.3 Computation of Regular Assessments. The Association shall compute the amount of all expenses on an annual calendar basis and shall assess each Class A Owner's Lot equally for all Assessments (except the Limited Assessments which are on a Lot by Lot basis). Regular Assessments for the calendar year shall be pro-rated as of the date of closing.

8.2.4 Amounts Paid by Owners. The Board can require, in its discretion, payment of Regular Assessments in monthly, quarterly, semi-annual or

annual installments, or an installment to coincide with an irrigation water assessment from any Irrigation District to the Association. The Regular Assessment to be paid by any particular Owner for any given calendar year shall be computed by dividing the Association's total advance estimate of expenses by the total number of Class A Building Lots in the Property (i.e, each Class A Owner of a Building Lot shall pay an equal share of Regular Assessments).

8.3 Special Assessments.

8.3.1 Transfer Special Assessment. Upon each transfer of any Lot in the subdivision and the recording of the deed each Buyer at closing shall pay to the Association a special transfer assessment of Fifty (\$50.00) Dollars which shall be used for general Association purposes.

8.3.2 Start-up Development Assessment. Upon the sale of each lot in this subdivision from the Declarant, the Buyer shall pay to the Declarant, at closing, an initial start-up fee assessment equal to Two Hundred Dollars (\$200.00). This fee shall be a one time initial start-up fee assessment, and shall not be prorated for any time left in the calendar year. This start-up fee assessment shall be paid in full regardless of the time of year of the closing and is in addition to the pro-rated regular assessment payment set out Section 8.2.1 above. From this start-up fee, Declarant shall pay all of the initial attorney's fees, accounting fees, recording fees and filing fees relating to the creation of these CC&R's and the Association, and the filing and recording thereof. Declarant may, in Declarant's sole discretion, use any remainder of the start-up fees for the cleaning of the subdivision, mowing of areas in and around the subdivision, or for any other purposes or uses of any kind that Declarant wishes.

8.3.3 Special Short Fall Assessments. In the event that the Board shall determine that its respective Regular Assessment for a given calendar year is or will be short to meet the Expenses of the Association for any reason, including but not limited to costs of construction, reconstruction, unexpected repairs or replacement of capital improvements upon the Common Area, attorney's fees and/or litigation costs, other professional fees, the Board shall determine the approximate amount necessary to defray such expenses and levy an Excess or Special Assessment equally to all Class A Owners. No such Assessment shall be levied which exceeds thirty-five percent (35%) of the budgeted expenses of the Association for that calendar year, without the vote or written assent of 2/3 of the

Class A Owners. The Board shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

8.4 Limited Assessments. Notwithstanding the above provisions with respect to Regular and Special Assessments, the Board may levy a Limited Assessment against a Building Lot and the Owner thereof personally as a remedy to reimburse the Association for costs (together with the 10% management fee, interest and attorneys fees as provided in Article 9 below) incurred in bringing the Owner and/or such Owner's Building Lot into compliance with the provisions of these CC&R's.

8.5 Notice and Assessment Due Date. Except for the Special Transfer Assessment, the Start-up Assessment and initial prorated Regular Assessment, written notice of all other assessments shall be given to the Owner at the property address in the property covered by this Declaration or to such other address as the Owner supplies in writing to the Board. Such notice shall set out the amounts due and the date(s) due. Each installment of Assessments shall become delinquent if not paid within ten (10) days after the levy and notice thereof. The Association may bring an action against the delinquent Owner and may foreclose the lien against such Owner's Building Lot as more fully provided herein.

8.6 Late Fees; Interest on Past Due Assessments: Assessments of any kind which are not paid within thirty (30) days of the due date shall be assessed an additional late charge of \$25.00. In addition, interest shall be paid on the unpaid assessment at the highest rate allowed by law.

8.7 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 Building Lot Owner is in default under the provisions of this Declaration, and further stating the dates to which any Assessments have been paid by the Owner. Any such certificate delivered pursuant to this paragraph may be relied upon by any prospective purchaser or Mortgagee of the Owner's Building Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge.

**ARTICLE 9: ENFORCEMENT OF COVENANTS
AND ASSESSMENTS; LIENS**

9.1 Right to Enforce; Attorneys Fees. The Association has the right to enforce these covenants and to collect and enforce its Assessments. Each Owner of a Building Lot, by accepting a deed to a Building Lot, covenants and agrees to comply with the terms, covenants, conditions and restrictions contained herein and to pay each Assessment provided for in this Declaration and agrees to the enforcement of all covenants and Assessments in the manner herein specified and/or by law. In the event an attorney or attorneys are employed for the enforcement of any covenants or 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 attorney's fees in addition to any other relief or remedy against such Owner. The Board or its authorized representative may enforce these covenants or the obligations of the Owner hereunder by: (A) direct corrective action against the Owner or the offending violation; (B) litigation at law or in equity; (C) foreclosure of the liens created herein; (D) expenditure of funds to remedy any violations; and/or (E) any other lawful action.

9.1.1 Corrective Action. In the event an Owner fails to comply with any provisions of these Declarations, the Board shall have authority to take appropriate corrective action against said Owner. Each Owner who is the subject of such corrective action agrees to and shall pay all the costs of said corrective action, plus interest on all expended funds from the date of expenditure at the rate of 1-1/2% per month, plus a management fee equal to ten percent (10%) of all the costs expended for the corrective action, and all attorneys fees incurred. Such shall be a Limited Assessment against that Lot and that Lot Owner consents to a lien enforceable in the same manner as other assessments set forth in these CC&R's. If such an assessment is not paid within ten (10) days of notice of the limited assessment, the Owner shall also be subject to late fees set out herein.

9.1.2 Notice of Corrective Action: Prior to taking corrective action the Board, or its authorized representative, shall give notice to the Owner of the violation of these Declarations, the remedy necessary and the date by which the remedy must be completed. In the event the Owner has not remedied the violation by the time set out in the notice, the Owner consents to corrective action by the Board or its representatives and shall pay all the costs of such corrective action,

together with a 10% management fee.

9.2 Assessment Liens. There is hereby created a lien with power of sale on each and every Building Lot to secure payment of any and all Assessments levied against such Building Lot together with other charges as provided in this Declaration. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Building Lots upon recording of a claim of lien with the County Recorder. Such lien shall be prior and superior to all other liens or claims created subsequent to the recording of the claim of lien except for tax liens for real property taxes on any Building Lot and Assessments on any Building Lot in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

9.2.1 Claim of Lien. Upon default of any Owner in the payment of any Assessment, the Association may cause to be recorded in the office of the County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording), a sufficient legal description of the Building Lot(s) against which the same have been assessed, and the name of the record Owner (or reputed Owner) thereof. Each default shall constitute a separate basis for a claim of lien, but any number of defaults may be included within a single claim of lien. Upon payment to the Association of all Assessments and all other charges of any kind set out in this Declaration or other satisfaction thereof, the Association shall cause to be recorded a notice releasing the lien. The Association may demand and receive the cost of preparing and recording such release before recording the same.

9.3 Method of Foreclosure. The lien may be foreclosed like a mortgage; foreclosed by power of sale; foreclosed pursuant to Idaho Code 45-507; or foreclosed by any other appropriate action in court. The Owner shall pay all of the Association's attorneys fees and costs of the action if the Association prevails. Any sale shall be conducted in accordance with Idaho law applicable to the exercise of powers of sale. The Board is 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 to the extent allowed by law.

9.4 Action at Law. The Association may, in its discretion, elect not to foreclose the lien and simply file an action at law against the Owner for the monies

due. The Owner shall pay all of the Association's attorneys fees and costs of the action if the Association prevails.

9.5 Required Notice. Any claim of lien shall be recorded with the County Recorder. In the event that the Association elects to file a lien and foreclose pursuant to Idaho Code 45-507 then the Association shall serve the copy of the recorded lien on the Owner within 24 hours of the recording of the lien as required by 45-507. No foreclosure action may be brought to foreclose the lien, whether judicially, by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Building Lot(s) described in the claim of lien, and to the person in possession of such Building Lot(s). No prior notice to the Owner is required for the Association to file an action at law for the monies due; provided, however, that no action at law can be filed until an Assessment is more than 60 days in default.

9.6 Subordination to Certain Trust Deeds. The lien for the Assessments provided for herein shall be subordinate to the lien of any first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such Building Lot prior to the recording of a claim of lien for the Assessments. The transfer of any Lot pursuant to a foreclosure of a first deed of trust or mortgage shall extinguish the lien of the Assessments which came due before the foreclosure. Otherwise, the sale or transfer of any Building Lot shall not affect any liens or lien rights that Association has in this Declaration. Nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for Assessments.

9.7 Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat the rights of the Beneficiary under any deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recording of such amendment, provided that after the foreclosure of any such deed of trust such Building Lot shall remain subject to this Declaration as amended. Any Mortgagee requesting in writing shall be given notice of any default in the payment of Assessments for the Lot the subject of the mortgage.

ARTICLE 10: EASEMENTS

10.1 Easements of Access. Grantor expressly reserves for the benefit of all the Property and Owners reciprocal easements of access, ingress and egress to and from their respective Building Lots. These reserved easements are for; (A) installation and repair of utility services in the easement areas identified on the plat; (B) drainage of water (by buried pipe and not by flooding) across and under adjacent Building Lots and Common Areas in the drainage easement areas shown on the plat; (C) reasonable and necessary access by adjacent Owners for the maintenance and repair of fencing, retaining walls, lighting facilities, mailboxes, sidewalk abutments, trees, landscaping and the like. Such easements may also be used as necessary by Grantor and the Association.

10.2 Utility Easements. This Declaration is subject to all easements granted by Grantor before or after this Declaration for the installation and maintenance of utilities, drainage facilities, sewer, water, irrigation systems and the like that are required for the development of the Property. Grantor reserves, for the benefit of the Association, the right to grant additional easements and rights-of-way over the Property to utility companies and public agencies as necessary or expedient for the proper development of the Property.

10.2.1 Improvement of Drainage and Utility Easement Areas. No permanent structures or Improvements shall be constructed on any drainage or utility easement areas which would interfere with or prevent the easement from being used for it's intended purpose. Landscaping and fences in these easement areas are permitted in this Declaration if they do not interfere with the use of the easement.

ARTICLE 11: MISCELLANEOUS

11.1 Term. The easements granted in this Declaration shall be perpetual. These CC&R's shall run with the land, and remain in effect, until December 31, 2025, unless amended as provided. After December 31, 2025, these CC&R's shall be automatically extended for successive periods of ten (10) years each, unless amended or terminated by a recorded instrument executed by Members holding at least three-fourths (3/4) of the voting power of the Association. The Association shall not be dissolved without the prior written approval of the City having jurisdiction of this subdivision.

11.2 Amendment By Grantor. Until the recording of the first deed to a Building Lot, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to or terminated by Grantor alone by recording a written instrument setting forth such amendment or termination.

11.3 Amendment By Owners. Any amendment to this Declaration, 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, representing two thirds (2/3) or more of the votes in the Association. Any amendment shall be effective upon recording with the County Recorder of such amendment.

11.4 Effect of Amendment. Any amendment of this Declaration approved in the manner specified above shall be binding on all Owners and all Property, notwithstanding that some Owners may not have voted for or consented to such amendment. Amendments may add to and increase the covenants, conditions, restrictions and easements applicable to the Property but no amendment shall prohibit or unreasonably interfere with the allowed uses of any Owner's property which existed prior to the said amendment.

11.5 Annexation of Additional Area. Declarant shall have the right to annex and include additional and similar areas owned by Declarant into these Declarations and to make these additional areas or subsequent phases of this subdivision subject to the jurisdiction of these CC&R's and the Association. Declarant may annex these additional areas by recording a "Declaration of Annexation" with the County Recorder describing the additional property to be annexed and referring to these Declarations and specifically stating in the notice any other or modified or additional restrictions that apply to the additional lands. Upon recording of the Notice of Annexation, these CC&R's shall apply to the additional lands (as added to or modified by the Declaration of Annexation) as if the additional land were originally covered by this Declaration. Thereafter, the rights, privileges, duties and liabilities of all parties with respect to the additional lands and the lands described in this Declaration will be governed by these Declarations and the Declaration of Annexation as if all had been done together originally. The Association shall manage all the lands together.

11.6 Mortgage Protection. No amendment of this Declaration shall operate to defeat or render invalid the rights of the beneficiary under any first deed of trust

made in good faith and for value, and recorded prior to the recording of such amendment, provided that after foreclosure of any first deed of trust such Building Lot shall remain subject to this Declaration, as amended.

11.7 Notices. Any notices required by these CC&R's shall be in writing and may be delivered either personally, by mail, or by overnight courier. Delivery shall be complete when served personally, posted prepaid at the Post Office or delivered prepaid to the overnight courier. Notices shall be sent to Owners at the address of the property or if the Owner has given a different address to the Association in writing then notices shall be given to that address. Such address may be changed from time to time by notice in writing to the Association. Notices to the Grantor and to the Association shall be given to that address of Grantor on page one until Owners are given notice in writing of another address for notice.

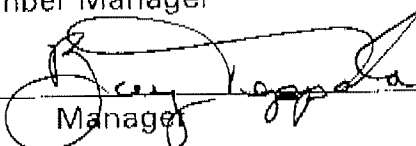
11.8 Enforcement and Non-Waiver. These CC&R's may be enforced by Declarant, the Board, the Association or any Owner. Failure to enforce any of the terms of this Declaration at any time shall not be a waiver of the right to do so thereafter. Nothing contained herein shall be construed as an obligation of the Declarant, Board, or Crestwood Neighborhood Association to enforce any of these CC&R's. Neither Declarant, Board nor Crestwood Neighborhood Association shall have any liability of any kind to any person or Lot Owner for failing to enforce any of these CC&R's.

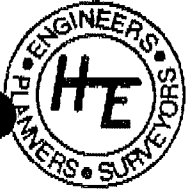
11.9 Successors and Assigns. All references herein to Declarant, Owners, the Association or person shall be construed to include all heirs, successors, assigns, Members, partners and authorized agents of such Grantor, Owners, Association or person.

DATED THIS 17 th day of October 2001.

Crestwood Development, LLC

By: Providence Development Group, LLC
Member Manager

by 
Manager



HUBBLE ENGINEERING, INC.

701 S. Allen St., Suite 102 • Meridian, ID 83642

208/322-8992 • Fax 208/378-0329

Project No. 4-9922800

October 27, 2000
Revised March 12, 2001

CRESTWOOD ESTATES SUBDIVISION NO. 1

A parcel of land located in the SE 1/4 of the SW1/4 of Section 7, T.3N., R.2W., B.M., Canyon County, Idaho, more particularly described as follows: **BEGINNING** at the 1/4 corner common to Section 18 and the said Section 7, from which the southwest corner of said Section 7 bears North 89°55'27" West, 2615.82 feet;

thence North 89°55'27" West, 931.79 feet;
 thence North 00°04'33" East, 89.09 feet;
 thence North 45°04'33" East, 90.09 feet;
 thence North 00°04'33" East, 204.25 feet;
 thence North 57°48'44" West, 47.50 feet;
 thence North 83°50'32" West, 123.70 feet;
 thence South 77°48'56" West, 64.47 feet;
 thence North 00°04'33" East, 100.11 feet;
 thence North 08°53'49" West, 56.00 feet;
 thence North 81°06'11" East, 30.86 feet;
 thence North 00°04'33" East, 188.87 feet;
 thence South 89°55'27" East, 12.52 feet;
 thence North 00°04'33" East, 156.00 feet;
 thence South 89°55'27" East, 307.00 feet;
 thence North 00°04'33" East, 100.00 feet;

thence North 02°07'16" East, 56.04 feet;

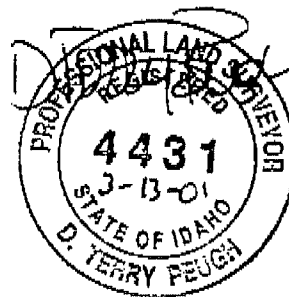
thence North 00°04'33" East, 279.44 feet to a point on the North boundary of the SE 1/4 of the SW 1/4;

thence along said boundary, common to the South boundary of Asbury Park Phase 1, as same is recorded in Book 26 of Plats at Page 39, Records of Canyon County, Idaho, South 89°56'36" East, 353.62 feet to a point on the southwesterly right-of-way of the Elijah Drain;

thence along said right-of-way South 48°54'50" East, 512.43 feet to a point on the North-South mid-section line;

thence along said line South 00°32'55" East, 986.18 feet to the Point of Beginning. Containing 26.06 acres, more or less.

Prepared by:
HUBBLE ENGINEERING, INC.



D. Terry Peugh, P.L.S.

**BY-LAWS
OF
CRESTWOOD NEIGHBORHOOD ASSOCIATION, INC.**

ARTICLE 1. GENERAL PLAN OF OWNERSHIP

1.1 Name. The name of the corporation is Crestwood Neighborhood Association, Inc. (hereinafter "Association"). The initial principal office of the Association shall be located at 701 S. Allen St., Suite 103, Meridian, Idaho 83642.

1.2 By-laws Applicability. The provisions of these By-laws are applicable to the Crestwood Estates Subdivisions, together with such subsequent phases, additions or annexations thereto as may hereinafter be brought within the jurisdiction of the Association.

1.3 Personal Application. All present and future Members, Owners and their tenants, employees, and any other person that might use the facilities owned and/or managed by the Association are subject to these By-laws.

ARTICLE 2 VOTING, QUORUM, PROXIES

2.1 Voting. Except for the Class B Membership provided for in the Covenants Conditions and Restrictions for this Subdivision (hereinafter referred to as "CC&R's" or "Declaration"), and except as may be otherwise provided in the CC&R's, each Class A Member shall be entitled to one vote for each Building Lot owned by such Member. One Lot one vote for Class A Members

2.2 Quorum. The presence in person or by proxy of the Class B Member (if one), and the presence in person or by proxy of the Class A Members holding at least ten percent (10%) of the total Class A votes entitled to be cast shall constitute a quorum. The Members present at a meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

2.3 Proxies. Votes may be cast in person or by proxy. Proxies must be

in writing and filed at the meeting and are good for 11 months or until canceled by the member giving the proxy.

ARTICLE 3 ADMINISTRATION

3.1 Duties. The Association shall have the duties set out in the CC&R's" for Crestwood Estates Subdivisions.

3.2 Meetings. Meetings of the Association shall be held on the Property or close to the Property, and shall be conducted in accordance with Robert's Rules of Order.

3.3 Annual Meetings. Annual meetings of the members shall be held on April 30 of each year, unless a different date between April 15 and May 31 is selected by the Board. (If a weekend or holiday then the next business day.) At each annual meeting, Members shall elect a Board of Directors (the "Board") to act until the next annual meeting. The Members may also transact such other business as may properly come before them.

3.4 Special Meetings. It shall be the duty of the President to call a special meeting as directed by the Board, or upon a petition signed by Members who are entitled to vote one-fourth (1/4) of all the votes of the Class A Membership. The notice of all regular and special meetings shall be given as provided in Section 3.5 of these By-laws, and shall state the nature of the business to be undertaken.

3.5 Notice of Meetings. Notice shall be given to all Members at the address of the Lot in the subdivision or to such address as provided in writing to the Association.

3.6 Order of Business. The order of business at all meetings shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) election of Directors; (g) unfinished business; and (h) new business. Meetings shall be conducted by the officers of the Association in order of their priority.

3.7 Adjourned Meetings. If any meeting of the Corporation cannot be organized because a quorum has not attended, the Members who are present,

either in person or by proxy, may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be the presence in person or by proxy of the Members holding at least ten percent (10%) of the total votes entitled to be cast at such meeting. Such adjourned meetings may be held without notice thereof as provided in this Article 3, except that notices shall be given by announcement at the meeting at which such adjournment is taken. If a meeting is adjourned for more than thirty (30) days, notice of the adjourned meeting shall be given as in the case of an original meeting.

3.8 Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

3.9 Consent of Absentees. The transactions of any meeting of the Corporation, either annual or special, however called and noticed, shall be as valid as though transacted at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if either before or after the meeting each of the Members not present in person or by proxy signed a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made party of the minutes of the meeting.

ARTICLE 4. BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Association shall be governed and managed by the Board composed of at least three (3) persons, who need not be Members of the Association. Directors shall not receive any salary or other compensation for their services as Directors; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Association in some other capacity and receiving compensation therefor, or to receive reimbursement for out of pocket costs incurred in carrying out duties.

4.2 Powers and Duties. The Board has all powers and duties necessary for the administration of the affairs of the Association, and the powers set

forth in the CC&R's.

4.3 Special Powers and Duties. In addition to the general powers the such powers and duties as set forth in the CC&R's, the Board is vested with, and responsible for the following powers and duties:

(a) To select, appoint and remove all officers, agents, and employees of the Association and to prescribe such powers and duties for them; to fix their compensation; and, to require from them security for faithful service when deemed advisable by the Board.

(b) To conduct, manage and control the affairs and business of the Association, and to make and enforce rules and regulations as the Board may deem advisable.

(c) To change the principal office of the Association from one location to another within the county; to designate the place meetings.

(d) To borrow money and to incur indebtedness for the purposes of the Association, and to execute any necessary documents relating thereto.

(e) To fix, levy and determine the due dates of all Assessments as provided in the CC&R's. Should any Owner fail to pay such Assessments before delinquency, the Board in its discretion, is authorized to enforce the payment of such delinquent Assessments as provided in the CC&R's.

(f) To enforce the provisions of the CC&R's or other agreements of the Association.

(g) To contract for and pay for insurance, insuring the Owners, the Association, the Board and/or other interested parties, in accordance with the provisions of the CC&R's as deemed advisable by the Board.

(h) To operate, maintain and otherwise manage or provide for the operation, maintenance and management of the pressurized irrigation system, all Common Area, if any, and to contract for and pay the expenses relating thereto.

(i) To grant easements or licenses as provided in the CC&R's.

4.4 Management and Other Agents. The Board may contract or employ for the Association a management agent ("Manager") or other Agents at a compensation established by the Board to perform such duties and services as the Board shall authorize.

4.5 Nomination, Election and Term of Office. Nomination for election to the Board may be made by a nomination committee and/or made from the floor at the annual meeting. The nomination committee shall consist of a chairman, who shall be a member of the Board, and two (2) or more members of the Association. The nominating committee may be appointed by the Board prior to each annual meeting. The nomination committee shall make as many nominations for election to the Board as it shall in its discretion determine.

At the first annual meeting, and thereafter at each annual meeting, Directors shall be elected by secret written ballot by a Majority present at such meeting. Cumulative voting is not permitted. The term of the Directors shall be for one (1) year. In the event that an annual meeting is not held, or the Directors are not elected, the Directors shall hold office until a successor has been elected (at a special meeting if necessary) or until death, resignation, removal or judicial adjudication of mental incompetence. Any person serving as a Director may be re-elected, and there shall be no limitation on the number of terms during which a Director may serve.

4.6 Books, Financial Statements and Audit. The Board shall cause to be maintained a full set of books and records showing the financial condition and the affairs of the Association in a manner consistent with generally accepted accounting principles. An annual operating statement shall be made available to each Member as set out in the CC&R's, and to first mortgagees who have in writing so requested.

4.7 Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the Members shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting, or at a special meeting called for that purpose.

4.8 Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of all cast votes and a successor may then and

there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. If any or all of the Directors are so removed, new Directors may be elected at the same meeting.

4.9 Board Meetings. The Board shall meet at such times and places as it shall reasonably determine provided a majority is present. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or fax at least three (3) days prior to the day named for such meetings.

4.10 Special Meetings. Special meetings of the Board may be called by the President, or, if the President is absent or refuses to act, by the Vice President, or by any two (2) Directors. Whenever any Director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive.

4.12 Waiver of Notice. Before or at any meeting of the Board, any Director may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be waiver of notice by that Director. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.13 Quorum. A majority of the Directors shall constitute a quorum and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board.

4.14 Action Without Meeting. The Directors shall have the right to take any action in the absence of a meeting by obtaining written consent of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

4.15 Committees. The Board may designate such committees as the Board shall desire, and establish the purposes and powers of each such committee created.

ARTICLE 5. OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board. One person may hold two or more offices, except those offices of President and Secretary.

5.2 Election of Officers. The officers of the Association shall be elected by the Board for one year terms.

5.3 Removal of Officers. Upon a vote of a majority of the Board, any officer may be removed, either with or without cause, and a successor elected at any meeting of the Board. Any officer may resign by giving written notice to the Board or to the President or Secretary of the Association.

5.4 Compensation. Officers, agents, and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of any officer, agent or employee shall not of itself create contractual rights of compensation for services performed by such an officer, agent or employee. No officer, employee or Director of Grantor or any affiliate of Grantor may receive any compensation.

5.5. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

5.6. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board. The President shall have all of the general powers and duties which are usually vested in the office of the President of a nonprofit Association. The President shall, subject to the control of the Board, have general supervision, direction and control of the business of the Association.

5.7. Vice President. The Vice President shall take the place of the President and perform such duties whenever the President shall be absent, disabled or unable to act.

5.8. Secretary. The Secretary shall record the votes and keep the

minutes of all meetings of the Board and the minutes of all meetings of the Association at the principal office of the Association or such other place as the Board may order. The Secretary shall in general, perform all the duties incident to the office of Secretary. The Secretary shall give, or cause to be given, notices of meetings. The Secretary shall maintain a book of record Owners, and any person in possession of a Building Lot that is not an Owner(if known), listing the names and addresses as furnished to the Association.

5.9. Treasurer. The Treasurer shall have responsibility for the Association finances and shall be responsible for keeping, or causing to be kept, full and accurate accounts of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, in accordance with the CC&R's, and shall render to the President and Directors upon request, an account of all transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these By-laws.

ARTICLE 6. OBLIGATIONS OF OWNERS

6.1 Assessments. All Class A Owners are obligated to comply with all of the terms and conditions contained in the CC&R's and pay all Assessments set out in the CC&R's. All delinquent Assessments shall be enforced, collected or foreclosed in the manner provided in the CC&R's.

6.2 Maintenance and Repair. Every Owner must perform promptly, at the Owner's sole cost and expense, all maintenance and repair work on such Owner's Building Lot and improvements as required under the provisions of the CC&R's. Each Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any portion of the Property owned or controlled by the Association which are damaged through the fault of the Owner.

ARTICLE 7. AMENDMENTS TO BY-LAWS

These By-laws may be amended at an annual meeting or at a special meeting for such purpose by a vote of the Class B Member (if one) and a 2/3

vote of the quorum of Class A Members.

ARTICLE 8. MEANING OF TERMS

All terms in these By-laws have the same meanings as in the CC&R's.

ARTICLE 9. CONFLICTING PROVISIONS

In case any of these By-laws conflict with any provisions of the laws of the State of Idaho, such conflicting By-laws shall be null and void upon final court determination to such effect, but all other By-laws shall remain in full force and effect. In case of any conflict between the Articles of Incorporation and these By-laws the Articles shall control; and in the case of any conflict between the CC&R's and these By-laws, the CC&R's shall control.

ARTICLE 10. INDEMNIFICATION AND INSURANCE

10.1 Certain Definitions. For the purposes of this Article, "agent" means any person who is or was a director, officer, employee or other agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, or was a director, officer, employee or agent of a corporation which was a predecessor corporation of the Association; "Proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes without limitation attorneys' fees and costs and any expenses of establishing a right to indemnification under Section 10.3 or paragraph (c) of Section 10.4.

10.2 Indemnification. This Association shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of this Association to procure a judgment in its favor) by reasons of the fact that such persons is or was an agent of this Association, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Association and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such persons was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo

contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the persons reasonably believed to be in or not opposed to the best interests of the Association or with respect to any criminal proceeding that the person had reasonable cause to believe that the person's conduct was unlawful. However, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association in the performance of such persons' duty to the Association, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall deem proper.

10.3 Expenses in Successful Defense. To the extent that an agent of the Association has been successful on the merits in defense of any proceeding referred to in Section 10.2 or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

10.4 Determination of Standard of Conduct. Except as provided in Section 10.3, any indemnification under this Article shall be made by the Association only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 10.2, as determined by:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding; or,

(b) Approval or ratification by the affirmative vote of a Majority of Members entitled to vote represented at a duly held meeting at which a quorum is present or by the written consent of a Majority thereof; or,

(c) The court in which such proceeding is or was pending, upon application made by the Association or the agent or the attorney or other persons rendering services in connection with the defense, determines that the agent is entitled to indemnification; or

(d) Independent legal counsel, engaged at the direction of a

quorum of disinterested directors, gives a written opinion that indemnification is justified.

10.5 Advancing Expenses. Expenses incurred in defending any proceeding may be advanced by the Association prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount, if it shall be determined ultimately that the agent is not entitled to be indemnified as authorized in this Article.

10.6 Extent and Limitations of Indemnifications. No indemnification or advance shall be made under this Article, except as provided in Section 10.3 or paragraph (c) of Section 10.4, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, these By-laws, a resolution of the Board or Members or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

This Article shall create a right of indemnification for each agent referred to in this Article, whether or not the proceeding to which the indemnification relates arose in whole or in part prior to adoption of this Article; and in the event of the death of such agent, whether before or after initiation of such proceeding, such right shall extend to such agent's legal representatives. In addition, to the maximum extent permitted by applicable law, the right of indemnification hereby given shall not be exclusive of or otherwise affect any other rights such agent may have to indemnification, whether by law or under any contract, insurance policy or otherwise.

10.7 Liability Insurance. The Association may purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Association would have the power to indemnify the agent against such liability under the provisions of this Article.

ARTICLE 11. MISCELLANEOUS

11.1 Checks, Drafts and Documents. All checks, drafts or other orders for payment or other evidences of indebtedness issued in the name of or payable to the Association shall be signed or endorsed by such persons, and in such manner as approved by the Board.

11.2 Execution of Documents. The Board may authorize any officer(s) or agent(s), to enter into any contract or execute any instrument in the name and on behalf of the Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have the power or authority to bind the Association by any contract or engagement or to pledge the Association's credit or to render the Association liable for any purpose or in any amount.

11.3 Inspection of By-laws, Books and Records. The Association shall keep a copy of the Articles, the CC&R's and By-laws, as amended, and the books, records and papers of the Association in the Association's office. These shall be subject to inspection by any member during reasonable business hours. Copies will be provided at a reasonable cost and with advance notice.

11.4 Fiscal Year. The fiscal year of the Association shall be a calendar year.

11.5 Membership Book. The Association shall keep and maintain in the Association's office for the transaction of business a book containing the name and address of each Member. Termination or transfer of ownership of any Building Lot by an Owner shall be recorded in the books together with the date on which such ownership was transferred upon payment of any Transfer Assessment.

200254272

RECORDED

NOV 19 PM 4 06

NOEL HALES
CANYON CNTY RECORDER
BY *[Signature]*

REQUEST *[Signature]*
TYPE *[Signature]* FEE \$11

**DECLARATION OF ANNEXATION
OF CRESTWOOD ESTATES NO. 2**

**TO THAT
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
CRESTWOOD ESTATES NO. 1**

This Declaration of Annexation is made effective the 18 day of NOVEMBER, 2002, by Crestwood Development LLC, (hereinafter "Grantor" or "Declarant") whose address is 701 S. Allen St., Suite 103, Meridian, Idaho 83642.

ARTICLE 1

**ANNEXATION OF CRESTWOOD ESTATES NO. 2
INTO MASTER CC&R'S FOR CRESTWOOD ESTATES NO. 1**

1.1. Property Annexed; Crestwood Estates No. 2. The property hereby annexed is that real property legally described in Exhibit A which is attached hereto. This property is owned by the Declarant. Once the final plat of this property is recorded, it will be known as Crestwood Estates Subdivision No. 2. Each Owner, by accepting a deed to any Lot in any Crestwood Estates Subdivision agrees that the Lot is subject to the Master CC&R's referred to herein and to this Declaration of Annexation.

1.2 Existing Property and CC&R's to Which Property is Annexed: This annexed property is hereby annexed into that Amended and Restated Declaration of Covenants, Conditions and Restrictions for Crestwood Estates Subdivision No. 1 which Declaration was recorded the 15th day of October 2001, in Canyon County, as Instrument No. 200142423 (hereinafter referred to as the "Master CC&R's"). These Master CC&R's are incorporated herein as if set forth in full. The real property in Crestwood Estates Subdivision No. 1

which is subject to the Master CC&R's is legally described in the Master CC&R's and is adjacent to this annexed property.

1.3 Master CC&R's and Declaration of Annexation Run With Annexed Land: The Master CC&R's referred to above and the provisions of this Declaration of Annexation shall run with the annexed land described in Exhibit A attached hereto. The Master CC&R's and this Declaration of Annexation shall be construed as one document, governing both subdivisions together as if they were one subdivision and if both had been done at the same time.

1.4 Authority: This Declaration of Annexation is made pursuant to the provisions of the Master CC&R's which provide for this annexation by Declarant, and for annexation of subsequent phases of Crestwood Estates Subdivisions.

1.5 Effect: The effect of this Declaration of Annexation shall be that Crestwood Estates Subdivision No. 1 and Crestwood Estates Subdivision No. 2 shall be treated as one subdivision and shall be subject to the Master CC&R's and this Declaration as set out herein. Together they shall be governed by the Crestwood Estates Neighborhood Association, Inc., as set out in the Master CC&R's. All property and Lots in Crestwood Estates Subdivision No. 2 (and the future annexations of Crestwood Estates Subdivisions) shall be subject to all provisions of the Master CC&R's recorded for Crestwood Estates Subdivision No. 1; **Provided, however,** that the provisions in Article 2 of this Declaration of Annexation (set out below) which are specific to the land in Crestwood Estates Subdivision No. 2, shall apply to Crestwood Estates Subdivision No. 2. Other than the provisions specifically set out in Article 2 below which are specific to the Lots in Crestwood Estates Subdivision No. 2, the Master CC&R's govern all Lots in all Crestwood Estates Subdivisions. The Association shall manage all Common Area Lots in all Crestwood Estates Subdivisions as if all were one subdivision.

ARTICLE 2

SPECIFIC COVENANTS,

CONDITIONS AND RESTRICTIONS APPLYING TO PROPERTY AND LOTS IN CRESTWOOD ESTATES SUBDIVISION NO. 2

2.1 Association Assessments. All initial Assessments to Crestwood Estates Neighborhood Association, Inc., and all subsequent Assessments for

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CRESTWOOD ESTATES SUBDIVISION NO. 2 (11-15-2002)

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Lots in Crestwood Estates Subdivision No.2 shall be the same Assessments and in the same amounts per Lot as set out in the Master CC&R's.

2.2 Architectural Control; Building Restrictions. All Improvements shall be constructed only after approval of the Board as set out in the Master CC&R's. The initial address of the Board is 701 S. Allen St., Suite 103, Meridian, Idaho 83642.

2.3 Use and Size of Dwellings. All Building Lots shall be used exclusively for one or two-story single-family homes, and shall be at least 900 square feet in size (excluding eaves, steps, open porches, car ports, garages and patios in the computation of square footage).

2.4 Basements. Basements are prohibited in this subdivision.

2.5 Accessory Structures; Storage Sheds; Patio Covers; Outbuildings. There shall be no metal or wood storage attachments to any home except as approved by the Board.

Storage sheds attached to the residential structure shall be constructed and roofed with the same materials as the residential structure and shall be a similar color.

Patio covers shall be constructed and roofed with the same materials as the residential structure and shall be a similar color. Provided, however, that the Board may approve a different design, color and materials if aesthetically compatible with the residential structure. (A patio cover is not to be considered as an outbuilding.)

Outbuildings shall be limited to one per Lot, and shall be constructed of quality materials, be finished or painted in the same general color as the residential structure and be first approved by the Board.

2.6 Setbacks. All setbacks shall comply with the pertinent local government Ordinances; Provided, however, certain Lots may have special easements along the Lot boundary lines which are larger than the local setbacks. These special easements are identified on the plat or described below. For those Lots with these special easements, the foundation of the building shall not encroach on that easement area, and that easement area shall be the required setback.

2.6.1 Special Pressurized Irrigation Easements. The following Lots have special easements reserved for the City of Nampa for the operation and maintenance of pressurized irrigation facilities as shown on the plat:

- A) The NORTH seven (7) feet of Lot 17, Block 7;
- B) The NORTH seven (7) feet of Lot 20, Block 7;
- C) The WEST seven (7) feet of Lot 62, Block 3.

2.6.2 Special Gravity Irrigation Easements. The following Lots have special easements reserved for Pioneer Irrigation District for the operation and maintenance of gravity irrigation facilities:

- A) The REAR ten (10) feet of Lots 56, 57, 58, 59, 60, 61, 62 and 63, Block 3;
- B) Common Area Lot 15, Block 5;
- C) Common Area Lot 12, Block 6 (that portion lying between Lots 11 and 13, Block 6);
- D) Common area Lot 55, Block 3.

2.7 Garages. All residential homes shall have an attached enclosed garage which holds no less than two cars and shall be constructed of the same materials and colors as the main building or as approved by the Board. Garages shall not to be used as living quarters nor used primarily as storage. Garages are primarily for the parking of vehicles. In no case shall a garage be used for storage leaving no room therein for the parking of vehicles.

2.8 Exterior; Appearance; Colors. The exterior materials and colors of each building and the appearance of the building shall comply with the Architectural Control Guidelines published by and on file with the Board of Directors of Crestwood Neighborhood Association. Approval of all exterior colors, and any future changes to colors or exterior must be first approved by the Board.

2.9 Solar Covenants. The City of Nampa has repealed its Solar Ordinances so no Solar Ordinances or Covenants apply to the Lots in this subdivision.

2.10 Driveways. All Lots shall have a concrete driveway and a minimum of two concrete car parking spaces within the boundaries of each Lot. No driveway or parking area shall be asphalt, dirt, rock or gravel.

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Page 4 of 15

2.11 Roofs. Roofs must be of at least 5 in 12 pitch. No gravel roofs are allowed. Roofing materials and colors shall be in compliance with the Architectural Control Guidelines published by, and on file with, the Board.

2.12 Business Activity. No building in this Subdivision may be used for any commercial business purposes, manufacturing operations or as a retail business. A "Home Office" business shall be allowed if permitted under the applicable City Ordinances. Any Home Offices, however, shall be subject to the following restrictions:

- A) No signs of any kind shall be allowed on the premises advertising the business,
- B) No commercial vehicles shall be parked in the street,
- C) No more than two "customers" or "clients" visit the Home Office business at any one time and they park in the driveway and not in the street,
- D) No unsafe or unsightly conditions shall be allowed to exist on the premises.

2.13 Landscaping. Landscaping shall comply with the Architectural Control Guidelines published by, and on file with, the Board. Berms and sculptured planting areas are strongly encouraged. Landscaping of the front yard shall be completed within thirty (30) days after occupancy of the home (weather permitting) and such landscaping shall be the responsibility of each respective Owner of the Lot. Landscaping, at a minimum, shall include:

- A) Sod or hydro-seeding in the front yard;
- B) At least two (2) trees of one inch (1") caliper; ("Caliper" is the diameter of the tree trunk measured 6 inches above the root ball);
- C) At least five (5) one gallon shrubs in the front yard.

The "front yard" shall be defined as that portion of the Building Lot from one side Lot line to the opposite side Lot line lying in front of the front exposure of the house. For Building Lots on corners, the "front yard" shall also include all of the side yard next to the side street from the front Lot line to the rear Lot line. The back yard of each home shall be landscaped (at a minimum grass shall be planted, hydro-seeded or sodded) within one year of occupancy.

2.14 Fences.

2.14.1 Subdivision Perimeter Fences. Grantor may construct a perimeter fence around portions of the exterior of this subdivision property. After Grantor has transferred title to any Lot which contains a portion of this perimeter fence it shall be the responsibility thereafter of the Owner of that Lot to timely maintain, repair and/or replace that portion of the perimeter fence on that Owner's Lot (except as set out below). The maintenance, repairs and/or replacement shall be performed so as to keep the perimeter fencing uniform, attractive and harmonious.

2.14.2 Fences to be Owned and Maintained by Association. The Association shall own and maintain the following fences:

- A) All fences on or adjacent to: Common Area Lots 72 and 55, Block 3; Common Area Lot 15, Block 7; Common Area Lot 15, Block 5;
- B) All fences adjacent to Common Area Lot 12, Block 6;
- C) Any fence constructed by Declarant on the east side of Lot 2, Block 7.

The Association may, in it's sole discretion, maintain some or all of any other fencing in this subdivision as a Common Area expense.

2.14.3 Other Owner Fences. Owner fences are prohibited adjacent to any Common Area Lot. Other Owner fences are not required. If a fence is desired, such fence shall comply with the Architectural Control Guidelines and plans for it shall be approved by the Board prior to construction. No chain link fences are allowed.

2.14.4 Distance From Street. No fence shall be constructed on any Lot (including corner Lots) closer to the front Lot line than two (2) feet behind the front edge of the dwelling. For corner Lots, the fence along the side street shall be at least fifteen (15) feet from the back of the sidewalk. (The back of the sidewalk is the side away from the street.)

2.15 Construction. No pre-existing, mobile home or prefabricated home shall be moved onto any Lot. All homes in this Subdivision must be constructed on the Lot. Once construction has begun, completion of each building or other improvement shall be diligently pursued and completed within 12 months.

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2.16 Antennae. For general aesthetic reasons and the benefit of the entire subdivision, antennae or satellite dishes are to be located, where practical, to the rear of the structure and reasonably screened from view of other front and side Lot Owners. The installation plan and the location shall be first reviewed by the Board.

2.17 No Further Subdivision. No Building Lot may be split or subdivided without the prior written approval of the Board.

2.18 Nuisances. No rubbish, grass clippings or other debris of any kind shall be placed on, dumped on, or allowed to accumulate anywhere on the Property, including Common Areas or vacant Building Lots. No unsanitary, unsightly, or offensive conditions shall be permitted to exist on any part of the Property. Noise or other nuisances in violation of local ordinances are prohibited. No Owner shall permit any noise, party or other activity in the Common Area which unreasonably interfere with the peace and quiet of the other Owners or occupants.

2.18.1 Disabled, Dilapidated or Stored Vehicles. Any disabled vehicles, vehicles not used on a regular basis, or dilapidated vehicles located upon any portion of the property or a Lot are a nuisance and absolutely prohibited unless they are fully enclosed in a Board approved structure. Such vehicles may be removed by the Board as a corrective action as provided in Article 9 below.

2.19 Exterior Maintenance; Owner's Obligations. All Improvements, especially the exterior appearance of the home, lawn, trees, fencing and landscaping shall be kept in good condition and repair. In the event an Owner permits an Improvement to fall into disrepair, or to create a dangerous, unsafe, hazardous, unsightly or unattractive condition, then the Board or Grantor, after thirty (30) days prior written notice to the offending Owner, shall have the right to enter upon that Owner's property to correct such condition. Owner shall be obligated to reimburse the Board or Grantor for all of the costs of the corrective action as set out in the Master CC&R's.

2.20 Unsightly Articles. No unsightly articles or materials, junk, car bodies, disabled vehicles, or any other unsightly property shall be permitted to remain on any Lot so as to be visible from any other Owner's property. Trash is to be kept in containers and areas approved by the Board. Clothing or fabrics are not to be hung or aired in such a way as to be visible to other property. No

equipment, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, building materials or scrap shall be kept, stored or allowed to accumulate on any property except within an enclosed structure. Vacant residential structures shall not be used for storage. The Board may remedy any violations as a corrective action as set out in the Master CC&R's.

2.21 No Temporary Structures. No house trailer, mobile home, tent, shack or other temporary building, improvement or structure shall be placed upon any portion of the Property or on any streets. Temporary construction structures are permitted only during the time of construction.

2.22 No Unscreened Boats, Campers and Other Vehicles. No operational boats, trailers, campers, all-terrain vehicles, motorcycles, recreational vehicles, motor homes, bicycles, or similar equipment shall be placed upon any portion of the Property (including, without limitation, streets, parking areas and driveways) unless enclosed by a concealing structure or other screening as approved by the Board. Notwithstanding anything contained herein, an operational boat, camper, trailer or motor home may be parked in a driveway or in the street in front of the Owners Lot (if permitted by local ordinances) for a temporary time not to exceed three consecutive days.

2.23 Animals/Pets. No farm animals, animals creating a nuisance, or animals in violation of governmental ordinances shall be kept on any Property. Chronic dog barking shall be considered a nuisance. No more than two domestic cats and no more than two domestic dogs shall be allowed to inhabit any one Lot. All dogs outside the home or outside the Lot fence must be leashed. Pets shall not be allowed in the Common Areas unless leashed. Any kennel or dog run must be screened, placed inside the Lot fences, and approved by the Board.

2.24 Signs. No sign shall be displayed to public view without the approval of the Board except: (A) signs used by Grantor in connection with the development and sale of the Property; (B) signs identifying the development; (C) informational signs by the Board displayed on Common Areas; (D) one sign of less than 6 square feet displayed by an Owner (other than Grantor) on that Owner's property advertising the home for sale or lease; and, (E) signs required by the governing authorities. No signs other than Grantor's shall be placed in the Common Area without the written approval of the Board.

2.25 Additional Easements. In addition to the easements shown on the recorded plat, an easement is further reserved and each Lot shall be subject to an easement five (5) feet on each side of all other Lot lines for installation and maintenance of irrigation and drainage.

2.26 Exemption of Grantor. Nothing contained in these CC&R's shall limit the right of Grantor; to subdivide or re-subdivide any portion of the Property owned by Grantor; to grant easements, licenses, or to reserve rights-of-way with respect to Common Areas; to complete excavation, grading and construction of any portion of the Common Areas, or Property owned by Grantor; to alter construction plans and designs; to construct additional Improvements; to erect, construct and maintain structures and displays as necessary for the conduct of Grantor's business. Prior to transferring title to a Building Lot, Grantor shall have the right to grant, establish and/or reserve on that Building Lot additional licenses, reservations and rights-of-way to Grantor, to utility companies, or to others. Grantor may use any structures owned by Grantor on the Property as model home complexes or real estate sales or leasing offices. The rights of Grantor may be assigned by Grantor to any successor in interest by a written assignment recorded in the Office of the County Recorder.

2.27 Water.

2.27.1 Water Rights. Each party accepting and recording a deed to any property in this Subdivision or occupying any property in this Subdivision acknowledges and understands and agrees to the following:

- A) That such property is in an irrigation district, (hereinafter "District");
- B) That the water in District has not been transferred from this property;
- C) That each Owner of any Lot is subject to all Assessments levied by District, the City of Nampa, or other water supplier and/or the Association;
- D) That each Lot Owner shall be responsible to pay any levies attributable to that Lot by District, the City of Nampa, or other water supplier and/or the Association;
- E) That water Assessments are a lien upon the Lot;
- F) Each Owner or occupant of any Lot specifically releases and waives any and all claims of any kind against Declarant, its agents, employees, officers, members and directors relating to irrigation

water, or the lack of it, or the quantity or quality of it in this subdivision.

2.27.2 Irrigation District Agreements. The Lots in this Subdivision shall be subject to any existing or future recorded agreements or license agreements with the City of Nampa, Pioneer Irrigation District and/or any other Irrigation District regarding this Subdivision, irrigation easements, irrigation water, or other related matters.

2.27.3 Pressurized Irrigation System. Irrigation water, when seasonally available, will be supplied through the City of Nampa via a pressurized urban irrigation system (PUIS). Each individual Lot will have a control valve on the pressurized irrigation system to allow irrigation water onto that individual Lot. The PUIS shall be owned, maintained and operated by the City of Nampa with all operation and maintenance costs billed to Lot Owners. Each Lot Owner shall pay for the costs of maintenance and operation of the PUIS as billed by the City of Nampa.

Each Lot Owner shall be responsible for his own irrigation system on his own Lot downstream from the control valve (e.g. filters, screens, sprinkler lines and sprinkler heads). Each Owner shall install a sufficient sand screen or similar filter set up to keep sand and other irrigation ditch debris out of the Owner's irrigation system. Each Owner shall clean and maintain their own screens and filter systems. Any Owner damaging the main PUIS system shall be responsible for all of the costs of that damage.

2.27.4 Water Costs. All irrigation water costs (including water costs for all Common Area Lots) shall be paid by the Lot Owners either from individual Assessments against each Lot by the City of Nampa or other water suppliers; or, if the water supplier provides one billing to the Association, then the water costs shall be paid as part of the Association's Assessments to Lot Owners. Each Lot Owner shall pay his or her share of all costs regardless of actual water used. Each Lot Owner shall use all reasonable efforts to conserve and not waste irrigation water.

2.27.5 Water Unreliable. The area of the country where this subdivision is located is desert. Irrigation water is not always reliable and the water is not unlimited. Irrigation water may not be available due to drought, harsh weather conditions, government actions, system breakdowns, transmission failures, overuse by Lot Owners or any other causes. [As one

example; In 1977, a drought year, some irrigation ditches ceased carrying any water in July of that year.]

2.27.6 Rotation. No Lot in this Subdivision shall have any right to, or assurance of, a continuous or unlimited supply of irrigation water from the PUIS. Nor is any Lot guaranteed enough water from the PUIS to irrigate all of the landscaping on the Lot. Each Lot shall be subject to, and each Lot Owner by accepting a deed to a Lot in this subdivisions agrees to be bound by, and to comply with, any rules or regulations which may be established for the use and rotation of irrigation water set by the Association, the City of Nampa or by the Irrigation District. All Lot Owners and occupants shall follow said water rotation schedules and any rules promulgated relative to the use of irrigation water. Failure to adhere to the rotation schedule or rules may, following notice from the Board, the City or the District result in suspension of the right to use irrigation water.

2.27.7 No Liability For Lack of Water. Neither the City of Nampa, the Association, the District nor the Declarant (or any members, employees, agents, officers or directors thereof) shall have any liability OF ANY KIND to any Lot Owner, tenant, Association, member of the Association or any others for any losses or damages relating in any respect to the irrigation system, or irrigation water, or the lack thereof, including but not limited to damages to, or loss of lawns, landscaping, trees, shrubs, gardens or the like caused by the lack of, or shortage of, irrigation water. Each Owner accepts the risk of loss or damage due to the unavailability, shortage or lack of irrigation water. Each Lot Owner, by accepting a deed to the property, and each tenant or occupant, by occupying the premises, specifically waives any and all claims of any kind against the Association, District and Declarant, their agents, employees, officers Directors, Members and/or shareholders for any loss or damage relating in any respect to the water, or the supply of water.

2.27.8 Extended Season Water. Extended season irrigation water (water which may be provided before or after the normal irrigation season or to supplement the irrigation water) may, if available or provided for, be provided to the subdivision by the City of Nampa and/or other water supplier. No Lot shall have any right to extended season water, and neither Declarant, District or the Association shall have any obligation to provide extended season or supplemental water. Any facilities needed by the City of Nampa, the water supplier, District or Association for this extended season water shall be considered to be part of the PUIS and shall be governed by this Declaration. All

costs of extended season or supplemental water (if there is any such water) shall be included as a cost of operation of the PUIS and shall be assessed to the Lots in the subdivision as all other costs are assessed. Extended season water may, or may not, be provided to the subdivision.

2.27.9 Irrigation Water Not Drinkable.

WARNING!
IRRIGATION WATER IS NOT DRINKABLE

Notice is hereby given to each Owner in this subdivision that the water in the pressurized irrigation system is NOT fit for human consumption. It contains untreated ditch water, which may contain dirt, hazardous wastes, dangerous farm chemicals or disease-causing organisms. Drinking of the irrigation water may make a person sick, and while less likely, may result in death or permanent disability.

NEVER DRINK WATER
FROM THE PRESSURIZED IRRIGATION SYSTEM

It is the duty of each Owner to:

- A) Educate all family members, guests, tenants and invitees that the water from the pressurized irrigation system is not drinkable;
- B) Ensure that ALL of the faucets and risers in the pressurized irrigation system are adequately marked, and if not marked to check with the local health department to determine what type of markings are required by that health department or agency;
- C) Not remove any existing tags or other warning markers from the pressure irrigation risers;
- D) Not install, or maintain the installation of, any cross connections between the pressurized irrigation system and the drinking water system unless the cross connection has been approved in writing by the Association AND the supplier of the irrigation water AND the supplier of the drinking water AND the cross connection back flow prevention device meets all relevant governmental and building code requirements.

No Liability for Quality of Water. Neither the City of Nampa, the Association, the District nor the Declarant (or any members, employees, agents, officers, shareholders or directors thereof) shall have any liability **OF ANY KIND** to any Lot Owner, tenant, Association, member of the Association or any others for any losses, damages, or personal injuries relating in any respect to the quality of the irrigation water, or the ingestion of, or contact with, the irrigation water. Each Owner, tenant and occupant accepts the risk of using the irrigation water and waives any and all claims relating thereto.

2.28 Lot Grading and Drainage Requirements. Each Lot Owner shall grade and maintain their individual Lot to prevent the runoff of storm water and irrigation water onto adjacent Owner's Lots. Each Lot Owner shall have the specific duty to prevent any water (whether storm or irrigation) on the Owner's Lot from getting to or draining onto any neighbor's adjoining Lot.

All Lots are to be graded at the time of building (and such grading shall be maintained thereafter) so that:

- A) Drainage of storm and irrigation water is kept away from adjacent Lots;
- B) The Lot will drain sufficiently away from the foundation with a proper slope; and,
- C) All drainage is in accordance with local building code requirements.

2.29 Common Areas; No Liability. The Common Area lots in this subdivision are as follows:

Lot 55	Block 3	Micro-Path Lot and Landscape Area;
Lot 72	Block 3	Landscape Buffer Area;
Lot 15	Block 5	Micro-Path Lot and Landscape Area;
Lot 12	Block 6	Micro-Path Lot and Landscape Buffer Area;
Lot 15	Block 7	Micro-Path Lot (that portion adjacent to Lot 16, Block 7); Landscape Buffer Area.

Each Lot Owner by accepting a deed to a Lot in this Subdivision and each occupant by occupying a Lot, and each user of the Common Areas by using the Common Areas, specifically agrees that the Declarant, its agents, officers, employees and shareholders shall have no liability of any kind whatsoever relating in any way to the use of the Common Areas including, but not limited to, any accidents or bodily injuries which result from the use of the Common Areas, and all claims relating thereto are specifically waived and released. Nor

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shall the Association, its officers, agents, or employees have any such liability. All Lot Owners, occupants and users of the Common Areas specifically assume the risk and waive any and all claims relating to the use of the Common Areas.

2.29.1 Micro-Path Lots and Easement Areas: The Micro-Path Lots identified above are Common Area Lots created for the purpose of maintaining a Micro-Path with a landscaping area. The easement area on each lot shall be landscaped as approved by the City of Nampa. Each lot and easement area shall be for the ingress and egress of pedestrian and bicycle traffic and shall be for the benefit of all Lots in Crestwood Subdivisions. These lots shall be owned and maintained by the Association and such maintenance shall comply with all Nampa City requirements and regulations for Micro-Path easement areas. These Micro-Path easements and the maintenance responsibilities relating thereto shall not be dissolved without the express written permission of the City of Nampa. Motorized vehicles are absolutely prohibited in any Common Areas (except handicap equipment).

2.30 Park Development Exaction Fee Agreement. All Lots in this Subdivision shall be subject to that "Park Development Exaction Fee Agreement" entered into between Declarant and the City of Nampa which obligates all Lot Owner's to pay a fee to the City for City of Nampa parks at the time a building permit is issued. This Agreement was recorded the 22nd day of July, 2002 in Canyon County as Instrument No. 200233008 and is incorporated herein as if set forth in full.

2.31 Renting/Leasing. No home (or any other part of the property) owned by a Lot Owner in this subdivision shall be rented or leased to third parties except where: (A) the Tenant has acknowledged, in writing, receipt of a copy of these CC&R's; (B) the Tenant has executed a written lease or rental agreement wherein the Tenant has affirmatively agreed to be bound by the terms and conditions of these CC&R's, specifically including but not limited to the Lot landscaping and maintenance requirements; and, (C) the Lot Owner has provided in the lease or rental agreement that the Lot landscaping will be maintained in accordance with the CC&R's.

During any rental or lease term, the Lot Owner shall remain primarily responsible for the condition of the property, as well as for all Assessments and all other obligations under these CC&R's. In addition, the Lot Owner shall be responsible for any damages caused by the Lot Owner's Tenants or their guests to any Common Areas or other common facilities owned or maintained by the Association.

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In the event that the Lot Owner and the Tenant fail to maintain the landscaping and the exterior appearance of the property then the Declarant or the Association, after 30 days notice to the Lot Owner (with a copy to the Tenant, if known), shall have the right to perform that maintenance as a corrective action and the Lot Owner shall be responsible for all of the costs thereof as a Limited Assessment as provided in these CC&R's.

DATED THIS 18th day of November, 2002.

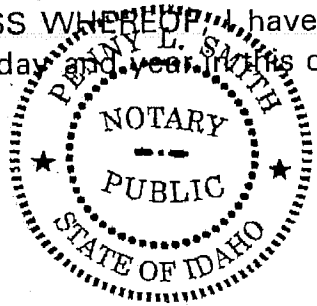
Crestwood Development, LLC

By: [Signature]
Barry Teppola, Manager

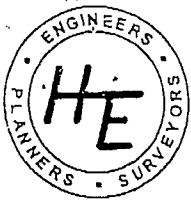
STATE OF IDAHO,)
) ss.
COUNTY OF ADA,)

On this 18th day of November, 2002, before me, a notary public in and for said State, personally appeared Barry Teppola, known or identified to me to be the Manager of Crestwood Development LLC, a limited liability company and acknowledged to me that such limited liability company executed the same, and acknowledged to me that he executed the same on behalf of the limited liability company.

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



[Signature]
Notary Public for Idaho
Residing in Boise, Idaho
My Commission Expires: 2/14/07



HUBBLE ENGINEERING, INC.

701 S. Allen St., Suite 102 ■ Meridian, ID 83642

208/322-8992 ■ Fax 208/378-0329

Project No. 4-0209200

May 8, 2002

CRESTWOOD ESTATES SUBDIVISION NO. 2

A parcel of land located in Government Lot 4 and the SE1/4 of the SW1/4 of Section 7, T.3N., R.2W. B.M. Canyon County, Idaho, more particularly described as follows: Commencing at the corner common to Sections 12 and 13, T.3N., R.3W., and Sections 7 and 18, T.3N., R.2W., from which the 1/4 corner common to said Sections 7 and 12 bears North 00°00'00" East, 2643.17 feet; thence North 00°00'00" East, 1321.64 feet to the South 1/16 corner; thence along the North boundary of said Government Lot 4 and the South boundary of Asbury Park Phase 1, as same is recorded in Book 28 of Plats at Page 39, records of Canyon County, Idaho, South 89°56'36" East, 859.98 feet to the REAL POINT OF BEGINNING.

Thence continuing South 89°56'36" East, 1006.54 feet to the northwest corner of Crestwood Estates Subdivision No. 1, as same is recorded in Book 29 of Plats at Page 33, records of Canyon County, Idaho;

Thence along the westerly boundary of said subdivision South 00°04'33" West, 279.44 feet;

Thence South 2°07'16" West, 56.04 feet;

Thence South 00°04'33" West, 100.00 feet;

Thence North 89°55'27" West, 307.00 feet;

Thence South 00°04'33" West, 156.00 feet;

Thence North 89°55'27" West, 12.52 feet;

Thence South 00°04'33" West, 100.00 feet;

Thence departing said easterly boundary North 89°55'27" West, 300.00 feet;

Thence North 00°04'33" East, 120.00 feet;

Thence North 89°55'27" West, 109.66 feet;

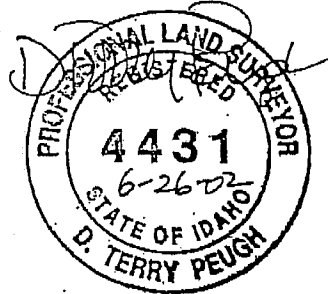
EXHIBIT A

Thence 83.22 feet along the arc of a non-tangent curve to the left, having a radius of 78.00 feet, a central angle of 61°08'01" and a long chord bearing North 59°18'08" West, 79.33 feet;

Thence North 89°52'08" West, 206.91 feet;

Thence North 00°03'24" East, 530.49 feet to the Point of Beginning. Containing 12.82 acres, more or less.

Prepared by:
HUBBLE ENGINEERING, INC.



D. Terry Peugh, P.L.S.