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ADA COUNTY RECORDER J. DAVID NAVARRO AMOUNT 48.00 16
BOISE IDAHO 07/28/08 04:35 PM
DEPUTY Bonnie Oberbillig
RECORDED - REQUEST OF
Title One



**ACCOMMODATION
RECORDING**

**FIRST SUPPLEMENT TO THE
DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR GLADSTONE SUBDIVISION**

TABLE OF CONTENTS

ARTICLE I: SUPPLEMENT 1

Section 1. Supplement 1

Section 2. Definitions 1

Section 3. Declaration In Full Force and Effect 1

ARTICLE II: USE AND REGULATION OF USES 1

Section 1. Driveway Easement For The Benefit of Lot 6, Block 1 1

Section 2. Landscape Easement Located on Lot 3, Block 2 1

ARTICLE III: GENERAL PROVISIONS 2

Section 1. Enforcement 2

Section 2. Severability 2

Section 3. Term and Amendment 2

Section 4. Duration and Applicability to Successors 2

Section 5. Attorneys Fees. 2

Section 6. Governing Law. 2

EXHIBIT A - LEGAL DESCRIPTION AND DEPICTION OF DRIVEWAY EASEMENT 6

EXHIBIT B - LEGAL DESCRIPTION AND DEPICTION OF LANDSCAPE EASEMENT 7

**FIRST SUPPLEMENT TO THE DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR GLADSTONE SUBDIVISION**

This First Supplement To The Declaration Of Covenants, Conditions And Restrictions For Gladstone Subdivision (this "First Supplement") is made this 25 day of July, 2008, by David and Karen Buich, husband and wife (collectively "Declarant"), as successor in interest to Gemstar Properties, L.L.C, and not less than two-thirds (2/3) of the Class A Members.

ARTICLE I: SUPPLEMENT

Section 1. Supplement. This First Supplement is a supplement to that certain Declaration of Covenants, Conditions and Restrictions for Gladstone Subdivision, recorded on the 30th day of July, 2007, as Ada County, Idaho Instrument Number 107107564 ("Declaration"). This First Supplement supplements, amends and modifies the Declaration as contained herein. The covenants, conditions and restrictions contained in this First Supplement are in addition to those covenants, conditions and restrictions contained in the Declaration, except insofar as the covenants, conditions and restrictions of the Declaration are hereinafter expressly supplemented, amended and modified hereby.

Section 2. Definitions. Except as otherwise defined herein, all terms capitalized herein shall have the same meanings as are ascribed to such terms in the Declaration.

Section 3. Declaration In Full Force and Effect. Unless expressly amended and/or modified hereby, all terms and Restrictions of the Declaration shall remain in full force and effect.

ARTICLE II: USE AND REGULATION OF USES

Section 1. Driveway Easement For The Benefit of Lot 6, Block 1. Declarant hereby reserves for the benefit of Lot 6, Block 1, a non-exclusive driveway easement on, over, across and through that certain portion of Lot 5, Block 1 of the Property legally described and depicted on the attached Exhibit A, which is made a part hereof, the scope and purpose of which easement is for vehicular and pedestrian ingress to, and egress from, Lot 6, Block 1 of the Property ("Driveway Easement Property"). The right to use the Driveway Easement Property is not exclusive. Declarant, its successors, assigns, agents, licensees and invitees, including, without limitation, any subsequent Owner of Lot 5, Block 1 of the Property, shall each have the right to use the Driveway Easement Property for any purpose so long as such use does not unreasonably interfere with the Lot 6, Block 1 Owner's use of the Driveway Easement Property as contemplated herein.

The Association shall be responsible for the maintenance, repair and replacement of the Driveway Easement Property including, without limitation, any and all paving, landscaping and snow removal. The Association shall maintain this Driveway Easement Property in a professional and attractive manner. The cost of any such maintenance, repair and/or replacement shall be passed onto the Owners of Lots 5 and 6, Block 1, in equal shares, in the form of Limited Assessments; provided, however, that in the event the need for such maintenance, repair or replacement is caused by the willful or negligent acts of any Owner, or his or her agents, invitees or licensees, such Owner shall be solely responsible for such maintenance, repair or replacement costs. **Parking on the Easement Property is strictly prohibited.**

Section 2. Landscape Easement Located on Lot 3, Block 2. Declarant hereby reserves for the benefit of the Association and all portions of the Property, an exclusive landscape easement on, over, across

and through that certain portion of Lot 3, Block 2 of the Property legally described and depicted on the attached Exhibit B, which is made a part hereof, the scope and purpose of which easement is for open space/landscaping ("Landscape Easement Property").

The Association shall be responsible for the maintenance, repair and replacement of the Landscape Easement Property. The Association shall maintain this Landscape Easement Property in a professional and attractive manner. The cost of any such maintenance, repair and/or replacement shall be passed onto all Owners, in equal shares, in the form of Regular Assessments; provided, however, that in the event the need for such maintenance, repair or replacement is caused by the willful or negligent acts of any Owner, or his or her agents, invitees or licensees, such Owner shall be solely responsible for such maintenance, repair or replacement costs.

The Owner of Lot 3, Block 2 shall not have access to, or use of, the Landscape Easement Property. The Owner of Lot 3, Block 2 may construct a fence along the boundary of the Landscape Easement Property and the remainder Lot 3, Block 2, provided, however, that this fence may only be constructed of wrought iron.

ARTICLE III: GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant, and/or any Owner shall have the right to enforce, by any proceeding at law or in equity, all terms and Restrictions now or hereafter imposed by the provisions of this First Supplement and/or the Declaration. Failure by any such Persons to enforce any term or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these terms or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment. The terms and Restrictions of this First Supplement shall run with and bind the land for as long as the Declaration remains in effect. This First Supplement may be amended by an instrument approved by Declarant (assuming Declarant owns one or more Lots) and not less than two-thirds (2/3) of the Class A Members. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

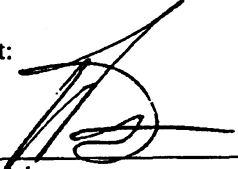
Section 4. Duration and Applicability to Successors. The terms and Restrictions set forth in this First Supplement shall run with the land and shall inure to the benefit of and be binding upon the Declarant, the Association and all Owners, and their successors in interest.

Section 5. Attorneys Fees. In the event it shall become necessary for Declarant, the Association, or any Owner to retain legal counsel to enforce any term or Restriction contained within this First Supplement, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 6. Governing Law. This First Supplement shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, representing Declarant and not less than two-thirds (2/3) of the Class A Members, have duly executed this First Supplement as of the date first above written.

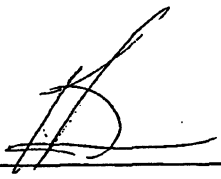
Declarant:



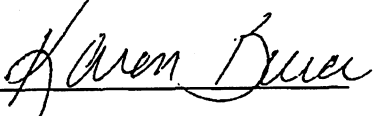
David Buich



Karen Buich



Class A Member

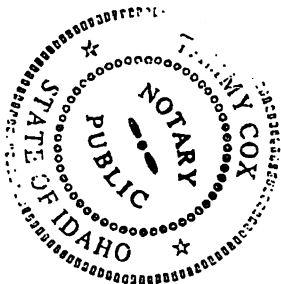


Class A Member

STATE OF IDAHO)
) ss.
County of Ada)

On this 10 day of July, 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared David and Karen Buich, husband and wife, known or identified to me to be the persons who executed the foregoing instrument and acknowledged to me that they 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.



[Signature]
Notary Public for Idaho
Residing at [Signature]
My commission expires: 10/15/08

STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of _____, 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person who executed the foregoing instrument, and acknowledged to me that he/she is a Class A Member and executed the same.

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

Notary Public for Idaho
Residing at _____
My commission expires: _____

STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of _____, 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared David and Karen Buich, husband and wife, known or identified to me to be the persons who executed the foregoing instrument and acknowledged to me that they executed the same.

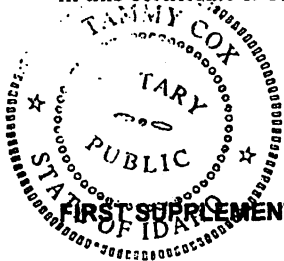
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for Idaho
Residing at _____
My commission expires: _____

STATE OF IDAHO)
) ss.
County of Ada)

On this 25 day of July, 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared David Buich, known or identified to me to be the person who executed the foregoing instrument, and acknowledged to me that he/she is a Class A Member and 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.



Tammy Cox
Notary Public for Idaho
Residing at Bow
My commission expires: 10/15/08

STATE OF IDAHO)
) ss.
County of Ada)

On this 25 day of July, 2008, before me, the undersigned, a Notary Public in and for said State, personally appeared Karen Duch known or identified to me to be the person who executed the foregoing instrument, and acknowledged to me that he/she is a Class A Member and 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.



Jimmy G. Cox
Notary Public for Idaho
Residing at Boise
My commission expires: 10/8/08

EXHIBIT A

LEGAL DESCRIPTION AND DEPICTION OF THE DRIVEWAY EASEMENT PROPERTY

See attached.



**IDAHO
SURVEY
GROUP**

1450 East Watertower St.
Suite 150
Meridian, Idaho 83642.

**Phone (208) 846-8570
Fax (208) 884-5399**

June 19, 2008

**Gladstone Subdivision
Lot 5, Block 1**

Lot 5, Block 1 of Gladstone Subdivision, as same is recorded in Book 97 of Plats at Page 12311, records of Ada County, Idaho. **SUBJECT TO** a common driveway ingress-egress easement for the benefit of adjacent Lot 6 being more particularly described as follows: **BEGINNING** at the Northwest corner of said Lot 6;

Thence South $00^{\circ}24'47''$ West, 90.09 feet to the Southwest corner of said lot;

Thence 35.64 feet along the arc of a non-tangent curve to the left, having a radius of 54.00 feet, a central angle of $37^{\circ}49'08''$, and a long chord bearing North $89^{\circ}37'10''$ West, 35.00 feet to the Southwest corner of said Lot 5;

Thence along the westerly boundary of said Lot 5 North $00^{\circ}24'47''$ East, 90.09 feet;

Thence South $89^{\circ}35'13''$ East, 35.00 feet to the Point of Beginning.

Prepared By:
Idaho Survey Group, P.C.

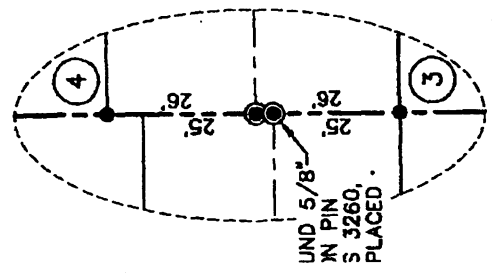
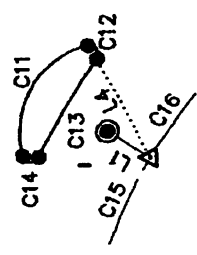
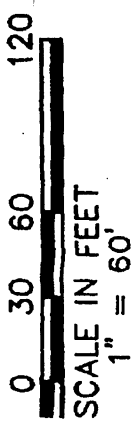
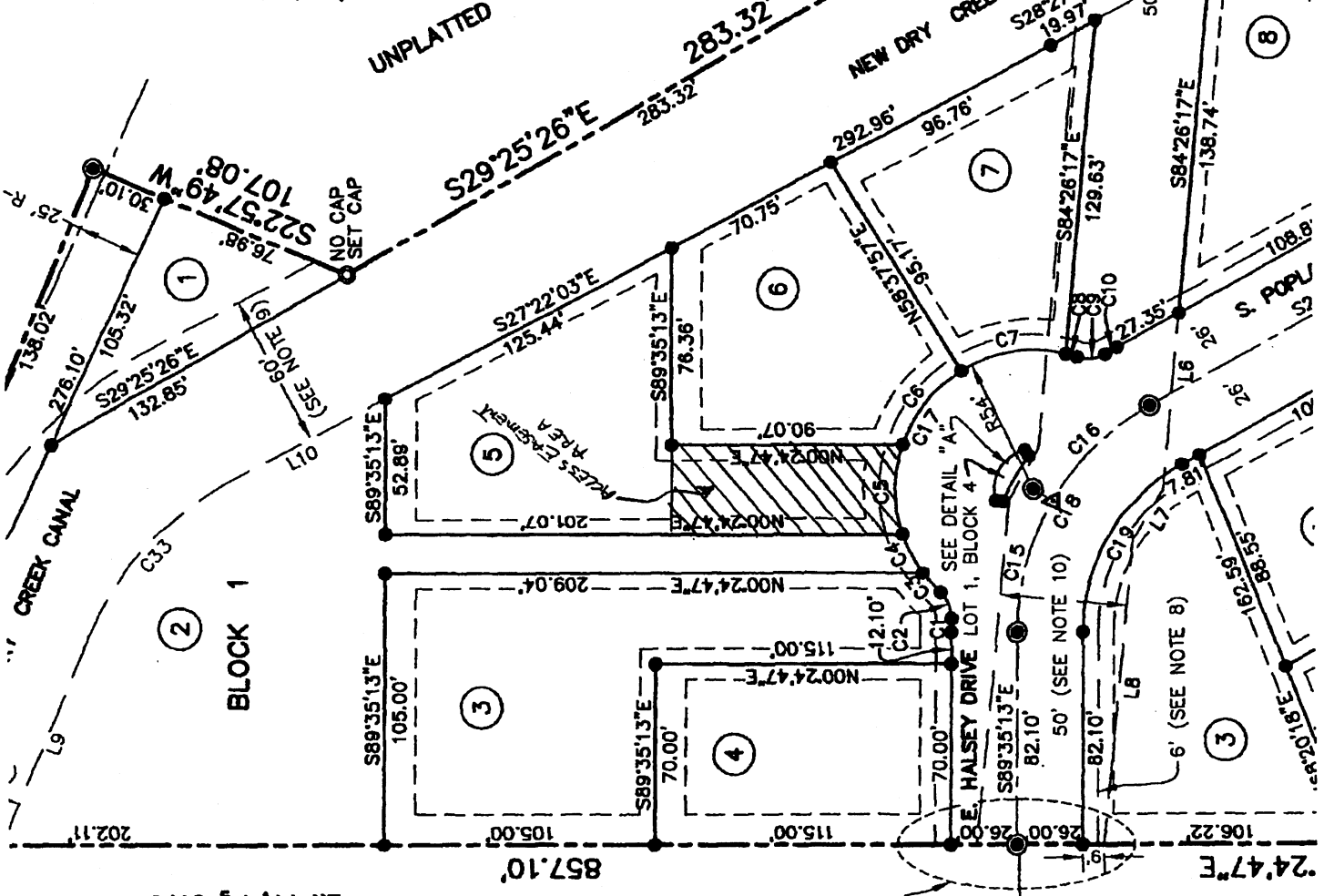


D. Terry Peugh, PLS

CHAUMONT SUBDIVISION NO. 2
Bk 77, Pg 8176

NO. 3

C4	54.00
C5	54.00
C6	54.00
C7	54.00
C8	54.00
C9	13.00
C10	126.00
C11	15.50
C12	1.50
C13	117.50
C14	1.50
C15	100.00
C16	100.00
C17	54.00
C18	100.00
C19	74.00
C20	11.00
C21	54.00
C22	54.00
C23	54.00
C24	54.00
C25	54.00
C26	54.00
C27	54.00
C28	74.00
C29	100.00
C30	126.00
C31	126.00
C32	88.00
C33	120.00



SEE DETAIL "B"
SEE DETAIL "A"
SEE DETAIL "A", BLOCK 4
50' (SEE NOTE 10)
6' (SEE NOTE 8)
50' (SEE NOTE 10)

GREAT - BK

S25



**IDAHO
SURVEY
GROUP**

1450 East Watertower St.
Suite 150
Meridian, Idaho 83642

Phone (208) 846-8570
Fax (208) 884-5399

June 19, 2008

**Gladstone Subdivision
Lot 6, Block 1**

Lot 6, Block 1 of Gladstone Subdivision, as same is recorded in Book 97 of Plats at Page 12311, records of Ada County, Idaho. **TOGETHER WITH** a common driveway ingress-egress easement being a portion of adjacent Lot 5 and more particularly described as follows: **BEGINNING** at the Northwest corner of said Lot 6;

Thence South $00^{\circ}24'47''$ West, 90.09 feet to the Southwest corner of said lot;

Thence 35.64 feet along the arc of a non-tangent curve to the left, having a radius of 54.00 feet, a central angle of $37^{\circ}49'08''$, and a long chord bearing North $89^{\circ}37'10''$ West, 35.00 feet to the Southwest corner of said Lot 5;

Thence along the westerly boundary of said Lot 5 North $00^{\circ}24'47''$ East, 90.09 feet;

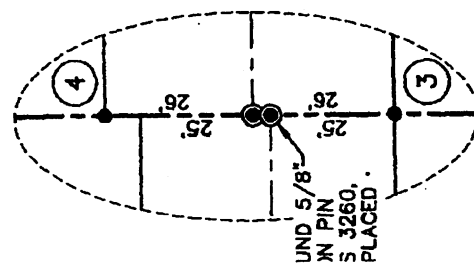
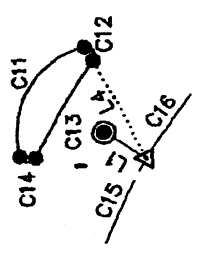
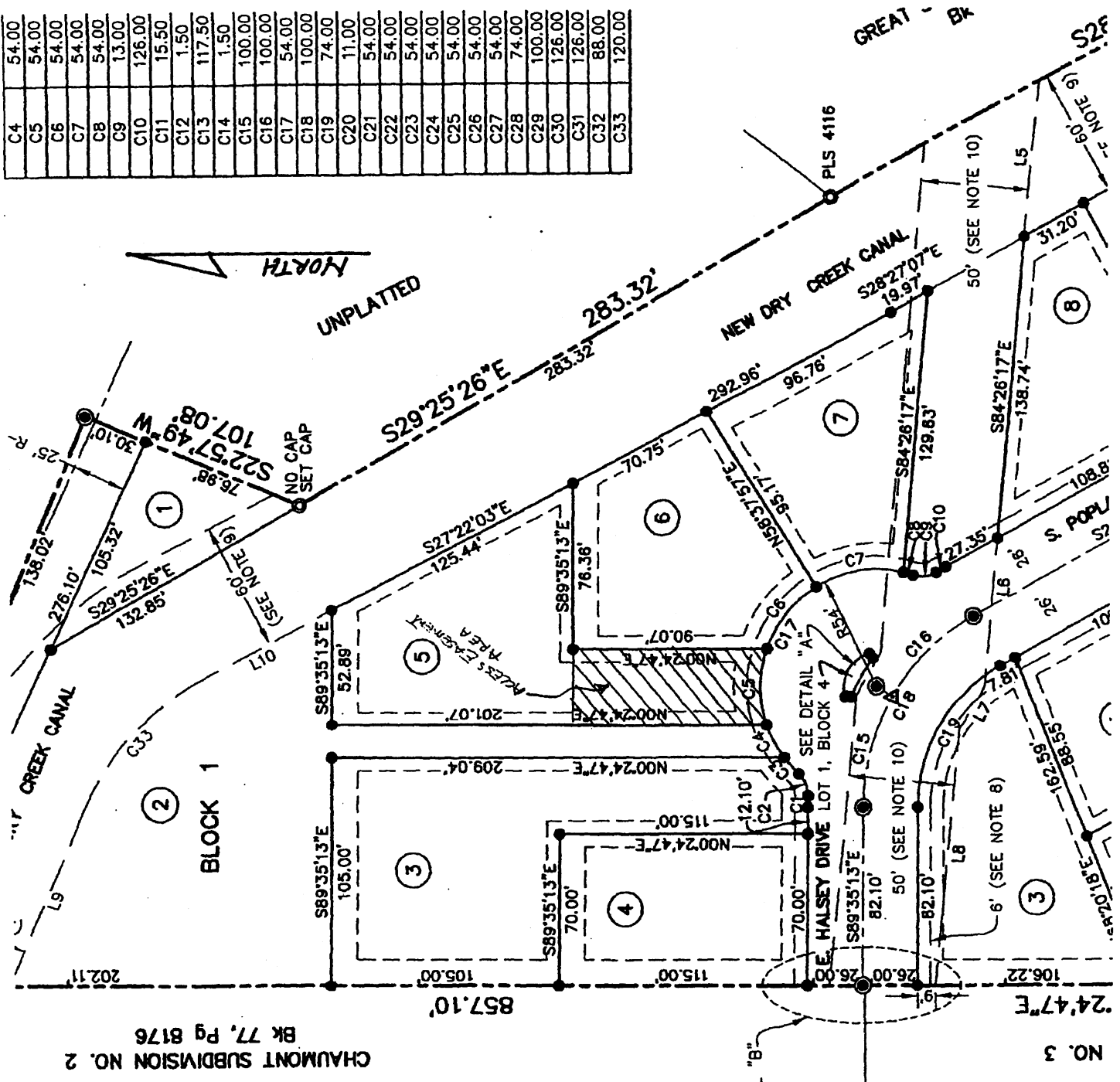
Thence South $89^{\circ}35'13''$ East, 35.00 feet to the Point of Beginning.

Prepared By:
Idaho Survey Group, P.C.



D. Terry Peugh, PLS

C4	54.00
C5	54.00
C6	54.00
C7	54.00
C8	54.00
C9	13.00
C10	126.00
C11	15.50
C12	117.50
C13	1.50
C14	1.50
C15	100.00
C16	100.00
C17	54.00
C18	100.00
C19	74.00
C20	11.00
C21	54.00
C22	54.00
C23	54.00
C24	54.00
C25	54.00
C26	54.00
C27	54.00
C28	74.00
C29	100.00
C30	126.00
C31	126.00
C32	88.00
C33	120.00



GREAT - Bk

NORTH

UNPLATTED

BLOCK 1

BLOCK 2

BLOCK 3

BLOCK 4

BLOCK 5

BLOCK 6

BLOCK 7

BLOCK 8

BLOCK 9

BLOCK 10

BLOCK 11

BLOCK 12

BLOCK 13

BLOCK 14

BLOCK 15

BLOCK 16

BLOCK 17

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BLOCK 91

BLOCK 92

BLOCK 93

BLOCK 94

BLOCK 95

BLOCK 96

BLOCK 97

BLOCK 98

BLOCK 99

BLOCK 100

EXHIBIT B

LEGAL DESCRIPTION AND DEPICTION OF THE LANDSCAPE EASEMENT PROPERTY

See attached.



**IDAHO
SURVEY
GROUP**

1450 East Watertower St.
Suite 150
Meridian, Idaho 83642

**Phone (208) 846-8570
Fax (208) 884-5399**

June 19, 2008

**Gladstone Subdivision
Lot 3, Block 2 Landscape Easement**

A portion of Lot 3, Block 2 of Gladstone Subdivision, as same is recorded in Book 97 of Plats at Page 12311, records of Ada County, Idaho, more particularly described as follows: **BEGINNING** at the most easterly corner of said Lot 3;

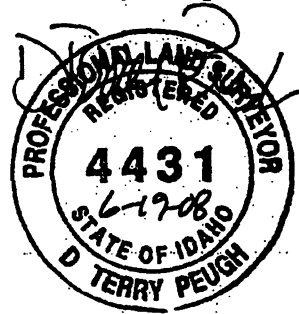
Thence along the southerly boundary of said lot South $68^{\circ}20'18''$ West, 55.00 feet;

Thence North $3^{\circ}16'38''$ West, 64.69 feet to a point on the northerly boundary of said Lot 3;

Thence along the northerly and easterly boundary of said lot 65.44 feet along the arc of a non-tangent curve to the right, having a radius of 74.00 feet, a central angle of $50^{\circ}40'05''$, and a long chord bearing South $53^{\circ}47'09''$ East, 63.33 feet;

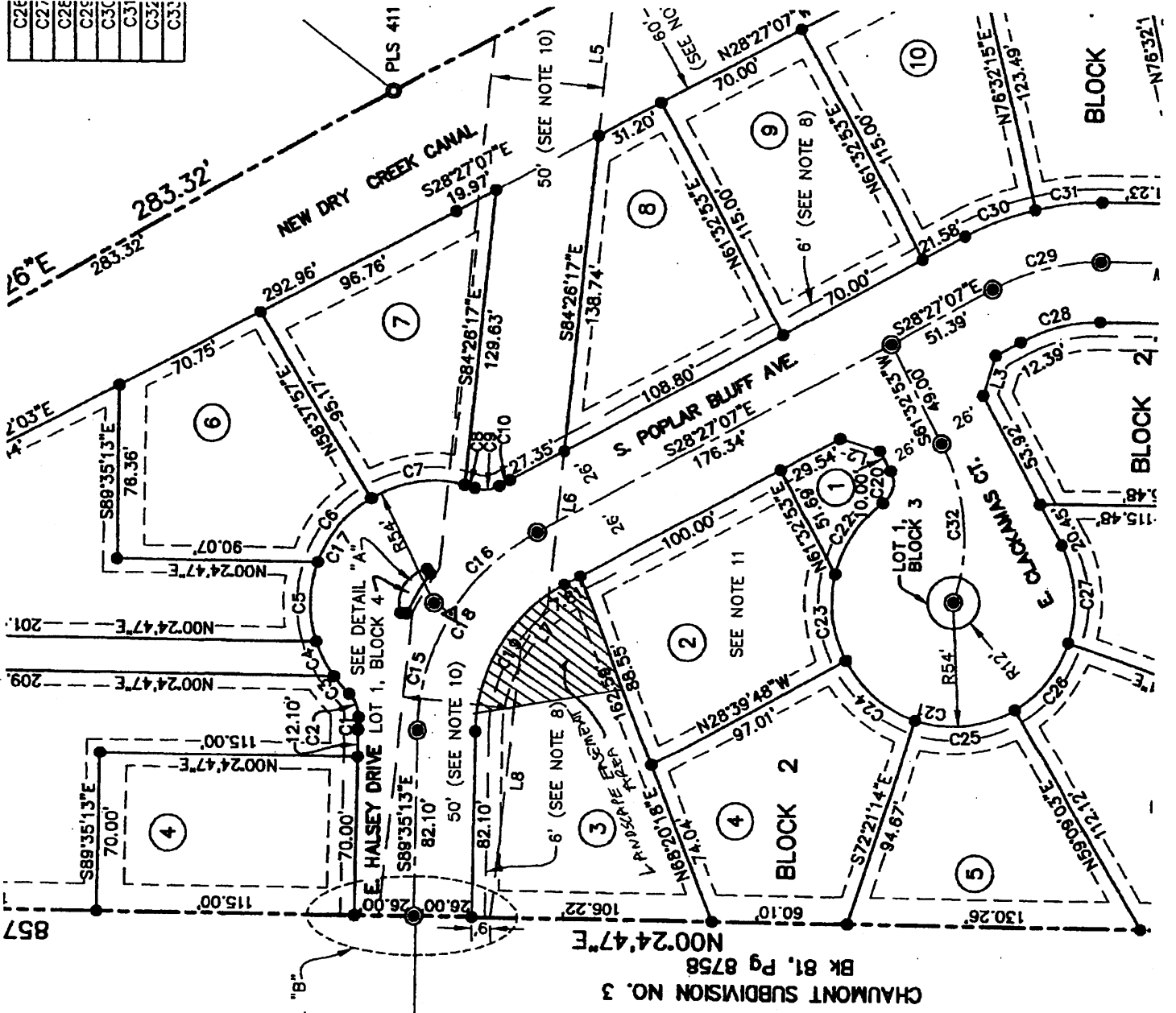
Thence South $28^{\circ}27'07''$ East, 7.81 feet to the Point of Beginning. Containing 2,098 square feet, more or less.

Prepared By:
Idaho Survey Group, P.C.

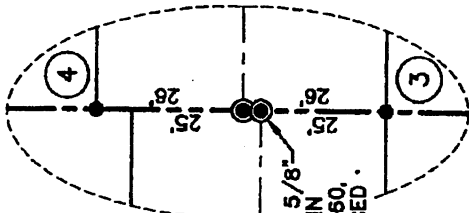


D. Terry Peugh, PLS

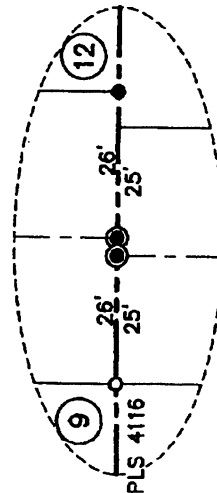
C26
C27
C28
C29
C30
C31
C32
C33



LOT 1, BLOCK 4
NTS



DETAIL "B"
NTS



DETAIL "C"
NTS

CHAUMONT SUBDIVISION NO. 3
BK 81, Pg 8758

BK 97 PG 12312

GLADSTONE SUBDIVISION

CERTIFICATE OF OWNERS

Know all men by these presents: That Gemstar Properties, L.L.C., an Idaho Limited Liability Company is the owner of the property described as follows:

A parcel of land located in the SW 1/4 of the SE 1/4 of Section 10, T.4N., R.1E., B.M. Eagle, Ada County, Idaho, more particularly described as follows:

REQUIRING at the 1/4 corner common to Section 15 and the said Section 10, from which the Southwest corner of said Section 10 bears North 89°13'1" West, 283.08 feet, said corner common to the Southeast corner of Chaumont Subdivision No. 3, and the Northwest corner of Great Sky Estates Subdivision No. 4, as same are recorded in Book 81 of Plats at Page 8758 and Book 79 of Plats at Page 8409, respectively.

Thence along the East line of said Chaumont Subdivision No. 3 and Chaumont Subdivision No. 2, as same is recorded in Book 77 of Plats at Page 8178, North 00°24'47" East, 847.10 feet

Thence South 67°20'44" East, 263.30 feet;

Thence South 22°37'49" West, 107.08 feet;

Thence South 29°29'29" East, 283.32 feet to the most westerly corner of Great Sky Estates Subdivision No. 7, as same is recorded in Book 84 of Plats at Page 9386, records of Ada County, Idaho,

Thence along the southwestwesterly line of said subdivision South 29°27'07" East, 451.22 feet to a point on the North line of said Great Sky Estates Subdivision No. 4.

Thence along said line North 89°42'48" West, 554.77 feet to the Point of Beginning Containing 6.82 acres, more or less

It is the intention of the undersigned to hereby include the above described property in this plat and to dedicate to the public, the public streets as shown on this plat. The easements as shown on this plat are not dedicated to the public. However, the right to use said easements is hereby perpetually reserved for public utility and such other uses as designated within this plat, and no permanent structures are to be erected within the lines of said easements. All lots in this plat will be eligible to receive water service from an existing Eagle Water Company main line located adjacent to the subject subdivision, and Eagle Water Company has agreed in writing to serve all the lots in this subdivision.

Gemstar Properties, L.L.C.

Sharon L. Schmidt
Sharon L. Schmidt, Manager

CERTIFICATE OF SURVEYOR

I, D. Terry Pugh, do hereby certify that I am a Professional Land Surveyor licensed by the State of Idaho, and that the plat as described in the "Certificate of Owners" was drawn from an actual survey made on the ground under my direct supervision and accurately represents the points plotted thereon, and is in conformity with the State of Idaho Code relating to plats and surveys.



D. Terry Pugh

P.L.S. NO. 4431

ACKNOWLEDGMENT

I, A.A. _____
State of Idaho)
County of Ada)

On this 27th day of August, 2006, before me, the undersigned, a Notary Public in and for said State, personally appeared Sharon L. Schmidt, who presented to me the foregoing Certificate of Gemstar Properties, L.L.C., an Idaho Limited Liability Company, the Company that executed the instrument of the person who executed the instrument on behalf of said Company, and acknowledged to me that said Company executed the same.

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

27-08-2011
My commission expires



A.A. Lopez
Notary Public for the State of Idaho
Residing in Shoshone, Idaho

Balley Engineering, Inc.
CIVIL ENGINEERING | PLANNING | CADD
150 E. HOWLANDER
BOISE, ID 83711
TEL: 208-348-0113
FAX: 208-348-0115

GLADSTONE SUBDIVISION

HEALTH CERTIFICATE

Sanitary restrictions as required by Idaho Code, Title 56, Chapter 13 have been satisfied based on a review by a Qualified Licensed Professional Engineer (QLE-PE) representing City of Eagle Public Works, and the QLE-PE approval of the design plans and specifications and the conditions imposed on the developer for construction submission of the final sanitary restrictions. Buyer is cautioned that at the time of this approval, the developer has not submitted the final sanitary restrictions. The developer can be allowed with appropriate building permits, including water restrictions or sewer restrictions have since been constructed or if the developer is not allowed to construct the same, if the developer fails to construct the same, then sanitary restrictions may be imposed, in accordance with Section 56-1323, Idaho Code. By the issuance of a Certificate of Disapproval, and no construction of any building or structure requiring drinking water or sanitary restrictions shall be allowed.



John M. King 1/19/07
Chief Officer Health Department

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

The foregoing plat was accepted and approved by the Board of Ada County Highway District Commissioners on the 27th day of September, 2007.



Chairman ACHD

APPROVAL OF CITY ENGINEER

I, the undersigned, City Engineer in and for the City of Eagle, Idaho, hereby approve this plat.

City Engineer

CERTIFICATE OF COUNTY SURVEYOR

I, the undersigned, County Surveyor in and for Ada County, Idaho, do hereby certify that I have checked this plat and that it complies with the State of Idaho Code relating to plats and surveys.

County Surveyor 3-23-07

CERTIFICATE OF CITY COUNCIL

I, the undersigned, City Clerk in and for the City of Eagle, Ada County, Idaho, do hereby certify that at a regular meeting of the City Council held on the 22nd day of September, 2007, this plat was duly accepted and approved.

City Clerk



CERTIFICATE OF COUNTY TREASURER

I, the undersigned, County Treasurer in and for the County of Ada, State of Idaho, do hereby certify that any and all taxes and/or delinquent county property taxes for the property included in the subdivision have been paid in full. This certification is valid for the next thirty (30) days only.

Date 3/26/07



County Treasurer

COUNTY RECORDER'S CERTIFICATE

State of Idaho)
County of Ada)

I hereby certify that this instrument was filed for record at the request of Bailey Engineering, Inc. on this 26 day of March, 2007, in Book 13311-12313 of Ada at Page 13311-12313. Original P

Deputy

Rec: 8/16/07





107107564

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
GLADSTONE SUBDIVISION**

July 26th, 2007

NOTICE

THE FOLLOWING IS A VERY IMPORTANT DOCUMENT WHICH EACH AND EVERY POTENTIAL BUYER AND OWNER OF PROPERTY WITHIN THE GLADSTONE SUBDIVISION SHOULD READ AND UNDERSTAND. THIS DOCUMENT DETAILS THE OBLIGATIONS AND PROHIBITIONS IMPOSED UPON ALL HOME OWNERS AND OCCUPANTS.

TABLE OF CONTENTS

ARTICLE I: RECITALS..... 1

Section 1. Property Covered..... 1

Section 2. Purpose of Declaration 1

ARTICLE II: DECLARATION 1

ARTICLE III: DEFINITIONS 1

Section 1. "Architectural Committee" 1

Section 2. "Assessments" 1

Section 3. "Association" 1

Section 4. "Board" 1

Section 5. "Common Lots" 1

Section 6. "Declarant" 2

Section 7. "Dwelling Unit" 2

Section 8. "Improvement" 2

Section 9. "Limited Assessment" 2

Section 10. "Lot" 2

Section 11. "Member" 2

Section 12. "Mortgage" 2

Section 13. "Owner" 2

Section 14. "Person(s)" 2

Section 15. "Plat" 2

Section 16. "Property" 3

Section 17. "Regular Assessments" 3

Section 18. "Special Assessments" 3

ARTICLE IV: PROPERTY RIGHTS 3

Section 1. Owners' Easements of Enjoyment of Common Lots 3

Section 2. Delegation of Use 3

Section 3. Encumbrance of Common Lots 3

ARTICLE V: MEMBERSHIP AND VOTING RIGHTS 3

Section 1. Membership 3

Section 2. Voting Classes 4

ARTICLE VI: USE AND REGULATION OF USES 4

Section 1. Residences 4

Section 2. Home Occupations 5

Section 3. Vehicle Storage 5

Section 4. Compliance With Laws and Waste 6

Section 5. Signs 6

Section 6. Pets 6

Section 7. Nuisance 6

Section 8. Common Lots 6

Section 9. Insurance 7

Section 10. Drainage 7

Section 11. Construction Equipment 7

Section 12. Damage to Improvements 7

ARTICLE VII: EMERGENCY MAINTENANCE	7
ARTICLE VIII: PRESSURIZED IRRIGATION SYSTEM AND WATER RIGHTS	7
Section 1. <u>Irrigation Water Supply</u>	7
Section 2. <u>Water Rights Appurtenant to Property</u>	7
Section 3. <u>Reservation of Easement</u>	8
ARTICLE IX: INSURANCE	8
Section 1. <u>Insurance</u>	8
Section 2. <u>Premiums Included in Assessments</u>	8
ARTICLE X: COVENANT FOR MAINTENANCE ASSESSMENTS	8
Section 1. <u>Creation of the Lien and Personal Obligation of Assessments</u>	8
Section 2. <u>Purposes of Assessments</u>	9
Section 3. <u>Uniform Rate of Assessment</u>	9
Section 4. <u>Date of Commencement of Annual Assessments; Due Dates</u>	9
Section 5. <u>Effect of Nonpayment of Assessments; Remedies of the Association</u>	9
Section 6. <u>Subordination of the Lien to Mortgages</u>	9
ARTICLE XI: AUTHORITY OF BOARD OF DIRECTORS	9
Section 1. <u>Authority of Board</u>	9
Section 2. <u>Easement</u>	11
Section 3. <u>Non-Waiver</u>	11
Section 4. <u>Limitation of Liability</u>	11
Section 5. <u>Indemnification of Board Members</u>	11
ARTICLE XII: ARCHITECTURAL COMMITTEE	11
Section 1. <u>Charter of Architectural Committee</u>	11
Section 2. <u>Authority of Architectural Committee</u>	12
Section 3. <u>Architectural Control</u>	12
Section 4. <u>Review of Proposed Improvements</u>	12
Section 5. <u>Inspection of Approved Improvements</u>	12
Section 6. <u>Review of Unauthorized Improvements</u>	13
ARTICLE XIII: GENERAL PROVISIONS	13
Section 1. <u>Enforcement</u>	13
Section 2. <u>Severability</u>	13
Section 3. <u>Term and Amendment</u>	13
Section 4. <u>Annexation</u>	13
Section 5. <u>Duration and Applicability to Successors</u>	14
Section 6. <u>Attorneys Fees</u>	14
Section 7. <u>Governing Law</u>	14
EXHIBIT A - LEGAL DESCRIPTION OF THE PROPERTY	16
EXHIBIT B - LEGAL DESCRIPTION OF COMMON LOTS	17
EXHIBIT C - FINAL PLAT	18

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE GLADSTONE SUBDIVISION**

This Declaration of Covenants, Conditions and Restrictions for the Gladstone Subdivision (this "Declaration") is made effective this 21st day of July, 2007, by Gemstar Properties, L.L.C., an Idaho limited liability company ("Declarant").

ARTICLE I: RECITALS

Section 1. Property Covered . The property subject to this Declaration is the property legally described in the attached Exhibit A, which is made a part hereof, together with any other property made subject to this Declaration pursuant to the terms herein (the "Property"). This Declaration is for the benefit of any and all Owners of any portion of the Property.

Section 2. Purpose of Declaration . The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, conditions and equitable servitudes (collectively "Restrictions") that will apply to the Property, and use of any and all portions thereof. The Restrictions contained herein are designed to protect, enhance and preserve the value, amenities, desirability, and attractiveness of the Property in a cost effective and administratively efficient manner.

ARTICLE II: DECLARATION

Declarant hereby declares that the Property, and each Lot, Dwelling Unit, parcel or portion thereof, is and/or shall be held, sold, conveyed, encumbered, used, occupied and improved subject to the following terms and Restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness thereof. The Restrictions set forth herein shall run with the land constituting the Property, and with each estate therein, and shall be binding upon any person or entity, and his/her/its successors, agents and assigns having or acquiring any right, title or interest in the Property or any Lot, Dwelling Unit, parcel or portion thereof; shall inure to the benefit of every Lot, Dwelling Unit, parcel or portion of the Property and any interest therein; and may be enforced by Declarant, any of its grantees or grantees' successors, the Association, and any Owner.

ARTICLE III: DEFINITIONS

Section 1. "Architectural Committee" shall mean the architectural committee of the Association established pursuant to Article XII herein.

Section 2. "Assessments" shall mean Regular Assessments, Special Assessments and Limited Assessments.

Section 3. "Association" shall mean and refer to the Gladstone Subdivision Homeowners' Association, Inc., its successors and/or assigns.

Section 4. "Board" shall mean and refer to the Board of Directors of the Association.

Section 5. "Common Lots" shall mean all real property (including the Improvements thereto) owned by the Association for the common benefit and enjoyment of the Owners. The Common Lots are legally described on the attached Exhibit B, which is made a part hereof. Common Lots may

also be established from time to time by Declarant on any portion of the Property by describing such area on the Plat or other recorded plat of the Property, including any annexations thereto, by granting or reserving it in a deed or other instrument, or by designating it as such in any supplemental declaration.

Section 6. "Declarant" shall mean and refer to Gemstar Properties, L.L.C., an Idaho limited liability company.

Section 7. "Dwelling Unit" shall mean and refer to single family, attached and detached residential housing units to be constructed on each Lot.

Section 8. "Improvement" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed, placed upon or allowed on, under or over any portion of the Property, including, without limitation, Dwelling Units, fences, streets, roads, drives, driveways, parking areas, sidewalks, bicycle paths, curbs, landscaping, walls, hedges, plantings, trees, living and/or dead vegetation, rocks, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, grading, utility improvements, removal of trees and other vegetation, and any new exterior construction or exterior improvement which may not be included in the foregoing. Improvement(s) includes both original improvements existing on the Property on the date hereof and all later changes and Improvements.

Section 9. "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Lot, directly attributable to the Owner, equal to the cost incurred by the Association in connection with corrective action performed pursuant to the provisions of this Declaration or any supplemental declaration, including, without limitation, damage to Common Lots, or the failure of an Owner to keep his or her Lot or Dwelling Unit in proper repair, and including interest thereon.

Section 10. "Lot" shall mean and refer to any plot of land shown on the Plat, and/or any other real property annexed to the Property pursuant to Article XIII, Section 4, with the exception of the Common Lots.

Section 11. "Member" shall mean each Person holding a membership in the Association, including Declarant.

Section 12. "Mortgage" shall mean any mortgage, deed of trust, or other document pledging any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 13. "Owner" shall mean and refer to the record owner, other than Declarant, whether one or more Persons, of a fee simple title to any Lot which is a part of the Property, including contract sellers and builders, but excluding those having such interest merely as security for the performance of an obligation.

Section 14. "Person(s)" shall mean any individual, partnership, corporation or other legal entity, including Declarant.

Section 15. "Plat" shall mean that certain Gladstone Subdivision final plat filed in Book 97 of Plats at Pages 12311 through 12313, Records of Ada County, Idaho, a copy of which is attached hereto as Exhibit C, and made a part hereof.

Section 16. "Property" shall mean and refer to that certain real property legally described on the attached Exhibit A, and such annexations or other additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

Section 17. "Regular Assessments" shall mean the portion of the cost of maintaining, improving, repairing, managing and operating the Common Lots, including all Improvements thereon or thereto, and all other costs and expenses incurred to conduct the business and affairs of the Association which is levied against the Lot of each Owner by the Association, pursuant to the terms of this Declaration or any supplemental declaration.

Section 18. "Special Assessments" shall mean that portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments paid to the Association pursuant to the provisions of this Declaration or any supplemental declaration.

ARTICLE IV: PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment of Common Lots . Every Owner shall have a right and easement of enjoyment in and to the Common Lots which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable Assessments for the use of any recreational facility situated upon the Common Lots;

(b) the right of the Association to suspend the voting rights and use of any recreational facility by an Owner for any period during which any assessment against his or her Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Lots to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by 2/3rds of each class of Members has been recorded.

Section 2. Delegation of Use . Any Owner may delegate his or her right of enjoyment to the Common Lots and related facilities to the members of his or her family, guests, invitees or contract purchasers who reside on the Property.

Section 3. Encumbrance of Common Lots .The Common Lots cannot be mortgaged or conveyed without the approval of at least two-thirds (2/3) of the Class A Members. If ingress or egress to any Dwelling Unit or other property is through any portion of the Common Lots, any conveyance or encumbrance of the Common Lots shall be subject to an easement of the Owners of such Dwelling Units and/or owners of such other property for the purpose of ingress and egress.

ARTICLE V: MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership . Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Classes .The Association shall have two (2) classes of voting memberships:

Class A. Class A Members shall be all Owners and shall be entitled to one vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all Lots within the Property.

ARTICLE VI: USE AND REGULATION OF USES

Section 1. Residences. Unless otherwise designated on the Plat, any subsequent plat, this Declaration or any supplemental declaration, all Lots shall be used for detached, single family residential purposes only, and for the common social, recreational or other reasonable uses normally incident to such use, and also for such additional uses or purposes as are from time to time determined appropriate by the Board. Lots may be used for the purposes of operating the Association and for the management of the Association if required. The provisions of this Section shall not preclude Declarant from conducting sales, construction, development and related activities from Lots owned by Declarant.

In addition to the foregoing, the following specific building restrictions shall apply:

- (a) No Owner shall install or place any item or construct any Improvement on any Lot or the exterior of his or her Dwelling Unit or on any building without the prior written consent of the Architectural Committee.
- (b) No shack, tent, trailer house, basement only, split entry, manufactured, mobile or pre-built Dwelling Units shall be allowed.
- (c) No Dwelling Unit shall be less than 1200 square feet, excluding garages and porches, and more than two stories above ground.
- (d) Only one outbuilding per Lot will be allowed. All outbuildings shall be constructed of quality building material, completely finished and painted on the outside and shall be of quality and character that will be in harmony with the other buildings on the Property.
- (e) Fences are not required. Fences shall be of good quality and workmanship and shall be properly finished and maintained. Fences may be built of wood, such as six foot dog-eared cedar, or vinyl. Chain link fences are prohibited. No fence shall be higher than six feet. Fences shall not be built closer to the front of a Lot than the corner of the Dwelling Unit on either side. The location of fences, hedges, high plantings, obstructions, or barriers shall be so situated as to not unreasonably interfere with the enjoyment and use of any other portion of the Property and shall not be allowed to constitute an undesirable, nuisance or noxious use.

(f) Antennae and/or satellite dishes shall be placed in the back yards or mounted on the back or side of all Dwelling Units and shall be placed and/or mounted in such a way to minimize the visual impact to all other portions of the Property.

(g) Garages shall be well constructed of good quality material and workmanship. All Dwelling Units shall have enclosed garages which hold no less than two and no more than three vehicles. To the extent possible, garage doors must remain closed at all times.

(h) Roofing material shall be twenty-five (25) year architectural composition shingles or other material approved by the Architectural Committee. Color must be antique black. All roofs must have a pitch of at least 6/12.

(i) All Dwelling Units are required to have brick, stone and/or stucco full wainscoating on the front exposure or brick, stone and/or stucco for at least 36" on the garage height columns which can be seen from the streets. **No vinyl siding, cement blocks, cinder blocks, pumice or similar materials are allowed unless covered by wood, brick, stone and/or stucco.**

(j) Exterior surfaces of chimneys are to be of hardboard, wood, brick, stone and/or stucco.

(k) Utility meters are to be placed in an unobtrusive location and concealed where possible.

(l) All gutters and downspouts are to be continuous and shall be colored to blend with the surface to which they are attached.

Section 2. Home Occupations . Assuming all governmental laws, rules, regulations, and ordinances are complied with, home occupations may be conducted from the interior of Dwelling Units **provided such home occupations do not increase the burdens on the streets within the Property (including increased traffic)**. If the Board determines, in its sole and absolute discretion, that a home occupation is increasing the burden on the streets, the Board shall have the right to terminate any Owner's ability to conduct a home occupation from his or her Dwelling Unit. Notwithstanding the foregoing, Declarant may conduct any business operation it sees fit from any portion of the Property owned by it, regardless of the impact on the streets, provided it complies with all governmental laws, rules, regulations and ordinances.

Section 3. Vehicle Storage . Unenclosed areas, which include driveways and all other areas within the Property, other than garages and prohibited parking areas, if any, are restricted to use for temporary parking of operative motor vehicles of guests, invitees and licensees of Owners, provided that such vehicles are parked so as to not interfere with any other Owner's right of ingress and egress to his or her Dwelling Unit. Notwithstanding the foregoing, the parking of equipment (lawn or otherwise), inoperative vehicles, motor homes, campers, trailers, boats, any other recreational vehicles and other items on the Property is strictly prohibited unless parked within an Owner's garage (and said garage door is closed) or other enclosed area approved by the Architectural Committee. Loading and unloading are permitted provided such activities do not exceed four (4) hours. In no case shall a garage be used for storage leaving no room therein for the parking of vehicles. The Board may remove any inoperative vehicle, or any unsightly vehicle, and any other vehicle, motor home, camper, trailer, boat, equipment or

item improperly parked or stored after three (3) days' written notice at the risk and expense of the Owner thereof.

Section 4. Compliance With Laws and Waste . No Owner shall permit anything to be done or kept in his or her Lot or Dwelling Unit or any part of the Common Lots which would be in violation of any laws, rules, regulations or ordinances.

Section 5. Signs . No sign of any kind shall be displayed on any Lot or Dwelling Unit without the prior written consent of the Board; provided however, one sign of not more than five (5) square feet advertising the Lot for sale may be installed on any Lot, but the sign shall be removed within five (5) days following sale. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of the Property owned by it.

Section 6. Pets . No animals (which term includes livestock, domestic animals, poultry, reptiles and any other living creature of any kind) shall be raised, bred or kept in any Dwelling Unit, Lot or in the Common Lots, whether as pets or otherwise; provided however, that this provision shall not prohibit Owners from having two (2) or less dogs and/or cats (i.e. an Owner may have a maximum of two (2) dogs, two (2) cats or one (1) dog and one (1) cat). The Board may at any time require the removal of any animal, including domestic dogs and cats, which it finds is creating unreasonable noise or otherwise disturbing the Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs shall be walked on a leash only and shall not be allowed to roam or run loose, whether or not accompanied by an Owner or other person. All Owners shall be responsible for picking up and properly disposing of all organic waste of their domestic dogs and cats.

Section 7. Nuisance . No noxious or offensive activity shall be carried on in any Dwelling Unit, Common Lots or Lot, or shall anything be done therein which may be or become an annoyance or nuisance to other Owners. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, including the Common Lots, and no odor shall be permitted to arise from any portion of the Property so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants or residents, or to any other property in the vicinity thereof or to its occupants or residents. No noise, obstructions to pedestrian walkways, unsightliness, or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or residents or to other property in the vicinity or to its occupants or residents, as determined by the Board, in its reasonable judgment, or in violation of any federal, state or local law or ordinance. Without limiting the generality of any of the foregoing, no whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Architectural Committee), flashing lights or search lights, shall be located, used or placed on the Property. No unsightly articles shall be permitted to remain on any Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage, garbage cans, trash, trash cans, dog houses, equipment, gas canisters, propane gas tanks, barbecue equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, metals, bulk material, and scrap shall be screened from view at all times. No clothing or fabric shall be hung, dried or aired in such a way as to be visible to any other portion of the Property. In addition, no activities shall be conducted on the Property, and no Improvements shall be constructed on any Property which are or might be unsafe or hazardous to any Person or property.

Section 8. Common Lots . The Association shall own and maintain the Common Lots and all Improvements located thereon, including, without limitation, benches, picnic tables, fences and any

basketball court and related accessories, in a competent and attractive manner. Such maintenance shall include, without limitation, appropriate watering, mowing, fertilizing and caring for shrubs and trees, in perpetuity. Nothing shall be altered or constructed in or removed from the Common Lots except upon written consent of the Board and in accordance with procedures required herein and by law.

Section 9. Insurance. Nothing shall be done or kept in any Dwelling Unit, Lot or Common Lots which will increase the rate of insurance on the Common Lots or any other Dwelling Unit or Lot. Each Owner must maintain a homeowner's insurance policy insuring the homeowner from loss by fire, theft, and all other loss or damage.

Section 10. Drainage. All Lots shall be graded such that no runoff shall cross any Lot onto another Lot except within applicable drainage easements, if any.

Section 11. Construction Equipment. No construction machinery, building equipment, or material shall be stored upon any Lot until the Owner is ready and able to immediately commence construction. Such building materials must be kept within the boundaries of the Lot.

Section 12. Damage to Improvements. It shall be the responsibility of an Owner to leave street curbs, sidewalks, fences, utility facilities, and tiled irrigation lines, if any, free of damage and in good and sound condition during any construction period. It shall be conclusively presumed that all such Improvements are in good sound condition at the time building has begun on each Lot unless the contrary is shown in writing at the date of conveyance or by date of possession, whichever date shall first occur, which notice is addressed to a member of the Architectural Committee.

ARTICLE VII: EMERGENCY MAINTENANCE

In the event of an emergency which in the judgment of the Board presents an immediate threat to the health and safety of the Members, their guests or invitees, or an immediate risk of harm or damage to any of the Dwelling Units or any part of the Property, the Board and its agents or employees, may enter any Lot to make repairs or perform maintenance. Such entry shall be repaired by the Board out of the common expense fund if the entry was due to an emergency (unless the emergency was caused by an Member, in which case the cost shall be treated as a Limited Assessment and charged only to that Member). In addition, if the repairs or maintenance were requested by an Member, the costs thereof shall be treated as a Limited Assessment to such Member.

ARTICLE VIII: PRESSURIZED IRRIGATION SYSTEM AND WATER RIGHTS

Section 1. Irrigation Water Supply. Non-potable (non-drinkable) irrigation water will be supplied by a pressurized irrigation system using the existing water right discussed in Section 2 below ("Pressurized Irrigation System"). The Pressurized Irrigation System will be used for all irrigation, including the irrigation of the Common Lots and Lots. The Pressurized Irrigation System shall be transferred, at no cost, from Declarant to the Association. Accordingly, the Association shall own and operate the Pressurized Irrigation System. The Association shall maintain at all times an adequate reserve to pay for the immediate repair and/or replacement of the Pressurized Irrigation System pump in the event of its failure. **By accepting a deed to any portion of the Property, each Owner hereby covenants and agrees to hold the Association and Declarant harmless from any and all liability for damages or injuries to their children, guests, agents, or invitees caused by the Pressurized Irrigation System.**

Section 2. Water Rights Appurtenant to Property. Declarant currently owns the water rights which are appurtenant to the Property and which will be utilized in the Pressurized Irrigation

System. These water rights shall be transferred, at no cost, from the Declarant to the Association for use in the Pressurized Irrigation System.

Section 3. Reservation of Easement . Declarant hereby reserves for the benefit of the Association an easement for all retention ponds, head gates, main lines, service lines, heads, pumps and all other equipment associated with the Pressurized Irrigation System on, over, across, and through the Property to the extent reasonably required to operate and maintain the Pressurized Irrigation System.

ARTICLE IX: INSURANCE

Section 1. Insurance . The Association shall obtain insurance from insurance companies authorized to do business in the State of Idaho, and maintain in effect any insurance policy the Association deems necessary or advisable, which shall include, without limitation, the following policies to the extent its is possible for the Association to obtain the same:

(a) Fire insurance including those risks embraced by coverage of the type known as the broad form or "All Risk" or special extended coverage endorsement on a blanket agreed amount basis for the full insurable replacement value of all Improvements, equipment and other property located within the Common Lots;

(b) Comprehensive general liability insurance insuring the Association and its agents and employees, invitees and guests against any liability incident to the ownership, management, maintenance and/or use of the Common Lots. Limits on liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and One Million Dollars (\$1,000,000) per occurrence with respect to property damage or such amounts in excess thereof which the Association determines is commercially reasonable and prudent under the circumstances after taking into account inflation occurring after the execution of this Declaration;

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

Section 2. Premiums Included in Assessments . Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

ARTICLE X: COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments . The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all Assessments levied thereby. These Assessments, together with interest, costs, late fees and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to his or her successors in title unless expressly assumed by them.

Section 2. Purposes of Assessments . The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Property and for any construction, maintenance, and operation of the Common Lots.

Section 3. Uniform Rate of Assessment . Regular and Special Assessments must be fixed at a uniform rate for all Lots.

Section 4. Date of Commencement of Annual Assessments; Due Dates . The Regular Assessments provided for herein shall commence as to all Lots on the first day of the month following the closing of the sale of a Lot from Declarant to an Owner. The first annual assessment shall be pro-rated according to the number of months remaining in the calendar year. Subsequently, the Board shall fix and notify all Owners in writing of the amount of the Regular Assessments against each Lot at least thirty (30) days in advance of each annual Regular Assessment period. The due dates shall be established by the Board, which may be annually, quarterly or monthly as the Board, in its sole discretion, shall determine. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 5. Effect of Nonpayment of Assessments; Remedies of the Association . Any Assessment not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at a rate equal to the lesser of twelve percent (12%) or the highest rate allowed by applicable law. The date of delinquency is the date which is thirty (30) days after the due date of any Assessment. Additionally, a late fee of \$15.00 shall be added to and charged on each Assessment which is not paid by the date of delinquency. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Lots or abandonment of his or her Lot.

Section 6. Subordination of the Lien to Mortgages . The lien of the Assessments provided for herein shall be subordinate to the lien of any first Mortgage. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

ARTICLE XI: AUTHORITY OF BOARD OF DIRECTORS

Section 1. Authority of Board . The Board, for the benefit of the Association and the Owners, shall enforce the provisions of this Declaration and the Association's articles and by-laws, shall have all powers and authority permitted to the Board under the Association's articles of incorporation and by-laws and this Declaration, and shall acquire and shall pay for, out of a common expense fund to be established by the Board, all goods and services requisite for the proper functioning of the Association and the Property, including but not limited to the following:

(a) Operation, maintenance and management of the Common Lots, including repair and replacement of property damaged or destroyed by casualty loss.

(b) Water, sewer, garbage collection, electrical, and any other utility service as required for the Common Lots. The Board may arrange for special metering of utilities as appropriate.

(c) Maintenance and repair of storm drains located on the Property, if any, except for those storm drains located on or within the right-of-way of any street, road, alley or other land dedicated to public use.

(d) Policies of insurance providing coverage for fire and other hazard, public liability and property damage, and fidelity bonding as the same are more fully described in the by-laws or this Declaration. Each Owner shall be responsible for his or her own insurance on the contents of his or her Lot, his or her additions and Improvements to his or her Lot, and decorating and furnishings, and his or her personal property stored elsewhere on the Property, and his or her personal liability or injury insurance.

(e) The services of Persons as required to properly manage the affairs of the Association to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Property.

(f) Legal and accounting services necessary or proper in the operation of the Association's affairs, administration of the Property, or the enforcement of this Declaration.

(g) Any other materials, supplies, labor services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law or which in its opinion shall be necessary or proper for the operation of the Property or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or Assessments are provided for particular Dwelling Units or their Owners, the cost thereof shall be treated as a Limited Assessment and charged to the Owners of such Dwelling Units.

(h) Maintenance and repair of any Lot, including Improvements, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect or preserve the appearance and value of the Property, and the Owner or Owners of said Lot have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner or Owners, provided that the Board shall levy a Limited Assessment against the Lot of such Owner or Owners for the cost of such maintenance or repair.

(i) The Board may also pay any amount necessary to discharge any lien or encumbrance levied against the Property or any part thereof, which is claimed to or against the Property, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs and expenses incurred by the Board by reason of such lien or liens shall be assessed against the Owners and the Lots responsible to the extent of their responsibility.

(j) The Board shall not make any non-budgeted expenditure in excess of \$1,000.00 without the approval thereof by two-thirds (2/3) of each class of Members voting thereon at a meeting called for such purpose, except for an emergency threatening the security of any Improvement on the Property.

The Board shall have the absolute right to adopt any rules and regulations it deems to be in the best interest of the Property and the Owners. **By accepting a deed to any portion of the Property, all Owners hereby covenant that they will adhere to any such rules or regulations. In addition, the Board shall have the absolute right to hire or otherwise contract with independent third parties to**

operate, maintain and manage the Common Lots, and to perform any other right, duty or obligation of the Board or Association.

Section 2. Easement . The Board and its agents and employees shall have, and are hereby granted, a permanent easement of ingress and egress to enter upon each Lot for the purposes of performing repairs, maintenance and care of the Property as provided herein or for otherwise discharging the responsibilities and duties of the Board as provided in this Declaration.

Section 3. Non-Waiver . The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms or Restrictions of this Declaration, or of the Association's articles of incorporation or by-laws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, or Restriction, but such term, or Restriction shall remain in full force and effect. Failure by the Board to enforce any such term or Restriction shall not be deemed a waiver of the right to do so thereafter, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed for the Board. This Section also extends to the Declarant exercising the powers of the Board during the initial period of operation of the Association.

Section 4. Limitation of Liability . The Board shall not be liable for any failure of any utility or other service to be obtained and paid for by the Board, or for injury or damage to a Person or property caused by the elements, or by another Owner or Person; or resulting from electricity, gas, water, rain, dust or sand which may lead or flow from pipes, drains, conduits, appliances, or equipment, or from articles used or stored by Owners on the Property or in Dwelling Units. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or Improvements to the Property or from any action taken to comply with any law, ordinance, or order of a governmental authority. This Section shall not be interpreted to impose any form of liability by implication, and shall extend to and apply also for the protection of the Declarant exercising the powers of the Board during the initial period of operation of the Association and the Property.

Section 5. Indemnification of Board Members . Each member of the Board shall be indemnified by the Association and the Owners against all expenses (including attorneys' fees), judgments, liabilities, fines and amounts paid in settlement, or actually and reasonably incurred, in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by or against the Association or against the Board member and incurred by reason of the fact that he or she is or was a Board member, if such Board member acted in good faith and in a manner such Board member believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such Board member's conduct was unlawful. This Section shall extend to and apply also to the indemnification of the Declarant.

ARTICLE XII: ARCHITECTURAL COMMITTEE

Section 1. Charter of Architectural Committee . The charter of the Architectural Committee is to represent the collective interests of all Owners, and to help individual Owners who wish to make exterior Improvements.

Section 2. Authority of Architectural Committee . The Association and/or Declarant is authorized to appoint the Architectural Committee. **Each Owner, by acceptance of a deed for his or her Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to be bound by the terms and conditions of this Declaration, including all Architectural Committee building and other standards and the process of architectural review. Any decision by the Architectural Committee is final and binding as to all Owners.**

Section 3. Architectural Control . No exterior Improvement, including, without limitation, Dwelling Unit, building, deck, patio, fence, landscaping, permanent exterior affixed decoration, exterior lighting or heating, cooling and other utility systems shall be altered, erected, or placed on the Property unless and until the building, plot or other plan has been reviewed in advance by the Architectural Committee and same has been approved in writing, and an appropriate building permit has been acquired, if required by law. The review and approval may include, without limitation, topography, finish, ground elevations, landscaping, lighting, drainage, color, material, design, conformity to other residences in the area, and architectural symmetry. Approval of the architectural design shall apply only to the exterior appearance of said Improvements. It shall not be the intent of these restrictions to control the interior layout or design of said structures.

Section 4. Review of Proposed Improvements . The Architectural Committee shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Declaration, and perform such other duties from time to time as may be assigned to it by the Board and/or Declarant, including the inspection of construction in progress. The Architectural Committee may condition its approval of proposals upon the agreement of the Owner to an additional assessment for the cost of maintenance and the payment of an architectural review processing fee. The Architectural Committee may require submission of additional plans or review by a professional architect. The Architectural Committee may issue guidelines setting forth procedures for the submission of plans for approval. The Architectural Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation floor plans, site plans, drainage plans, elevations, drawings and description of samples of exterior material and colors. Until receipt by the Architectural Committee of any required plans and specifications the Architectural Committee may postpone review of plans. Decisions of the Architectural Committee and the reasons therefor shall be transmitted by the Architectural Committee, in writing, to the applicant at the address set forth in the application for approval within thirty (30) days after filing all materials required by the Architectural Committee. If the Architectural Committee has not accepted (either conditionally or otherwise) or rejected an Owner's application within this thirty (30) day period, such application shall be deemed approved.

Section 5. Inspection of Approved Improvements . Inspection of work and correction of defects therein shall proceed as follows:

(a) Upon completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the Architectural Committee.

(b) Within sixty (60) days thereafter, the Architectural Committee, or its duly authorized representative, may inspect such Improvement. If the Architectural Committee finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner and the Board in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

(c) If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Board may, at its option, exercise its right to enforce the provisions of this Declaration, by any proceeding at law or in equity on behalf of the Association, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement associated with correcting or removing the same pursuant to this Declaration.

Section 6. Review of Unauthorized Improvements . The Architectural Committee may identify for review, Improvements which were not submitted to the approval process as follows:

(a) The Architectural Committee or its duly authorized representative may inspect such unauthorized Improvement.

(b) If the Architectural Committee finds that the work is in noncompliance it shall notify the Owner and the Board in writing of such noncompliance.

(c) If noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date of the announcement of the Board ruling. If the Owner does not comply with the Board ruling within such period, the Board may, at its option, exercise its right to enforce the provisions of this Declaration, by a proceeding at law or in equity on behalf of the Association, and may take such other actions as are appropriate, including the levy of a Limited Assessment against such Owner for reimbursement of the costs associated with correcting or removing the same pursuant to this Declaration.

ARTICLE XIII: GENERAL PROVISIONS

Section 1. Enforcement . The Association, Declarant and/or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability . Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Term and Amendment . The terms and Restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by Declarant (assuming Declarant owns one or more Lots) and not less than two-thirds (2/3) of all other Lot Owners. Amendments shall be in the form of supplemental declarations, and must be recorded in the records of Ada County, Idaho.

Section 4. Annexation . Additional residential property and/or Common Lots may be annexed to the Property by Declarant or with the consent of two-thirds (2/3) of each class of Members. Annexations shall be accomplished by supplemental declarations to this Declaration recorded in the records of Ada County, Idaho.

Section 5. Duration and Applicability to Successors . The covenants, conditions, and restrictions set forth in this Declaration shall run with the land and shall inure to the benefit of and be binding upon the Declarant and all Lot Owners and their successors in interest.

Section 6. Attorneys Fees. In the event it shall become necessary for Declarant or any Owner to retain legal counsel to enforce any term, covenant, condition, or restriction contained within this Declaration, the prevailing party to any court proceeding shall be entitled to recover their reasonable attorneys' fees and costs of suit, including any bankruptcy, appeal or arbitration proceeding.

Section 7. Governing Law. This Declaration shall be construed and interpreted in accordance with the laws of the State of Idaho.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 21st day of July, 2007.

Gemstar Properties, L.L.C.,
an Idaho limited liability company

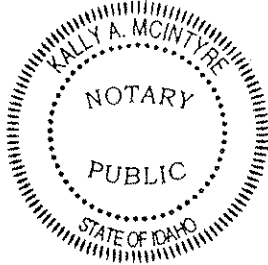
By: 
Jeff Hebert, Manager

By: 
Steve Schmidt, Manager

STATE OF IDAHO)
) ss.
County of Ada)

On this 20th day of July, 2007, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Jeff Hebert, known or identified to me to be a manager of Gemstar Properties, L.L.C., the person who subscribed said company name to the foregoing 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.

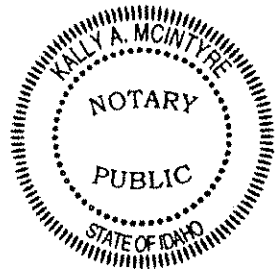


Kally A. McIntyre
Notary Public for Idaho
Residing at Boise ID
My commission expires: 9.14.12

STATE OF IDAHO)
) ss.
County of Ada)

On this 20th day of July, 2007, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Steve Schmidt, known or identified to me to be a manager of Gemstar Properties, L.L.C., the person who subscribed said company name to the foregoing 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.



Kally A. McIntyre
Notary Public for Idaho
Residing at Boise ID
My commission expires: 9.14.12

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Lots 1 through 12, Block 1, Lots 1 through 9, Block 2, Lot 1, Block 3 and Lot 1, Block 4 of Gladstone Subdivision, according to the official plat thereof, filed in Book 97 of Plats at Pages 12311 through 12313, Records of Ada County, Idaho.

EXHIBIT B
LEGAL DESCRIPTION OF THE COMMON LOTS

Lots 1 and 2, Block 1, Lots 1 and 9, Block 2, Lot 1, Block 3 and Lot 1, Block 4 of Gladstone Subdivision, according to the official plat thereof, filed in Book 97 of Plats at Pages 12311 through 12313, Records of Ada County, Idaho.

EXHIBIT C
GLADSTONE SUBDIVISION FINAL PLAT

See attached.

GLADSTONE SUBDIVISION

CERTIFICATE OF OWNERS

Known all men by these presents, that Gladstone Properties, L.L.C., an income limited liability company is the owner of the property described as follows:

A parcel of land located in the SW 1/4 of the SE 1/4 of Section 10, T.4N., R.1E., 8th Egn., Ada County, Idaho, more particularly described as follows:
 BEGINNING at the 1/4 corner common to Section 18 and the said Section 10, from which the Southwest corner of said Section 10 bears North 89° 10' 00" West 1/4 mile to the NE 1/4 corner common to the Southeast corner of Cheyenne Subdivision No. 3, and the Northwest corner of Great Sky Equestre Subdivision No. 4, 89° 10' 00" East 1/4 mile to the NE 1/4 corner of said Section 10, and thence along the East line of said Cheyenne Subdivision No. 3 and Cheyenne Subdivision No. 2, as same is recorded in Book 77 of Plats of Page 8178, North 00° 24' 47" East 1/4 mile.

Thence South 67° 27' 44" East, 280.20 feet;
 Thence South 21° 57' 40" West, 107.08 feet;
 Thence South 29° 52' 56" East, 243.12 feet to the most westerly corner of Great Sky Equestre Subdivision No. 7, as same is recorded in Book 84 of Plats at Page 8386, records of Ada County, Idaho,
 Thence along the southeasterly line of said subdivision South 28° 27' 07" East, 461.22 feet to a point on the North line of said Great Sky Equestre Subdivision No. 4;
 Thence along said line North 81° 42' 48" West, 304.47 feet to the Point of Beginning, Containing 8.02 acres, more or less.

It is the intention of the undersigned to convey to the above described property in this part and to continue to the public, no public streets are shown on the plat. The easements as shown on this plat are not dedicated to the public. However, the right to use said easements is hereby permanently reserved for public utilities and such other uses as may be required within this plat, and no permanent structures are to be erected within the lines of said easements. All lots in this plat will be eligible to receive water service from an existing Eagle Water Company main line located adjacent to the subject subdivision, and Eagle Water Company has agreed in writing to serve all the lots in this subdivision.

General Properties, L.L.C.
 Steven L. Schmidt, Manager

CERTIFICATE OF SURVEYOR

I, D. Terr Papp, do hereby certify that I am a Professional Land Surveyor licensed by the State of Idaho, and that the plat as described in the "Certificate of Owners" was drawn from an actual survey made on the ground, and that my survey and the accompanying reports comply with the laws of Idaho and conform to the laws of the State of Idaho relating to plats and surveys.

D. Terr Papp



PLS. NO. 4431

ACKNOWLEDGMENT

State of Idaho)
 County of Ada)

On this 2nd day of August, 2006, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Steven L. Schmidt, known to me to be the Manager of Gladstone Properties, L.L.C., and acknowledged to me the execution of the foregoing instrument to the person who executed the instrument on behalf of said Company, and acknowledged to me the said Company executed the same in the above written. I have reviewed said plat and advised my official seal the day and year in the certificate here above written.

By: Steven L. Schmidt
 My commission expires _____



Steven L. Schmidt
 Notary Public
 Residing in Scottsdale, Idaho

GLADSTONE SUBDIVISION

HEALTH CERTIFICATE

Sanitary provisions as required by Idaho Code, Title 50, Chapter 13 have been satisfied based on a Qualified Licensed Professional Engineer (L.P.E.) representing City of Eagle Bluffs, Idaho, and the OJDPE approval of the design plans and specifications and the conditions imposed on the developer for continued administration of the sanitary provision. Approval is conditioned that at the time of this approval no drinking water extensions or sewer extensions were constructed. Building construction can be allowed with appropriate building permits if drinking water extensions or sewer extensions have already been constructed or if the developer is simultaneously constructing same. In addition, if the developer fails to construct as shown, then sanitary provisions may be retroactive, in accordance with Section 50-1308, Idaho Code. By the signature of a Certificate of Designation, and no construction of any building or structure requiring drinking water or sewerage facilities shall be allowed.



[Signature]
 Official Order Health Department
 Date: 3/23/07

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

The foregoing plan was accepted and approved by the Board of Ada County Highway District Commissioners on the 22nd day of September, 2006.



[Signature]
 Chairman ACHD

APPROVAL OF CITY ENGINEER

I, the undersigned, City Engineer in and for the City of Eagle Bluffs, Idaho, hereby approve this plan.

[Signature]
 City Engineer
 Date: 3/23/07

CERTIFICATE OF COUNTY SUPERVISOR

I, the undersigned, County Supervisor in and for Ada County, Idaho, do hereby certify that I have studied this plan and find it complies with the State of Idaho Code relating to plans and surveys.



[Signature]
 County Supervisor
 P.C.S. 970
 3-23-07

CERTIFICATE OF CITY COUNCIL

I, the undersigned, City Clerk in and for the City of Eagle Bluffs, Idaho, do hereby certify that at a regular meeting of the City Council held on the 22nd day of September, 2006, the plan was duly accepted and approved.

[Signature]
 City Clerk

CERTIFICATE OF COUNTY TREASURER

I, the undersigned, County Treasurer in and for the County of Ada, State of Idaho, per the requirements of I.C. 50-1308 do hereby certify that any and all current taxes outstanding county property taxes for the property included in this subdivision have been paid in full. This certification is valid for the next thirty (30) days only.



[Signature]
 County Treasurer
 3/23/07

COUNTY RECORDER'S CERTIFICATE

State of Idaho)
 County of Ada) s.s.
 I hereby certify that this instrument was filed for record in the register of _____ in Book _____ of Page _____ Meters past _____ O'clock _____ AM on this _____ day of _____, 2006.

Instrument No. _____
 Owner: _____
 E.S. Office Recorder
 P.C.C.: _____