

328173

**SUN VALLEY TITLE CO.
P.O. DRAWER 2365
KETCHUM, IDAHO 83340
(208) 726-9341**

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
PAR ESTATES TOWNHOUSES

This Declaration is made on this 5th day of March, 1991,
by PAR Estates ("Declarants").

RECITALS

1. Declarants are the owners of certain real property described as Block 69, Woodside Subdivision Final Plat 19 in the city of Hailey, county of Blaine. Declarants have improved the real property by constructing townhouse family dwellings thereon.

2. Declarants intend that townhouse unit owners of PAR Estates Townhouses shall be subject to this Declaration and shall be members of the management body created hereby.

NOW, THEREFORE, Declarants hereby declare that:

1. Declaration. This Declaration is hereby established upon PAR Estates Townhouses in furtherance of a general plan for improvement and sale of the townhouse units within the property for the purpose of enhancing and perfecting the value of each townhouse unit therein and for the benefit of each owner of a townhouse unit in PAR Estates Townhouses.

(a) Townhouse units within PAR Estates Townhouses shall be held, conveyed, encumbered, leased, occupied or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any supplemental declaration.

(b) This Declaration and any supplemental declaration shall run with PAR Estates Townhouses real property and all townhouse units located therein, and shall be binding upon and inure to the benefit of all parties having or hereafter acquiring any right, title or interest in PAR Estates Townhouses.

2. Definitions.

(a) Association Rules. The "Association rules" means the rules and regulations regulating the use and enjoyment of the exterior of the townhouse units and landscaping adopted by the management body from time to time.

(b) Association. The "Association" means the management body created by this Declaration.

(c) Common Expenses. "Common expenses" shall be of two types. First, those common to the owners of a townhouse unit, referred to as "common unit expenses" and second, those common to all townhouse units, referred to as simply "common expenses." Common expenses means all expenses incurred for the upkeep, maintenance, repair, replacement, management and operation of the exterior walls and roofs of the townhouse units, including the surrounding landscaping, together with any reserve for maintenance and repairs, reinstatement, rebuilding and replacement of the same. Common expenses shall include all of the above if not, in the association's opinion, adequately provided for, plus the cost of insurance permitted or required herein to be procured and maintained by the Association; the cost and maintenance of landscaping, the cost and maintenance of the roadways, curbs, etc, the cost of snow removal and disposal; wages, accounting, and legal fees; management fees; and any other expenses and liabilities incurred by the Association for the benefit of the owners under or by reason of this Declaration. The townhouse unit owners shall individually provide for their exterior maintenance upon their townhouse unit as follows: paint (including the respective units the right to select a color for each unit, but each unit must be a single color), repair, replacement and care of roofs, gutters, downspouts, exterior building services, and exterior improvements. Such exterior maintenance shall include glass surfaces which shall also be the responsibility of the unit owner. In the event that the need for maintenance or repair of a townhouse unit is not provided for to the satisfaction of the Association or the damage to improvements thereon is caused by the willful or negligent act of its owner, or through the willful or negligent acts of the lessees, guests or invitees of the owner of the townhouse unit needing such maintenance or repair, the cost of such exterior maintenance shall be added to or become part of the assessment to which such townhouse unit is subject.

(d) Townhouse Unit. A "townhouse unit" means an estate in real property with a fee interest in a townhouse unit shown and described on the plat for PAR Estates Townhouses.

3. Property Rights.

(a) Ownership. Ownership of each townhouse unit within the project shall include a membership in the Association.

(b) Utilities. All townhouse unit owners shall have mutual reciprocal easements for existing water, cable TV, sewerage, telephone and electrical lines over, under and across their townhouse units and sublots for the repair, maintenance and replacement thereof subject to any restoration of the easement premises for any damage resulting from such repair or replacement.

(c) Encroachments. If any portion of a unit encroaches on any other unit, regardless of the cause, a valid easement exists

for such encroachment and for the maintenance of it so long as it remains.

4. Use Restrictions.

(a) Residential Use. The townhouse units are restricted to residential use.

(b) Maintenance. Each owner of a townhouse unit shall be responsible for maintaining the interior of his unit in a clean, sanitary, and attractive condition.

(c) Offensive Conduct. No obnoxious or offensive activities shall be conducted within a townhouse unit. Nothing shall be done within or on the townhouse sublots that may be or may become an annoyance or nuisance to the residents of the townhouses, or that in any way interferes with the quiet enjoyment of occupants of the units.

5. Parking Restrictions. Each townhouse unit shall have two parking spaces, one being in its carport or garage, whichever is applicable, and one in its respective driveway. No parking of motor vehicles, trailers, boats or campers shall be permitted on the townhouse street or roadway, on non-paved surfaces or in the townhouse unit front or side yards. The Association may require removal of any inoperative vehicle, any unsightly vehicle, or any improperly parked or stored vehicle located on a townhouse subplot.

6. External Fixtures. No television or radio poles, antennae, flag poles, clotheslines or other external fixtures other than those originally installed by Declarants or approved by the Association shall be constructed or erected or maintained on or within PAR Estates Townhouses.

7. Trash. Trash, garbage, or other waste shall be kept only in sanitary containers. No owner shall permit or cause any trash or refuse to be kept on any portion of PAR Estates Townhouses other than receptacles customarily used for it, which shall be located only in places specifically designated for such purpose except on the scheduled day for trash pickup.

8. Snow Removal. The Association designates a portion of the Townhouse's real property, specifically a ten (10) foot strip along the exterior side of the U shaped roadway servicing PAR Estates Townhouses as space to place snow being removed from the driveways and roads or streets of the townhouses.

9. The Management Body. Each owner shall be entitled and required to become a member of the management body of the Association. An owner shall be entitled to one membership for each townhouse owned by him. No person or entity other than an owner may be a member of the management body, and membership may not be

transferred except in connection with the transfer of the townhouse unit.

(a) Responsibility. The management body shall be responsible for the ultimate management and control of the exterior of the townhouse units, townhouse sublots, and all improvements thereon, subject to the obligations of each owner as set forth herein, and shall keep the same in good, clean, attractive and sanitary condition, order, and repair. The management body shall be ultimately responsible for the maintenance and repair of the exterior surfaces of the buildings and improvements located on the townhouse sublots, subject to the obligations of each owner as set forth herein, including without limitation the painting of the same as often as necessary, and replacement of the trim and caulking, the maintenance and repair of roofs, the maintenance and repair of yard and landscaping, including utility lines, areas of access to any automobile parking the maintenance and repair of all townhouse roads or streets, and all other exterior improvements on the townhouse sublots. The management body shall keep the weeds on all undeveloped sublots under control at all times.

The townhouse owner shall install the landscaping for each townhouse subplot within one (1) year of completion of the townhouse on said subplot with at least one (1) inch caliper shade tree and hydro seed grass. If a subplot does not sale within six (6) months of completion of the townhouse on said subplot, the developer of said subplot shall complete the required landscaping on said subplot within said six (6) month period.

The townhouse owner shall maintain in a proper first class manner, all landscaping and natural vegetation constituting part of the townhouse sublots. Payments for such maintenance repair and replacement of improvements shall be by the townhouse owner. Failure of any townhouse owner to install or maintain its landscaping shall enable the Association to undertake the same and assess the expenses therefore pursuant to paragraph "10. Assessment" hereinbelow.

(b) Management Services. The management body may obtain and pay for services to manage its affairs and may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of PAR Estates Townhouses or enforcement of this Declaration. The management body may acquire and hold for the use and benefit of the owners, tangible and intangible personal property and may dispose of the same by sale or otherwise and the beneficial interest in any such property shall be deemed to be owned by the owners in the same proportion as their respective interests in PAR Estates Townhouses. Upon ten (10) days written notice to the Association and payment of a reasonable fee as determined by the management body but not exceeding \$25, a townhouse unit owner shall be furnished a statement of his account

setting forth the amount of any unpaid assessments or other charges due and owing for such assessments or otherwise.

(c) Rules. The management body may adopt reasonable administrative rules and regulations by unanimous consent, governing the use of the townhouse units which rules and regulations may be amended by unanimous consent of the management body, as deemed in the best interest of PAR Estates Townhouses. The management body by unanimous consent may designate and retain personnel necessary for the maintenance, repair, and replacement of improvements on PAR Estates Townhouses.

(d) Voting. In the event the owners cannot unanimously agree when required by this Declaration, the issue shall be submitted to arbitration for determination. A mutually acceptable arbitrator shall be chosen by the parties, or if no mutual agreement can be reached, each owner shall select a disinterested party as their arbitrator and the selected arbitrators shall select a third arbitrator. The unit owners shall be bound by the determination of a majority of the said arbitrators. If any costs are incurred, the owners shall pay those of its arbitrator and/or split the costs of the common arbitrator.

(e) Meetings. The regular meetings of the management body may be held at such time and place as shall be determined from time to time by the unit owners, but at least two (2) such meetings shall be held during each fiscal year. Regular meetings shall be scheduled as agreed by the unit owners.

If all the members of the management body are present at any meeting of the management body, no notice shall be required and any business may be transacted at such meetings.

(f) Order of Business. The order of business of all meetings shall be as follows:

- (1) Roll call;
- (2) Reading of minutes of preceding meeting;
- (3) Reports;
- (4) Unfinished business;
- (5) New business; and
- (6) Adjournment.

(g) Personal Liability. No member of the management body shall be personally liable to any owner, or any other party for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of any such member, if member has, on the basis of such information as may be possessed by him acted in good faith without willful or intentional misconduct.

9. Architectural Control.

(a) Architectural Committee. The architectural committee shall be the management body of PAR Estates Townhouses as constituted from time to time. The management body shall exercise its best judgment to see that all improvements, construction, landscaping and alterations on the property within PAR Estates Townhouses conform and harmonize with the existing structures as to external design, materials, color and topography.

(b) Approval. No improvements of any kind or of any nature shall ever be altered, constructed, erected or permitted, nor shall any excavating, clearing or landscaping be done on any subplot within PAR Estates Townhouses unless the same are approved by the management body prior to the commencement of such work. The management body shall consider the materials to be used on the exterior features of said proposed improvements, including exterior colors, harmony of exterior design with existing structures within PAR Estates Townhouses.

10. Assessments. Each owner shall be deemed to covenant and pay to the management body periodic assessments for the purposes provided in this Declaration together with special assessments for capital improvements. Such assessments shall be fixed, established and collected from time to time in the manner provided in this section. Initially, such assessment shall be in the amount of eight dollars (\$8.00) per month per subplot, to be paid by whomever is the record owner of each subplot.

Any common unit expenses incurred by the association shall be the responsibility of the appropriate townhouse unit and may be assessed against said unit separately and in addition to any other assessment provided for herein.

The total periodic assessments against the townhouse units shall be based upon advanced estimates of cash requirements by the management body, plus any individual assessment as provided for above, to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the exterior of the townhouse units and sublots, which may include, among other things, expenses of management; premiums for all insurance which the unit owners are required or permitted to maintain pursuant hereto; landscaping and care of townhouse sublots; trash collection; snow removal; legal and accounting fees; and any other expenses and liabilities which may be incurred for the benefit of the unit owners under and by reason of this Declaration.

The management body shall make periodic assessments, apportioned equally, except as otherwise provided above, among the owners, which assessments may be quarterly or as the management body shall from time to time determine. Written notice of the

assessment shall be given to each owner, which notice shall specify the amount of the assessment and the date of payment of the same. No payments shall be due less than fifteen (15) days after said written notice has been given. Each periodic assessment shall bear interest at the rate of twelve percent (12%) per annum, from the date it becomes due and payable if not paid within thirty (30) days after such date.

In addition to the annual assessments, the management body may levy at any time a special assessment, payable over such a period as may be determined for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of the townhouse units or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. Notice and payment of special assessments shall be the same as periodic assessments.

All sums assessed to any unit owner, together with interest thereon, shall be secured by a lien on such townhouse in favor of PAR Estates Townhouses upon recording of the notice of assessment as herein provided. Such lien shall be superior to all other liens and encumbrances on such townhouse except only for: (a) valid tax and special assessment liens on the townhouse in favor of any governmental assessing authority; (b) a lien for all sums unpaid on a first mortgage or deed of trust duly recorded in Blaine County, Idaho real estate records; and (c) labor or materialmen's liens to the extent required by law. No notice of assessment shall be recorded until there is a delinquency of sixty (60) days in payment of the assessment. Such lien may be enforced by sale, by any owner after failure of the defaulting owner to pay such an assessment in accordance with its terms. In any such foreclosure, the defaulting owner shall be required to pay the costs and expenses of such proceeding, the cost and expenses of filing the notice of assessment and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The defaulting owner shall also be required to pay any assessments against the townhouse which shall become due during the period of foreclosure. Unless sooner satisfied and released, any lien created pursuant to this section shall expire and be of no further force or effect one (1) year from the date of recordation of said notice of assessment. The amount of any periodic or special assessment shall be personal obligation of the owner thereof. Suit to recover a money judgment for such personal obligation shall be maintainable by any unit owner against the defaulting unit owner without foreclosing or waiving the lien securing the same. A purchaser of a townhouse unit shall be jointly and severally liable with the seller for all unpaid assessments against the townhouse unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

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11. Party Walls. PAR Estates Townhouses are constructed with a common party wall. These walls and roof structures are situated on townhouse unit subplot lines between adjoining townhouse units, and, to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(a) Maintenance. The cost of maintaining the party wall shall be borne equally by the owners on either side of said wall.

(b) Damage to Party Wall. In the event of damage or destruction of said party wall from any cause, other than the negligence of either townhouse unit owner, or their tenants or guests, then the townhouse unit owners shall, at their joint expense, repair and rebuild said wall, and each party shall have the right to the full use of said wall so repaired or rebuilt. If either party's negligence shall cause damage to or destruction of said wall, such negligent party shall bear the entire cost of repair or reconstruction. If either party shall neglect or refuse to pay his share or all of such costs in the case of negligence, the other party may have the wall repaired and restored and shall be entitled to have a mechanic's lien filed and foreclosed on the townhouse unit of the party so failing to pay for the amount of such defaulting party's share of the repair or replacement costs.

(c) Either party or the management body shall have the right to break through the party wall for the purpose of repairing or restoring utilities within the wall, subject to the obligation to restore the wall to its previous structural and aesthetic condition, at his own expense and the payment to the adjoining owner of any damages caused thereby.

(d) Easement. Neither party shall alter or change said party wall in any manner, interior decoration excepted, and said party wall shall always remain in the same location as when erected, and each party to said common or division wall shall have a perpetual easement in that part of the premises of the other on which said party wall is located for party wall purposes.

(e) Right to Contribution. The right of any unit owner to contribution from the other unit owner under this paragraph shall be appurtenant to the land and shall pass to such owner's successors in title.

(f) Arbitration. In the case of a dispute or disagreement regarding the party wall that cannot be resolved by the parties, the disputed matter or matters shall be referred to three disinterested parties, one chosen by each side and those two to choose another, the decision in writing signed by any two shall be final.

12. Insurance.

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

(1) Casualty Insurance. The townhouse owners shall obtain insurance on their respective PAR Estates Townhouses in such amounts as shall provide for full replacement thereof in the event of damage or destruction from the casualty against which such insurance is obtained, all in the manner in which a corporation owning similar multiple family residential buildings in the vicinity of the project would, in the exercise of prudent business judgment, obtain such insurance. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, war risk insurance if available and if deemed appropriate by the management body, and such other risks and hazards against which the management body shall deem it appropriate to provide insurance protection. The management body may comply with the above requirements if any townhouse owner fails to do so, and assess the cost to said owner, and/or it may purchase blanket coverage for all townhouse units and may elect such "deductible" provisions as in the management body's opinion are consistent with good business practice.

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

(b) Form. Casualty insurance shall be carried in a form or forms naming the management body the insured as trustee for the unit owners, which policy or policies shall specify the interest of each townhouse owner (owner's name, unit number, and interest in the project) and which policy or policies shall provide a standard loss payable clause providing for payment of insurance proceeds to the management body as trustee for the owners and for the respective first Mortgagees which from time to time shall give notice to the management body of such first Mortgages, such proceeds to be used in accordance with this Declaration. Each policy shall also provide that it cannot be canceled by either the insured or the insurance company until after ten (10) days' prior written notice is first given to each owner and to each first

Mortgagee. The management body shall furnish to each owner who requests it and to the Declarants a true copy of such policy together with a certificate identifying the interest of the owner. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy as to the interest of all other insured owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Public liability and property damage insurance shall name the management body the insured, as trustee for the unit owners, and shall protect each owner against liability for acts of the management body in connection with the ownership, operation, maintenance or other use of the project.

(c) Insurance Proceeds. The management body shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this article. The management body shall apportion the proceeds to the portions of the project which have been damaged and shall determine the amount of the proceeds attributable to damage to the townhouse sublots. Each owner and each Mortgagee shall be bound by the apportionments of damage and of the insurance proceeds made by the management body pursuant hereto.

(d) Owner's Own Insurance. Each owner may obtain insurance at his own expense providing coverage upon his townhouse unit, his personal property, for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the management body obtains pursuant to this section.

13. Amendment. This Declaration shall not be revoked nor shall any of its provisions herein be amended without the unanimous written consent of the owners, duly and properly recorded with the Blaine County Recorder.

This Declaration is executed this 5th day of March, 1991.

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BLAINE CO. REQUEST

OFF: *Plan Development*

CC & Row

91 MAR 6 AM 9 26

MARY GREEN, CLERK *mp*

FEES \$ 33 ⁰⁰

DECLARANTS:

[Signature]

Lewis Rowland

[Signature]

Marsha Rowland

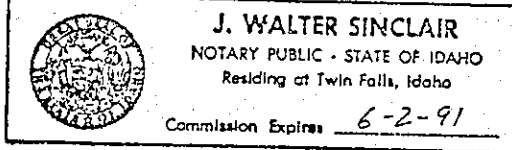
STATE OF IDAHO

County of Twin Falls

)
) ss.
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On this 5th day of March, 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared Lewis Rowland, known to me to be the person whose name is subscribed 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.



[Signature]
NOTARY PUBLIC
Residence: *Twin Falls, Idaho*
My Commission Expires: *6-2-91*

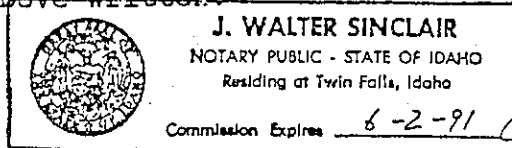
STATE OF IDAHO

County of Twin Falls

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) ss.
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On this 5th day of March, 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared Marsha Rowland, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she 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
Residence: *Twin Falls, Idaho*
My Commission Expires: *6-2-91*

(Declarat. JW/dl)

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