

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
BITTERBRUSH POINT SUBDIVISION
(ALSO KNOWN AS MAJESTIC POINTE)**

_____, 2007

NOTICE

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

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BITTERBRUSH POINT SUBDIVISION
(AKA MAJESTIC POINTE)**

This Declaration of Covenants, Conditions and Restrictions for Bitterbrush Subdivision (this "Declaration") is made effective this ____ day of _____, 2007, by Majestic, Inc., an Idaho corporation ("Declarant").

ARTICLE I: PROPERTY AND PURPOSE

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 terms, 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, the Association and any Owner.

ARTICLE III: DEFINITIONS

Section 1. "Architectural Review Committee" shall mean the architectural review 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 Majestic Pointe 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.

Section 6. "Declarant" shall mean and refer to Majestic, Inc., an Idaho corporation, and/or any other entity owning Lots within the Property in which Majestic, Inc. and/or Mark C. Canfield is an owner or beneficiary.

Section 7. "Dwelling Unit" shall mean and refer to single family 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/her/its 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, 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, 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 Bitterbrush Point Subdivision final plat filed in Book _____ of Plats at Pages _____, Records of Ada County, Idaho, a copy of which is attached hereto as Exhibit C, and made a part hereof.

Section 16. "Pressurized Irrigation System" shall mean that certain non-potable water irrigation delivery system further described in Article VIII.

Section 17. "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 18. "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 19. "Restrictions" shall mean all terms, restrictions, covenants, limitations, conditions and equitable servitudes that apply to the Property and use of any and all portions thereof as specified in this Declaration.

Section 20. "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: COMMON LOT PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment to 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/her/its 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 approved by 2/3rds of each class of Members.

Section 2. Encumbrance of Common Lots. The Common Lots cannot be mortgaged or conveyed without the approval of at least two-thirds (2/3) of each class of 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 and the Declarant 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. Single Family Residences. The Property was previously used as a gravel extraction point. Developer has completed compaction testing on the Property which has determined that the Property is suitable for single family residences. Any Person may request from Developer a copy of this testing.

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/her/its Dwelling Unit or on any building without the prior written consent of the Architectural Review 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 2200 square feet, excluding garages and porches, and more than two stories above ground.
- (d) Detached garages shall be allowed if in conformity with the provisions of this Declaration and approved by the Architectural Review Committee. Garages must be a minimum of three bays and a maximum of five bays. Garages and outbuildings shall be constructed of, and roofed with, the same materials, and with similar colors and design, as the Dwelling Unit located on such Lot. No playhouses, playground equipment, pools, pool slides, diving boards, hot tubs, spas or similar items shall extend higher than five feet (5') above the finished graded surface of the Lot, unless approved in advance by the Architectural Review Committee.
- (e) Fences are not required. Fences shall be of good quality and workmanship and shall be properly finished and maintained. **Fences may only be built of white vinyl.** 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. All fences must taper down to a three foot (3') maximum within twenty feet (20') of any public right-of-way. In addition, fencing facing any public right-of-way shall not exceed four feet (4') in height or shall otherwise allow for visibility through the fence from the public right-of-way.

- (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) No vinyl siding, cement blocks, cinder blocks, pumice or similar materials are allowed unless covered by wood, brick, stone and/or stucco.

Section 2. Exterior Appearance. **All Owners shall keep and maintain their Lots and Dwelling Unit exteriors in a repaired, attractive, clean and habitable condition as determined by the Board in its reasonable judgment.** In the event any Owner does not satisfy this standard, the Board and its agents or employees, may, after thirty (30) days' prior written notice to such Owner, enter such Lot to make such repairs or perform such maintenance as to bring such Lot and/or Dwelling Unit exterior into compliance with this Section. The cost of any such repairs and maintenance shall be treated as a Limited Assessment to such Owner.

Section 3. 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/her/its 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.

Section 4. Vehicle Storage/Parking. Unenclosed areas, which include driveways and all other unenclosed areas within the Property, 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/her/its 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, other enclosed area or otherwise screened from view as approved by the Architectural Review 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. **Notwithstanding any of the foregoing, parking in the cul-de-sacs within the Property is strictly prohibited.**

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 5. Compliance With Laws and Waste. No Owner shall permit anything to be done or kept in his/her/its Lot or Dwelling Unit or any part of the Common Lots which would be in violation of any

laws, rules, regulations or ordinances. No waste shall be permitted in any Common Lots, Lot or any Dwelling Unit.

Section 6. Signs. No sign of any kind, including, without limitation, “For Sale” and “Open House” signs, shall be displayed on any Lot or Dwelling Unit without the prior written consent of the Board. Notwithstanding the foregoing, Declarant may display any sign it sees fit on any portion of the Property owned by Declarant.

Section 7. 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 8. 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 Review 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 9. Common Lots. The Association shall own and maintain the Common Lots. 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 10. 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 11. 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 12. Garbage Pick-Up. Garbage and recycle containers shall be placed on the appropriate sidewalks or driveways only on garbage and recycle collection days, and such containers must be removed by 8:00pm on that day.

Section 13. No Further Subdivision. No Lot may be further subdivided.

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 a 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 a Member, the costs thereof shall be treated as a Limited Assessment to such Member.

ARTICLE VIII: PRESSURIZED IRRIGATION SYSTEM

Non-potable (non-drinkable) irrigation water will be supplied by a pressurized irrigation system which may include main lines, pumps, sprinkling clocks, service lines, valves, and other facilities located on the Property using an existing water right ("Pressurized Irrigation System").

The Pressurized Irrigation System will be used for all irrigation, including the irrigation of the Common Lots and Lots. Each Lot shall have access to the Pressurized Irrigation System, which Pressurized Irrigation System shall be supplied with water from the Nampa & Meridian Irrigation District ("District"). It is contemplated that Declarant shall construct the Pressurized Irrigation System. Declarant may transfer the Pressurized Irrigation System to the District upon its completion and acceptance by the District. At that point, the District will own and operate the Pressurized Irrigation System. The District will not own any pipeline, connection, valve or fitting installed within any Lot or Common Lot to distribute irrigation water beyond the water service tap to each Lot or Common Lot. Each Lot and Common Lot will be assessed by the District to defray the cost and expense of the operation, maintenance, repair or replacement of the Pressurized Irrigation System. Declarant hereby reserves for the benefit of the District an easement for the mainlines, service lines and other equipment associated with the Pressurized Irrigation System on, over, across and through the Property to the extent reasonably required by the District to operate, maintain, repair and replace the Pressurized Irrigation System. **By accepting a deed to any portion of the Property, each Owner agrees to hold the Association, the Declarant and the District harmless from any and all liability for damages or injuries to their children, guests, agents, or invitees caused by 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 may include, without limitation, the following policies to the extent it 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. **Each Owner of any Lot by acceptance of a deed therefore is deemed to covenant and agree to pay to the Association all Assessments levied thereby. In addition, each Owner upon the purchase of a Lot and/or Dwelling Unit shall pay a one-time "start-up" assessment for use by the Association. This start-up assessment may be changed at anytime by the Association.** 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/her/its successors in title unless expressly assumed by them. **Declarant has no obligation to pay Assessments.**

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. A n y 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/her/its 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. Each Owner shall be responsible for his/her/its own insurance on the contents of his/her/its Lot, his/her/its additions and Improvements to his/her/its Lot, and decorating and furnishings, and his/her/its personal property stored elsewhere on the Property, and his/her/its 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 shall not make any non-budgeted expenditure in excess of \$3,000.00 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 REVIEW COMMITTEE

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

Section 2. Appointment and Authority of Architectural Review Committee. The Association and/or Declarant is authorized to appoint the Architectural Review Committee. **Each Owner, by acceptance of a deed for his/her/its 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 and all Architectural Review Committee building and other design standards and processes of architectural review. Any decision by the Architectural Review 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 Review 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 Review 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 Review 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 and/or security deposit. The Architectural Committee may issue guidelines setting forth design standards and procedures for the submission of plans for approval. The Architectural Review Committee may require submission of additional plans or review by a professional architect. The Architectural Review 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 Review Committee of any required plans and specifications the Architectural Review Committee may postpone review of plans. Decisions of the Architectural Review Committee and the reasons therefor shall be transmitted by the Architectural Review 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 Review Committee. If the Architectural Review 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 Review Committee.

(b) Within sixty (60) days thereafter, the Architectural Review Committee, or its duly authorized representative, may inspect such Improvement. If the Architectural Review 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 Review Committee may identify for review, Improvements which were not submitted to the approval process as follows:

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

(b) If the Architectural Review 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 now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any 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 Restrictions by judgment or court order shall in no way affect any other Restrictions which shall remain in full force and effect.

Section 3. Term and Amendment. The 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 the approval of 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. 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 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 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 _____ day of _____, 2007.

Majestic, Inc.,
an Idaho corporation

By: _____
Mark C. Canfield, President

STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of _____, 2007, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Mark C. Canfield, known or identified to me to be the President of Majestic, Inc., 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.

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

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Lots 1 through 6, Block 1; Lots 1 through 20, Block 2; Lots 1 through 3, Block 3; Lot 1, Block 4 and Lot 1, Block 5 of Bitterbrush Point Subdivision, according to the official plat thereof, filed in Book ____ of Plats at Pages _____ through _____, Records of Ada County, Idaho.

EXHIBIT B
LEGAL DESCRIPTION OF THE COMMON LOTS

Lots 4 and 13, Block 2; Lot 1, Block 4 and Lot 1, Block 5 of Bitterbrush Point Subdivision, according to the official plat thereof, filed in Book ____ of Plats at Pages _____ through _____, Records of Ada County, Idaho.

EXHIBIT C
BITTERBRUSH POINT SUBDIVISION FINAL PLAT

See attached.