

**AMENDED AND RESTATED MASTER DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
THE WOODLANDS**

THIS AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE WOODLANDS is made effective as of the 23 day of August, 2014, by The Woodlands Homeowners Association, Inc. (the "Association") pursuant to the vote and approval of its Members.

ARTICLE I: RECITALS

1.1 Property Covered. The property subject to this Amended and Restated Master Declaration of Covenants, Conditions, and Restrictions for The Woodlands (the "Declaration") is the real property legally described in the Master Declaration of Covenants, Conditions and Restrictions for the Woodlands and subsequent Supplemental Declaration and made part hereof (the "Property"). The Property is also shown on the Woodlands No. 1 final plat recorded at Book 8, Page 30 of plats in the records of Valley County, Idaho, as Instrument No. 195156, and the Woodlands No. 2 final plat recorded at Book 9, Page 36 of plats in the records of Valley County, Idaho, as Instrument No. 274234.

1.2 Residential Development. The Woodlands is a residential development that was and will continue to be developed in accordance with existing development approvals obtained from the City of McCall, Idaho or any other development plan(s) for which the Association or any Owner may from time to time obtain approval. The Property consists of single-family residential homes and parcels of Common Area, including streams or water amenities, public and/or private open space, buffer zones, park areas, landscaping, recreation facilities, private lighting, private or public streets, drives, and other amenities and facilities. Owners acknowledge that the Building Lots in all Tracts are subject to city approvals and any other governmental approvals as required. Owners acknowledge that they are familiar with such approvals constructively or otherwise.

1.3 Purpose of Declaration. The purpose of this Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions and equitable servitudes (collectively "Restrictions") that apply to all building lots and common area within the Property. The

Restrictions are designed to help preserve the Property's value, desirability, and attractiveness, to provide for adequate maintenance of The Woodlands Common Area and the Improvements located thereon.

ARTICLE II. DECLARATION

The Association hereby declares that those portions of the Property that are within the jurisdiction of these Restrictions, and each lot, parcel or portion thereof, is and/or shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following terms, covenants, conditions, easements 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 of the Property. The terms, covenants, conditions, easements and restrictions set forth herein: (i) shall run with the land constituting the Property, and with each estate therein, and shall be binding upon all persons having or acquiring any right, title or interest in the Property or any lot, parcel or portion thereof; (ii) shall inure to the benefit of every lot, parcel or portion of the Property and any interest therein; (iii) shall inure to the benefit of and be binding upon each Owner, grantee, and such Owner's or grantee's respective successors in interest; and, (iv) may be enforced by any Owner or such Owner's successors in interest, or by the Master Association or any Local Association as hereinafter described.

ARTICLE III: DEFINITIONS

3.1 Architectural Committee. "Architectural Committee" shall mean the committee created by the Association pursuant to Article XI hereof.

3.2 Articles. "Articles" shall mean the Articles of Incorporation of any Association or other organizational or charter documents of an Association.

3.3 Assessments. "Assessments" shall mean those payments required of Owners, Master Association Members, or Local Association Members, including Regular, Special, and Limited Assessments of any Association as further defined in this Declaration.

3.4 Association. "Association" shall mean the Master Association and/or a Local Association, whichever is appropriate in the context.

3.5 Association Rules. “Association Rules” shall mean those rules and regulations promulgated by the Association governing conduct upon and use of the Property under the jurisdiction or control of the Association, the imposition of fines and forfeitures for violation of Association Rules and regulations, and procedural matters for use in the conduct of business of the Association.

3.6 Board. “Board” shall mean the Board of Directors or other governing board or individual, if applicable, of the Association.

3.7 Buffer Zone. “Buffer Zone” shall mean that ten foot (10’) wide strip of land across the rear of Building Lots 1-22 and 26 of Block 2 as designated on the Plat of The Woodlands No. 1 and as defined as a “10’ buffer strip” in Note 4 appearing on the face of Sheet No. 1 of the Plat (“Note 4”). The Buffer Zone shall be subject to the restrictions contained in Note 4 and those conditions and restrictions contained in this Declaration pertaining to the Buffer Zone.

3.8 Building Lot. “Building Lot” shall mean one or more lots within a Tract as specified or shown on any Plat and/or by Supplemental Declaration, upon which Improvements may be constructed.

3.9 Bylaws. “Bylaws” shall mean the Bylaws of an Association.

3.10 Common Area. “Common Area” shall mean either or both of the Local Common Area or The Woodlands Common Area as the context in which the term is used in this Declaration, The Bylaws, or the Articles may require.

3.11 Declaration. “Declaration” shall mean this Amended and Restated Master Declaration as it may be amended or supplemented from time to time.

3.12 Design Guidelines. “Design Guidelines” shall mean the construction guidelines approved by the Architectural Committee.

3.13 Grantor. “Grantor” shall mean The Woodlands Development Corporation, an Idaho corporation, or its successor in interest, or any person or entity to whom the rights under this Declaration were expressly transferred by The Woodlands Development Corporation or its successor.

3.14 Improvement. “Improvement” shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Property, including but not limited to buildings, fences, streets, drives, driveways, sidewalks, bicycle paths, curbs, landscaping, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, waterways, recreational facilities, and fixtures of any kind whatsoever.

3.15 Limited Assessment. “Limited Assessment” shall mean a charge against a particular Owner and such Owner’s Building Lot, directly attributable to the Owner, equal to the cost incurred by the Master Association for corrective action performed pursuant to the provisions of this Declaration or any Supplemental Declaration or Amendment, including interest thereon as provided in this Declaration or a Supplemental Declaration.

3.16 Local Association. “Local Association” shall mean any profit or not-for-profit Idaho corporation or unincorporated association, or the successors of any of them, organized and established pursuant to the terms of this Declaration or a Supplemental Declaration by the Association.

3.17 Local Association Board. “Local Association Board” shall mean the duly elected and qualified Board of Directors, or other governing board or individual, if applicable, of a Local Association.

3.18 Local Common Area. “Local Common Area” shall mean all real property in which a Local Association holds an interest or which is held or maintained for the mutual use and benefit of such Local Association and its Members. Local Common Area may be established from time to time by the Master Association on any portion of the Property by describing such an area on a recorded Plat, by granting or reserving it in a deed or other instrument, or by designating it as such in this Declaration or in any Supplemental Declaration. Local Common Area may include easement and/or license rights.

3.19 Long-term Rental. “Long term rental” shall be defined as a dwelling unit that is rented or leased for a period of thirty or more consecutive days.

3.20 Master Association. “Master Association” shall mean the Idaho profit or non-profit corporation, its successors and assigns, established to exercise the powers and to carry out the duties set forth in this Declaration or any Supplemental Declaration. The Master Association shall be named and known as the “Woodlands Homeowners Association, Inc.”

3.21 The Woodlands Common Area. “The Woodlands Common Area” shall mean all real property, including the Recreation Center, in which the Master Association holds an interest or which is held or maintained, permanently or temporarily, for the common use, enjoyment and benefit of the entirety of the Woodlands and each Owner therein, which includes the real property legally described in Exhibit “A” attached hereto and made a part thereof and shall include, without limitation, all such parcels that are designated as private streets or drives, common open spaces, common landscaped areas, and waterways. The Woodlands Common Area is to be distinguished from Local Common Area, which may or may not allow entry and use by those Owners who are not Members of a Local Association or who are not Owners within a particular Tract. The Woodlands Common Area may include easement and/or license rights.

3.22 Member. “Member” shall mean each person or entity holding a membership in the Master Association. Where specific reference or the context so indicates, it shall also mean persons or entities holding membership in a Local Association.

3.23 Owner. “Owner” shall mean the person or other legal entity holding fee simple interest of record to a Building Lot which is a part of the Property, and buyers under unrecorded extended term executor contracts of sale, but excluding those having such interest merely as security for the performance of an obligation.

3.24 Person. “Person” shall mean any individual, partnership, corporation, or other legal entity.

3.25 Plat. “Plat” shall mean any subdivision plat covering any portion of the Property as recorded at the office of the County Recorder, Valley County, Idaho, as the same may be amended by duly recorded amendments thereof.

3.26 Property. “Property” shall mean those portions of the property described in the Woodlands No. 1 final plat and the Woodlands No. 2 final plat, as recorded in the records of

Valley County, Idaho, and incorporated herein by this reference, including each lot, parcel and portion thereof and interest therein, including all water rights associated with or appurtenant to such property, which are brought within the jurisdiction hereof by Supplemental Declaration. The Property also may include such additional property as may be annexed by means of a Supplemental Declaration as provided herein.

3.27 Recreation Center. “Recreation Center” shall mean the real property designated as Lot 26, Block 2 on the Plat of The Woodlands No. 1 and Improvements thereon for the use and enjoyment of Members for recreational activities and is included with The Woodlands Common Area.

3.28 Regular Assessment. “Regular Assessment” shall mean the portion of the cost of maintaining, improving, repairing, managing, and operating The Woodland Common Area and all Improvements located thereon, and the other costs of an Association which is to be levied against the Property of and paid by each Owner to the Master Association, or applicable Local Association, pursuant to the terms hereof or the terms of this Declaration or a Supplemental Declaration.

3.29 Short-term Rental. “Short-term Rental” shall be defined as a dwelling unit that is rented or leased, for profit, for a period of less than thirty consecutive days. In general, short-term rental housing differs in use from bed and breakfasts, hotels, motels, and other lodging uses, by providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

3.30 Special Assessment. “Special Assessment” shall mean the portion of the costs of the capital improvements or replacements, equipment purchases, and replacements or shortages in Regular Assessments which are authorized and to be paid by each Owner to the Master Association, or applicable Local Association pursuant to the provisions of this Declaration or a Supplemental Declaration.

3.31 Supplemental Declaration. “Supplemental Declaration” shall mean any Supplemental Declaration including additional covenants, conditions, and restrictions that might be adopted with respect to any portion of the Property.

3.32 Tract. “Tract” shall mean a defined portion of the Property within which the contemplated development involves a common use or compatible uses, and which may have been designated as a Tract by this Declaration or a recorded Supplemental Declaration. Each Tract shall contain one or more Building Lots, and may be managed to the extent permitted herein by a Local Association.

ARTICLE IV: GENERAL AND SPECIFIC RESTRICTIONS

4.1 Structures – Generally. All structures are to be designed, constructed, and used in such a manner as to promote compatibility between the types of use contemplated by this Declaration.

4.1.1 Land Use and Building Type. No Building Lot shall be used except for residential purposes, and each Building Lot shall be limited to one single family residence. No building shall be erected, altered, placed, or permitted to remain on any Building Lot other than for residential or recreational purposes or for a private garage, and other out buildings incidental to residential use of the premises. All structures constructed on any Building Lot shall be constructed with a substantial quantity of new materials and no used structure shall be relocated or placed on any Building Lot. No trailer, motorhome, tent, shack, garage, barn, or other out building located or erected on a Building Lot covered by these covenants shall at any time be used for private habitation, except in the following situations.

4.1.1.1 During Construction. During the construction period for a given Building Lot (which must be completed within twelve (12) months – see Section 4.20) a recreational vehicle (camping trailer or motorhome) may be used for temporary habitation of the Building Lot Owner and/or occupants as approved on a case by case basis by the Architectural Committee.

4.1.1.2 Guest Usage. After the construction of a single family residence has been completed upon a Building Lot, a recreational vehicle (camping trailer or motorhome) may be used for temporary habitation by guests for consecutive periods not exceeding fourteen (14) days or nights. At the conclusion of such fourteen (14) consecutive day or night occupancy period, the recreational vehicle

must be removed from the Building Lot for at least fourteen (14) consecutive days.

No Building Lot shall be used for any retail, commercial, or business purpose whatsoever, except for long-term rental purposes, which shall be permitted subject to the terms of this Declaration and the rules and regulations of the Association. Short-term rental uses, as defined in this Declaration, constitute a commercial, business purpose and shall not be allowed.

4.1.2 Architectural Committee Review. No Improvements which will be visible above ground or which will ultimately affect the visibility of any above ground Improvement shall be built, erected, placed, or materially altered on or removed from the Property unless and until the building plans, specifications, and plot plan or other appropriate plans and specifications have been reviewed in advance by the Architectural Committee (and, if required by an applicable Local Architectural Committee pursuant to Section 11.10) and the same have been approved in writing. The review and approval or disapproval may be based upon the following factors; size, height, design and style elements, mass and form, topography, setbacks, finished ground elevations, architectural symmetry, drainage, color, materials, physical or aesthetic impacts on other properties, including The Woodlands Common Areas, artistic conformity to the terrain and other Improvements on the Property, and any and all other factors which the Architectural Committee, in its reasonable discretion, deems relevant. Said requirements as to the approval of the architectural design shall apply only to the exterior appearance of the Improvements. This Declaration is not intended to serve as authority for the Architectural Committee to control the interior layout or design of residential structures except to the extent incidentally necessitated by use, size and height restrictions.

4.1.3 Minimum Floor Area and Building Heights.

4.1.3.1 Floor Area. Single Family Residence – no main residence structure shall be permitted on any Building Lot covered by these covenants, the habitable floor area of which, exclusive of basements, porches and garages, is less

than 800 square feet for a one story residence and no less than 1000 square feet for a story and one-half (1 ½) or two (2) story residence.

4.1.3.2 Number of Floors. Single Family Residence – no main residence structure shall be permitted to have more than two (2) above ground floors (a daylight basement shall not generally be considered an above ground floor). In the case of a story and one-half or two story (above ground) structure, the first floor shall have no less than 700 square feet of the required 1000 square feet of total habitable floor area.

4.1.3.3 Building Height. The maximum height of any building shall be in compliance with the City of McCall zoning ordinances.

4.1.4 Setbacks. No residential or other structure (exclusive of fences and similar structures) shall be placed nearer to the Building Lot lines or built higher than permitted by the Plat for the Tract in which the Building Lot is located, by any applicable zoning restriction, by any conditional use permit, or by a building envelope designated by the Architectural Committee, whichever is more restrictive.

4.1.5 Accessory Structures. Detached garages and storage sheds shall be allowed if in conformity with the provisions of this Declaration, and as approved by the applicable Architectural Committee. Garages, storage sheds patio covers, and detached patio covers, shall be constructed of, and roofed with, the same or compatible materials, and with similar colors and design, as the residential structure on the applicable Building Lot if such Improvements are visible from a public or private street or adjacent Building Lots or Commons Areas. No playhouses, playground equipment, pools, pool slides, diving boards, hot tubs, spas, or similar items shall extend higher than six (6) feet above the finished graded surface of the Building Lot upon which such item(s) are located.

4.1.6 Driveways. All access driveways shall have wearing surface approved by the Architectural Committee and shall be graded to assure proper drainage.

4.1.7 Home Numbers and Mailboxes. Each residential structure shall have a street number discreetly placed at or near the street entrance to the Building Lot. All

mailboxes and stands, if any, will be of consistent design, material and coloration and shall be located on or adjoining Building Lot lines at places designated by the Architectural Committee.

4.1.8 Fencing. No fence, hedge, or boundary wall situated anywhere upon a Building Lot shall have a height greater than six (6) feet above the finished graded surface of the Building Lot or The Woodlands Common Area upon which such fence, hedge, or boundary wall is situated. Any fence or boundary wall constructed on or near the lot line common to one or more Building Lots shall be constructed as a “good neighbor” fence or wall. No fence shall be constructed so as to extend toward the front of the Building Lot past the front plane of the dwelling structure constructed thereon, or closer than ten (10) feet to any side Building Lot line of a corner of a Building Lot adjacent to a dedicated street. All fencing and boundary walls constructed on any Building Lot shall be of compatible style and material to the other fencing constructed adjacent to or abutting Common Areas and public and private streets, and shall otherwise be as approved by the applicable Architectural Committee.

4.1.9 Lighting. Exterior lighting, including flood lighting, shall be part of the architectural concept of the Improvements on a Building Lot. Fixtures, standards and all exposed accessories shall be harmonious with building design, and shall be as approved by the applicable Architectural Committee. Lighting shall be restrained in design, and excessive brightness shall be avoided.

4.2 No Further subdivision. No Building Lot may be further subdivided, nor may any easement or other interest therein be created, unless such subdivision complies with all applicable laws and this Declaration.

4.3 Signs. No sign of any kind shall be displayed to the public view without the approval of the applicable Architectural Committee or Master Association, except: (i) temporary signs naming the contractors, the architect, and the lending institution for a particular construction operation; (ii) such signs identifying The Woodlands, or informational signs of customary and reasonable dimensions as prescribed by the Architectural Committee may be displayed on or from any Common Area; (iv) a small sign or signs advertising that the Lot is

protected by a home security system or service; and (v) one (1) sign of customary and reasonable dimensions not to exceed three (3) feet by two (2) feet as may be displayed by an Owner, on or from a Building Lot, advertising the residence for sale or lease. Without limiting the foregoing, no sign shall be placed in Common Areas without the written approval of the applicable Architectural Committee or the Master Association.

4.4 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, including The Woodlands Common Area or vacant Building Lots, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants, or to any other property in the vicinity thereof or to its occupants. No noxious, destructive, or offensive activity shall be carried on in or on any Building Lot or in the Common Area or any part thereof, and nothing shall be done therein which may be or may become an annoyance or nuisance to any other Owner or occupant. The Board of Directors shall have the sole discretion to determine whether a noise, practice, or activity constitutes a nuisance, and all such activities defined as nuisances in the McCall City Code shall be nuisances per se under this provision. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), flashing lights or search lights, shall be located, used or placed on the Property without the prior written approval of the Master Association.

4.5 Exterior Maintenance; Owner's Obligations. No Improvement shall be permitted to fall into disrepair, and each Improvement shall at all times be kept in good condition and repair. In the event that any Owner shall permit any Improvement, including trees and landscaping, which is the responsibility of such owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly, or unattractive condition, or damages property or facilities on or adjoining their Building Lot which would otherwise be the Associations' responsibility to maintain, the Board of the Local Association of which such Owner is a Member (or the Board of the Master Association if there is no Local Association with jurisdiction or if the Local Association fails to act), upon thirty (30) days prior written notice to the Owner of such property, shall have the right to correct such condition, and to enter upon such Owner's Building Lot for the purpose of doing so, and such Owner shall promptly reimburse the Local or Master

Association, as the case may be, for the cost thereof. Such cost shall be a Limited Assessment and shall create a lien enforceable in the same manner as other Assessments set forth in Article VIII of this Declaration. The Owner of the offending property shall be personally liable, and such Owner's property may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefor, or the amounts may, at the option of the Board, be added to the amounts payable by such Owner as Regular Assessments. Each Owner shall have the remedial rights set forth herein if the applicable Associations fail to exercise their rights within a reasonable time following written notice by such owner.

4.6 Drainage. There shall be no interference with the established drainage pattern over any portion of the Property, unless an adequate alternative provision is made for proper drainage and is first approved in writing by the applicable Architectural Committee. For the purposes hereof, "established" drainage is defined as the system of drainage, whether natural or otherwise, which exists at the time the overall grading of any portion of the Property is completed, or that drainage which is shown on any plans approved by the Architectural Committee, which may include drainage from The Woodlands Common Area over any Building Lot in the Property.

4.7 Grading. The Owner of any Building Lot on which grading or other work has been performed pursuant to a grading plan approved under the provisions of Title III, Chapter 1, Paragraph 5(A) of the McCall City Code, as amended, or by the Master or Local Association, shall maintain and repair all graded surfaces and erosion prevention devices, retaining walls, drainage structures, means or devices which are not the responsibility of any governmental entity or the Master Association, and plantings and ground cover installed or completed thereon. Such requirements shall be subject to Regular, Special, and Limited Assessments provided in Article VIII herein, as may be applicable.

4.8 Trees. Living trees, the trunk of which is four (4) inches or more in diameter, naturally existing upon a Lot, except to the extent necessary for construction purposes, shall not be cut, trimmed, or removed from the properties except as may be approved by the Architectural Control Committee.

4.9 Water Supply Systems. No separate or individual water supply system, regardless of the proposed use of the water to be delivered by such system, shall be permitted on any Building Lot unless such system is designed, located, constructed and equipped in accordance with the requirements, standards, and recommendations of the Board of the Master Association and all governmental authorities having jurisdiction.

4.10 No Hazardous Activities. No activities shall be conducted on the Property, and no Improvements constructed on any property which are or might be unsafe or hazardous to any person or property.

4.11 Unsightly Articles. No unsightly articles shall be permitted to remain on any Building Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage and trash shall be kept at all times in such containers and in areas approved by the applicable Architectural Committee. No clothing or fabrics shall be hung, dried or aired in such a way as to be visible to other property, and no equipment, heat pumps, compressors, propane tanks, containers, lumber, firewood, grass, shrub or tree clippings, plant waste, metals, bulk material scrap, refuse or trash shall be kept, stored or allowed to accumulate on any Building Lot except within an enclosed structure or as appropriately screened from view. No vacant residential structures shall be used for the storage of building materials.

4.12 Trailer and Motor Vehicles. No vehicles other than registered and licensed non-commercial cars, passenger vans, and light duty trucks shall be parked forward of any dwelling at any time for longer than three (3) consecutive days. No commercial cars, trucks, or vans may be regularly parked forward of any dwelling on a daily or other continuing basis. (It is the intent of this provision to prohibit Owners, or other occupants, or renters from regularly parking commercial vehicles on any Building Lot. The Woodlands is a residential subdivision and Owner or occupant commercial vehicles are to be garaged or otherwise concealed when parked on a Building Lot.) All boats, trailers, campers, ATVs, UTVs, motorcycles, motor homes, snowmobiles, and other over-the-snow vehicles will be allowed to be parked in a driveway for a maximum of fourteen (14) consecutive days. If any of these vehicles are to be parked at a dwelling for longer than fourteen (14) consecutive days, they must be concealed from sight of any traffic along subdivision roads by appropriate fencing, enclosure, or other screening as approved by the Woodlands Architectural Committee. Any screened area must be located to the

side yard or rear yard of a dwelling. No motor vehicle of any kind shall be constructed, reconstructed, or repaired upon the front or side yard of any Building Lot or street; provided, however, that the provisions of this Section shall not apply to emergency vehicle repairs or construction vehicles used in connection with the construction of any Improvement as approved by the Architectural Committee. No motor vehicle of any type, or part thereof, shall be permitted to remain on any Building Lot or street in an exposed position and in a non-operative condition, for more than thirty (30) days in any calendar year. Any such vehicle or part thereof which does not display current or valid license plates, current registration stickers, and safety inspection stickers, as required by law, shall be deemed to be a “non-operating condition vehicle” and may be removed at the request of any Owner and at the expense of the Owner in violation, after a ten (10) day written notice has been provided. No motorized “off-the-road” vehicles shall be operated on any Building Lot in a noisy or disturbing manner which would create a nuisance.

4.13 Parking.

4.13.1 Limit On Street Parking. Parking shall be accommodated on Building Lots with no Owner parking of vehicles allowed on The Woodlands private or public streets, except in areas so designated for on street parking by the Association. The Improvements on each Building Lot shall provide at least a one-car garage (three-car garage maximum per garage structure) and a minimum of two additional parking units. Each additional parking unit shall be located entirely within the Lot lines.

4.13.2 Common Area Parking. Parking in Common Areas shall be limited to those locations designated as being available for parking. Parking in these areas shall be for temporary purposes incidental to the use of the Common Areas and common facilities. No overnight parking or overnight camping shall be permitted in the vehicles located in the Common Areas.

4.14 Sewage Disposal Systems. No individual sewage disposal system shall be used on the Property. Each Owner shall connect the appropriate facilities on such Owner's Building Lot to the City of McCall Sewer System and pay all charges assessed therefor.

4.15 No Mining or Drilling. No portion of the Property shall be used for the purpose of mining, quarrying; drilling, boring or exploring for or removing oil, gas or other hydrocarbons, minerals, rocks, stones, sand, gravel or earth. This Section 4.15 shall not prohibit exploratory drilling or coring which is necessary to construct a residential structure or Improvements.

4.16 Energy Devices. No energy production devices, including but not limited to generators of any kind and solar energy devices, shall be constructed or maintained on any portion of the Property without the written approval of the applicable Architectural Committee, except for heat pumps shown in the plan and approved by the Architectural Committee. This Section 4.16 shall not apply to passive solar energy systems incorporated into the approved design of a residential structure.

4.17 Animals/Pets. No animals, birds, insects, pigeons, poultry or livestock shall be kept on the Property, except for domesticated dogs, cats, and other household pets, for non-commercial purposes, which do not unreasonably bother or constitute a nuisance to others. The Board of Directors shall have the sole discretion to determine what constitutes a nuisance. Without limiting the generality of the foregoing, consistent and/or chronic barking by dogs shall be considered a nuisance. Each dog in The Woodlands shall be kept on a leash, curbed, and otherwise controlled at all times when such animal is off the premises of its owner. Such owner shall clean up any animal defecation immediately from a Common Area or public right-of-way. Failure to do so may result, at the Board's discretion, with a Limited Assessment levied against such animal owner. The construction of dog runs or other pet enclosures shall be subject to applicable Architectural Committee approval, shall be appropriately screened, and shall be maintained in a sanitary condition. Dog runs or other pet enclosures shall not be placed in any front yard of a building Lot, and shall be screened from view so as not to be visible from any Common Area or an adjacent Building Lot.

4.18 Landscaping. Some portions of the Common Area, as designated on the Plat of the Property, may be set aside as wetland areas. These wetland areas are not to be disturbed or destroyed. In order to insure protection of the natural environment, all natural surface areas disturbed by construction shall be returned promptly to their natural condition and replanted in native grasses and trees. The Architectural Committee may approve limited construction of gardens, lawns and exterior living areas.

4.19 Conveyances to and from Municipalities. The Board shall have the power to convey any of The Woodlands Common Area to the City of McCall, the County of Valley, the State of Idaho, the United States of America or any political subdivision thereof. The Board shall also have the power to receive a conveyance of any property interest from the above-referenced entities or any other individual or entity and to hold such property interest as The Woodlands Common Area.

4.20 Continuity of Construction. All structures commenced in this Subdivision shall be prosecuted diligently to completion and shall be completed within twelve (12) months of issuance of building permit unless otherwise approved in writing by the Architectural Committee.

4.21 Perimeter Fencing. The Association may elect to install and maintain fencing along the perimeter boundaries of the subdivision, or certain portions thereof, for purposes of preventing trespass on the Property by livestock maintained on adjacent real property and for aesthetic and other purposes. Such fencing shall be of a type, style and grade as negotiated between the Association and adjoining landowners. Once installed, such fencing shall be maintained and controlled jointly by the neighboring landowner(s) and the Association in accordance with an agreement(s) between such parties.

4.22 School Buffering Requirements.

4.22.1 Adjacent Public School Lands. Certain lands abutting The Woodlands are owned by McCall-Donnelly Joint School District #421, namely, a parcel consisting of approximately 39.6 acres lying within the S 1/2 of the NW 1/4 of Section 15, T 18 N, R 3 E, B.M.; the lands are planned and zoned to be used for public school purposes.

4.22.2 Agreement to Provide Buffer Zones. In recognition of the contemplated use and in consideration of the District's cooperation in securing suitable public rights-of-way to the Property, the Association shall endorse such use and cooperate in establishing development standards addressing the need for suitable buffering between the school's lands, and the adjoining right-of-way and subdivision lands.

4.22.3 Buffer Zones; Maintenance. The Buffer Zones are as further identified and set forth on the subdivision plat to satisfy the Association's obligation under such agreement and shall be maintained by the Owner of each lot containing a Buffer Zone or the Association in the event an Owner fails to maintain a Buffer Zone or the Buffer Zone is on Common Area, so long as the public school use is contemplated or realized by the District. No construction of any residence, outbuilding or fence is allowed in any designated Buffer Zone. Trees now growing or planted in the Buffer Zones may only be cut or otherwise removed at the direction of the Association and only because of disease or unsightliness or because their location presents an unsafe condition. By establishing these Buffer Zones and standards, the Association shall secure and enhance long term benefits to the adjoining subdivisions and the like objectives of the governing zoning ordinance providing for suitable buffering between school lands and adjoining properties. These Buffer Zones and standards are adopted and acknowledged as achieving such objectives.

4.23 Attorney's Fees; Remedies. In the event of any demand, proceeding, action, or suit based upon or arising out of any alleged breach of any party of any covenant, condition, restriction, or term contained in this Declaration, the prevailing party shall be entitled to recover reasonable attorney's fees and other costs of such demand, proceeding, action, or suit from the other party. All rights and remedies of each of the parties under this Declaration shall be cumulative, and the exercise of one or more rights or remedies shall not preclude the exercise of any other right or remedy available under this Declaration or applicable law.

ARTICLE V: THE WOODLANDS HOMEOWNERS' MASTER ASSOCIATION

5.1 Organization of The Woodlands Homeowners' Association. The Woodlands Homeowners' Association, Inc. ("Master Association") shall be organized as an Idaho non-profit corporation under the provisions of the Idaho Code relating to general non-profit corporations and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. Neither the Articles nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration or with any Supplemental Declaration pertaining to The Woodlands.

5.2 Membership. Each Owner, by virtue of being an Owner and for so long as such ownership is maintained, shall be a Member of the Master Association and no Owner shall have more than one membership in the Master Association. Memberships in the Master Association shall be appurtenant to the Tract, Building Lot, or other portion of the Property owned by such Owner. The memberships in the Master Association shall not be transferred, pledged, assigned, or alienated in any way except upon the transfer of Owner's title and then only to the transferee of such title. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books of the Master Association.

5.3 Voting. Voting in the Master Association shall be carried out by Members who shall cast the votes attributable to the Building Lots which they own. The number of votes any Member may cast on any issue is determined by the number of Building Lots which the Member owns. Each Member shall be entitled to cast one (1) vote for each Building Lot owned by such Member on the day of the vote. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the votes attributable to the Building Lot.

5.3.1 No Fractional Votes; No Severance of Voting Rights. Fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint Owners of the building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot to which it is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary, or contract purchaser of the Building Lot concerned, for the term of the lease, mortgage, deed of trust, or contract. Any sale, transfer, or conveyance of such Building Lot to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner, subject to any assignment of the right to vote to a lessee, mortgagee, or beneficiary as provided herein.

5.4 Board of Directors and Officers. The affairs of the Master Association shall be conducted and managed by the Board of Directors (the "Board") and such officers as the Board may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended

from time to time. The Board of the Master Association shall be elected in accordance with the provisions set forth in the Master Association Bylaws.

5.5 Powers and Duties of the Master Association.

5.5.1 Powers. The Master Association shall have all the powers of a corporation organized under the general corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, and this Declaration. The Master Association shall have the power to do any and all lawful things which may be authorized, required, or permitted to be done by the Master Association under Idaho law and under this Declaration, and the Articles and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of The Woodlands Common Area and the Declaration's other assets and affairs and the performance of the other responsibilities herein assigned, including without limitation:

5.5.1.1 Assessments. The power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

5.5.1.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owner who consents thereto, to impose violation fines, or commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration or the Articles or the bylaws, including the Association Rules adopted pursuant to this Declaration, and to enforce by injunction or otherwise, all provisions hereof.

5.5.1.3 Delegation of Powers. The authority to delegate its powers and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to contract for the maintenance, repair, replacement and operation of The Woodlands Common Area. Neither the Master Association nor the members of its Board shall be liable for any omission or improper exercise by the manager of any such duty or power so delegated.

5.5.1.4 Association Rules. The power to adopt, amend, and repeal by majority vote of the Board such rules and regulations as the Master Association deems reasonable. The Master Association may govern the use of The Woodlands Common Areas, including but not limited to the use of private streets, if any, by the Owner, their families, invitees, licensees, lessees or contract purchasers; provided, however, that any Association Rules shall apply equally to all Owners and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. Upon such mailing or delivery, the Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration. In the event of any conflict between such Association Rules and any other provisions of this Declaration, or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

5.5.1.5 Emergency Powers. The power, exercised by the Master Association or by any person authorized by it, to enter upon any property (but not inside any building constructed thereon) in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which the Master Association is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Master Association.

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

5.5.1.6.1 Underground lines, cables, wires, conduits, or other devices for the transmission of electricity or electronic signals-for lighting, heating, power, telephone, television, or other purposes, and the above ground lighting stanchions, meters, and other facilities associated with the provisions of lighting and services;

5.5.1.6.2 Public sewers, storm drains, water drains and pipes, water supply systems, sprinkling systems, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities; and

5.5.1.6.3 Mailboxes and sidewalk abutments around such mailboxes or any service facility, berm, fencing and landscaping abutting common areas, public and private streets or land conveyed for any public or quasi-public purpose including, but not limited to, bicycle pathways.

5.5.2 Duties. In addition to duties necessary and proper to carry out the powers delegated to the Master Association by this Declaration, and the Articles and Bylaws, without limiting the generality thereof, the Master Association or its agent, if any, shall have the authority and the obligation to conduct all business affairs of the Master Association and to perform, without limitation, each of the following duties.

5.5.2.1 Operation and Maintenance of The Woodlands Common Area. Operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of The Woodlands Common Area (other than Local Common Area, if any) including the repair and replacement of property damaged or destroyed by casualty loss.

5.5.2.2 Maintenance of Berms, Retaining Walls, and Fences. Maintain the berms, retaining walls, perimeter fences, fences and amenities within and abutting The Woodlands Common Area, or otherwise subject to maintenance and control by the Association.

5.5.2.3 Reserve Account. Establish and fund a reserve account with a reputable banking institution or savings and loan association or title insurance

company authorized to do business in the State of Idaho, which reserve account shall be dedicated to the costs of repair, replacement, maintenance, and improvement of The Woodlands Common Area, and enforcement of the terms of this Declaration.

5.5.2.4 Taxes and Assessments. Pay all real and personal property taxes and Assessments separately levied against The Woodlands Common Area or against The Woodlands, the Master Association and/or any other property owned by the Master Association. Such taxes and Assessments may be contested or compromised by the Master Association, provided, however, that such taxes and Assessments are paid or a bond insuring payment is posted prior to the sale or disposition of any property to satisfy the payment of such taxes and Assessments. In addition, the Master Association shall pay all other federal, state or local taxes, including income or corporate taxes levied against the Master Association, in the event that the Master Association is denied the status of a tax exempt corporation.

5.5.2.5 Water and Other Utilities. Acquire, provide, and/or pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone, and gas and other necessary services for The Woodlands Common Area, and to manage for the benefit for The Woodlands all domestic, irrigation, and amenity water rights and rights to receive water held by the Master Association, whether such rights are evidenced by license, permit, claim, stock ownership, or otherwise. The Master Association shall maintain, repair, and operate any sewer lift stations located on the Property.

5.5.2.6 Insurance. Obtain insurance from reputable insurance companies authorized to do business in the State of Idaho, and maintain in effect any insurance policy the Board deems necessary or advisable, including, without limitation the following policies of insurance:

5.5.2.6.1 Fire insurance including those risks embraced by coverage of the type known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreed amount basis for the

full insurable replacement value of all Improvements, equipment and fixtures located within The Woodlands Common Area.

5.5.2.6.2 Comprehensive public liability insurance insuring the Board, the Master Association, and the individual grantees and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of The Woodlands Commons Area. Limits of liability of such coverage shall be as follows: Not less than One Million Dollars (\$1,000,000) per person and 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.

5.5.2.6.3 Full coverage directors' and officers' liability insurance with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000).

5.5.2.6.4 Such other insurance, including motor vehicle insurance and Workmen's Compensation insurance, to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Master Association functions or to insure the Master Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Master Association funds or other property.

5.5.2.6.5 The Master Association shall be deemed trustee of the interests of all Owners in connection with any insurance proceeds paid to the Master Association under such policies, and shall have full power to receive such Owner's interests as such proceeds and to deal therewith.

5.5.2.6.6 Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Master Association.

5.5.2.7 Rule Making. Make, establish, promulgate, amend, and repeal such Association rules as the Board shall deem advisable.

5.5.2.8 Architectural Committee. Appoint and remove members of the Architectural Committee, subject to the provisions of this Declaration.

5.5.2.9 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably advisable or necessary to enforce any of the provisions of the Declaration, or of the Articles or Bylaws, including, without limitation, the recordation of any claim of lien with the Valley County Recorder, as more fully provided herein, or the imposition of reasonable violation penalties, in accordance with Idaho law.

5.6 Personal Liability. No Member of the Board, or member of any committee of the Master Association, or any officer of the Master Association, or the manager, if any, shall be personally liable to any Owner, or to any other party, including the Master Association, for any damage, loss or prejudice suffered or claimed on the account of any act, omission, error or negligence of the Master Association, the Board, the manager, if any, or any other representative or employee of the Master Association, or the Architectural Committee, or any other committee, or any officer of the Master Association, provided that such person, upon the basis of such information as may be possessed by such person, has acted in good faith without willful or intentional misconduct.

5.7 Budgets and Financial Statements. Financial statements for the Master Association shall be prepared regularly and copies shall be distributed to each Member of the Master Association as follows:

5.7.1 Budget. A pro forma operating statement or budget, for each fiscal year shall be distributed not less than sixty (60) days before the beginning of each fiscal year. The operating statement shall include a schedule of Assessments received and receivable, identified by the Building Lot number and the name of the person or entity assigned.

5.7.2 Financial Statements. Within thirty (30) days after the close of each fiscal year, the Master Association shall cause to be prepared and delivered to each owner, a

balance sheet as of the last day of the Master Association's fiscal year and annual operating statements reflecting the income and expenditures of the Master Association for its last fiscal year. Copies of the balance sheet and operating statement shall be distributed to each Member within ninety (90) days after the end of each fiscal year.

5.8 Meetings of Master Association. Each year the Master Association shall hold at least one meeting of the Members, according to the schedule for such meetings established by the Bylaws. Only Members, or duly-authorized proxy holders, shall be entitled to attend Master Association meetings, and all other persons may be excluded. Notice for all Master Association meetings, regular or special, shall be given by regular mail to all Members, and any person in possession of a Building Lot, not less than ten (10) days nor more than thirty (30) days before the meeting and shall set forth the place, date and hour of the meeting and the nature of the business to be conducted. All meetings shall be held within the Property or as close thereto as practical at a reasonable place selected by the Board. The presence at any meeting in person of the Members representing Owners holding at least thirty percent (30%) of the total votes of the Membership shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was scheduled. A second meeting may be called as the result of such an adjournment, provided notice is given as provided above. At any such meeting properly called, the presence of any Member shall constitute a quorum.

ARTICLE VI: LOCAL ASSOCIATIONS

6.1 Creation by the Master Association. The Master Association may create Local Associations as profit or non-profit corporations under the provisions of the Idaho Code relating to corporations, or may create such Local Association as any unincorporated entity which the Master Association deems appropriate. The Master Association may, in its discretion, create a Local Association by means of a Supplemental Declaration, or create such Association by means of separate instruments.

6.2 Management, Powers, and Duties. Each Local Association shall be managed in the same manner specified in the applicable Supplemental Declaration or other instrument and/or in the Articles and Bylaws of the Local Association, shall have the same powers, rights, obligations

and duties and be subject to the same limitations and restrictions including levying Assessments, adopting rules and regulations, granting easements and licenses, managing property and water rights, paying expenses, taxes Assessments, utility charges, insurance premiums and preparing budgets and financial statements as are provided for herein for the Master Association, except as modified herein or by a Supplemental Declaration. The Board Members, officers, and managers shall be free of personal liability as to the Local Association in the same manner as described herein with respect to the Master Association.

6.3 Members of Local Associations. Where a Local Association is created, the Members thereof shall be all the Owners of Building Lots in the respective Tracts designated in the applicable Supplemental Declaration. Memberships may be transferred only as specified in Section 5.2 for the Master Association.

6.4 Voting in Local Associations. Each Local Association shall have a single class of membership, which shall be made up of all Owners owning portions of the Tract covered by the Local Association. Each Member shall have one (1) vote for each Building Lot such Owners owns in that Tract. The number of votes each member may cast on a single vote will be determined according to the number of Building Lots existing on that portion of the Property the Member owns, in the same manner and amounts as votes are allocated to Members in Section 5.3. When more than one person holds an interest in any Building lot, all such persons shall be Members but shall share the vote attributable to the Building Lot.

6.4.1 Fractional Votes; No Severance of Voting Rights. Fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all other joint Owners of the Building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot to which is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Building Lot concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Building Lot to a new Owner shall operate

automatically to transfer the appurtenant voting right to the new Owner, subject to any assignment of the right to vote to a lessee, mortgagee or beneficiary as provided herein.

6.5 Annual Meetings of Local Association. There shall be an annual meeting of the Members of each Local Association at least ten (10) days but no more than sixty (60) days before every annual meeting of the Master Association. The first annual meeting of the Members in such Local Association shall be held on or before April 20th of each year. Such meeting shall be held on the Tract which the Local Association covers, or at such other convenient location in or near the Property as may be designated in the notice of such meeting. Written notice of the time, place, and purpose of each annual meeting shall be sent to each Member of the Local Association, and any person in possession of a Building Lot in the appropriate Tract, no fewer than ten (10) days and no more than thirty (30) days before the meeting as provided in the Local Association's Bylaws or Articles.

6.6 Special Meetings. A special meeting of the Local Association Members may be called at any reasonable time and place by written notice delivered to all other Members not less than ten (10) days nor more than thirty (30) days before the date fixed for such special meeting, specifying the date, time and place thereof and the nature of the business to be conducted. Such notice shall be delivered in the manner specified in the Local Association's Articles or Bylaws.

6.7 Quorum and Officers of Meetings. The presence at any regular or special meeting, in person or by written proxy, of the Members entitled to vote at least twenty-five percent (25%) of the total votes within such Local Association shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Owners or Members present, either in person or by proxy, may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was scheduled. At such second meeting a quorum shall constitute the number of members specified in the Local Association's Articles or Bylaws. The Members present at each meeting shall select a chairman to preside over the meeting and a secretary to transcribe minutes of the meeting.

6.8 Powers and Duties. Each such Local Association shall be managed by a Board of Directors and officers in the same manner as specified in Section 5.4 for the Master Association, shall have the same powers and duties with respect to its Members or the property owned,

managed or maintained by it, including levying Assessments, adopting rules and regulations, granting easements, licenses and rights-of-way, payment of expenses, taxes, Assessments, utility charges, insurance premiums and the preparation and distribution of budgets and financial statements as are provided in Section 5.5 for the Master Association. Each such Local Association may certify to the Master Association the amount of such Assessments and charges for collection. The Board, Member, committee, officers, and manager shall be free of personal liability as to the Local Association in the same manner as described in Section 5.6 for the Master Association.

ARTICLE VII: RIGHTS TO THE WOODLANDS COMMON AREA

7.1 Use of the Woodlands Common Area. Every Owner shall have a right to use each parcel of The Woodlands Common Area and, to the extent permitted by the appropriate Supplemental Declaration or other instrument, shall have the right to use each parcel of Local Common Area owned and/or managed by a Local Association of which such Owner is a Member, which right shall be appurtenant to and shall pass with the title to every Building Lot, subject to the following provisions:

7.1.1 Levy Assessments. The right of an Association holding or controlling The Woodlands Common Area or Local Common Area to levy and increase Assessments;

7.1.2 Suspend Voting Rights and Rights to Use of Recreational Facilities. The right of such Association to suspend the voting rights and rights to use of, or interest in, The Woodlands Common Area recreational facilities (but not including access to private streets, cul-de-sacs and walkways of the Property) by an Owner for any period during which any Assessment or charge against such Owner's Building Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association Rules;

7.1.3 Dedicate Common Area to Public. The right of an Association to dedicate or transfer all or any part of The Woodlands Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be permitted by the Articles and Bylaws and agreed to by the Members. No dedication or transfer of The Woodlands Common Area shall be effective unless an instrument agreeing to such

dedication or transfer signed by Members representing two-thirds (2/3) of each class of Members has been recorded;

7.1.4 Prohibit Construction on Common Areas. The right of such Association to prohibit the construction of structures or Improvements on all Common Areas which interfere with the intended use of such areas; and

7.1.5 Protect Wildlife Habitat. The right of such Association to protect wildlife habitat.

7.2 Designation of The Woodlands Common Area. The Woodlands Common Area, and Local Common Areas, shall be designated and reserved in and by this Declaration, Supplemental Declarations and/or recorded Plats, deeds or other instruments and/or as otherwise provided herein.

7.3 Delegation of Right to Use. Any Owner may delegate, in accordance with the respective Bylaws and Association Rules of the Master Association or any Local Association, as the case may be, such Owner's right of enjoyment to the Local Common Area, or the Woodlands Common Area, to the members of such Owner's family in residence, and such Owner's tenants or contract purchasers who reside on such Owner's Building Lot. Only an Association shall have the right to delegate the right of enjoyment to the Local Common Area, or The Woodlands Common Area, to the general public, and such delegation to the general public shall be for a fee set by the Association.

7.4 Damages. Each Owner shall be fully liable for any damage to any of The Woodlands Common Area or Local Common Area which may be sustained by reason of the negligence or willful misconduct of the Owner, such Owner's resident tenant or contract purchaser, or such Owner's family and guests, both minor and adult. In the case of a joint ownership of a Building Lot, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Limited Assessment against the Building Lot and may be collected as provided herein for the collection of other Assessments.

ARTICLE VIII: ASSESSMENTS

8.1 Covenant to Pay Assessments. By acceptance of a deed to any property in The Woodlands each Owner of such property hereby covenants and agrees to pay when due all Assessments or charges made by the Master Association and/or a Local Association, including all Regular, Special, and Limited Assessments and charges made against such Owner pursuant to the provisions of this Declaration or other applicable instrument.

8.1.1 Assessment Constitutes Lien. Such Assessments and charges, together with interest at a rate established by the Board, costs and reasonable attorneys' fees which may be incurred in collecting the same, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment or charge is made.

8.1.2 Assessment is Personal Obligation. Each such Assessment and charge, together with interest at a rate established by the Board, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such property beginning with the time when the Assessment falls due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them but shall remain such Owner's personal obligation regardless of whether he remains an Owner.

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

8.2.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by an Association, including legal and attorneys' fees and other professional fees, for the conduct of its affairs, including without limitation, the costs and expenses of construction, improvement, protection, maintenance, repair, management, and operation of The Woodlands Common Areas, including all Improvements located on such areas owned and/or managed and maintained by such Association, and an amount allocated to an adequate reserve fund to be used for repairs, replacement, maintenance, and improvement of those elements of The Woodlands Common Area, or other property of the Association that must be replaced and maintained on a regular basis (collectively "Expenses").

8.2.2 Computation of Regular Assessments. The Association shall compute the amount of its Expenses on an annual basis. The computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of an Association.

8.2.3 Amounts Paid by Owners. The Board can require, in its discretion or as provided in the Articles or Bylaws, payment of Regular Assessments in monthly, quarterly, semi-annual or annual installments. The Regular Assessment to be paid by any particular Owner for any given fiscal year shall be computed as follows:

8.2.3.1 Computation of Master Association Regular Assessment. As to the Master Association's Regular Assessment, each owner shall be assessed and shall pay an amount computed by multiplying the Association's total advance estimate of Expenses by the fraction produced by dividing the Building Lots attributable to the Owner by the total number of Building Lots in the Property.

8.2.3.2 Computation of Local Association Regular Assessment. As to any Local Association, each Owner who is also a Member of such Local Association shall be assessed and shall pay an amount computed by multiplying such Local Association's total advance estimate of Expenses by the fraction produced by dividing the number of Building Lots in the applicable Tract attributable to such Owner by the total number of Building Lots in such Tract.

8.3 Special Assessments.

8.3.1 Purpose and Procedure. In the event that the Board of an Association shall determine that its respective Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of such Association for any reason, including but not limited to costs of construction, reconstruction, unexpected repairs or replacement of capital improvements upon The Woodlands Common Area, attorneys' fees and/or litigation costs, other professional fees, or for any other reason, the Board thereof shall determine the approximate amount of necessary to defray such Expenses and levy a Special Assessment against the portions of the Property within its jurisdiction which shall be computed in the same manner as Regular Assessments. No Special Assessment shall

be levied which exceeds twenty percent (20%) of the budgeted gross Expenses of such Association for that Fiscal year, without the vote or written assent of the Owners representing a majority of the votes of the Members of such Association. The Board shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

8.3.2 Consistent Basis of Assessment. Every Special Assessment levied by and for an Association shall be levied and paid upon the same basis as that prescribed for the levying and payment of Regular Assessments for such Association.

8.3.3 Transfer Special Assessment. Effective January 1 2006 for sales contracts dated January 1, 2006 and after, upon each transfer of any lot or residence in the subdivision, each Buyer shall pay the Association a special transfer assessment of five hundred dollars (\$500.00), which shall be used for general Association purposes.

8.4 Limited Assessments. Notwithstanding the above provisions with respect to Regular and Special Assessments, a Board may levy a Limited Assessment against a Member as a remedy to reimburse the Association for costs incurred in bringing the Member and/or such Member's Building Lot into compliance with the provisions of the governing instruments for The Woodlands.

8.5 Uniform Rate of Assessment. Unless otherwise specifically provided herein, Regular and Special Assessments shall be fixed at a uniform rate per Building Lot for all Members of the Association.

8.6 Assessment Period. Unless otherwise provided in the Articles or Bylaws, the Assessment period shall commence on January 1 of each year and terminate December 31 of each year.

8.7 Notice and Assessment Due Date. Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the Owner of every Building Lot subject thereto, and to any person in possession of such Building Lot. The due dates for installment payment of Regular Assessments and Special Assessments shall be the first day of each month unless some other due date is established by the Board. Each monthly installment of the Regular Assessment or Special

Assessment shall become delinquent if not paid within ten (10) days after the levy thereof. There shall accrue with each delinquent installment payment a late charge equal to ten percent (10%) of the delinquent installment. In addition, each installment payment which is delinquent for more than twenty (20) days shall accrue interest at eighteen percent (18%) per annum calculated the date of delinquency to and including the date full payment is received by an Association. An Association may bring an action against the delinquent Owner and may foreclose the lien against such Owner's Building Lot as more fully provided herein. Each Owner is personally liable for Assessments, together with all interest, costs and attorneys' fees, and no Owner may exempt such Owner from such liability by a waiver of the use and enjoyment of The Woodlands Common Areas, or by lease or abandonment of such Owner's Building Lot.

8.8 Estoppel Certificate. The Association, upon at least twenty (20) days prior written request shall execute, acknowledge, and deliver to the party making such request, a statement in writing stating whether or not, to the knowledge of the Association, a particular Building Lot Owner is in default under the provisions of this Declaration, and further stating the dates to which any Assessments have been paid by the Owner. Any such certificate delivered pursuant to this Section 8.8 may be relied upon by any prospective purchaser or mortgage of the Owner's Building Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge.

8.9 Special Notice and Quorum Requirements. Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of levying a Special Assessment, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessment, shall be sent to all Members of an Association and to any person in possession of a Building Lot in the applicable Tract, not less than fifteen (15) days nor more than thirty (30) days before such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the total votes of the Association shall constitute a quorum. If such quorum is not present, subsequent meetings may be called subject to the same notice requirements, and the required quorum at the subsequent meetings shall be fifty percent (50%) of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

ARTICLE IX: ENFORCEMENT OF ASSESSMENTS; LIENS

9.1 Right to Enforce. The Master Association has the right to collect and enforce its Assessments pursuant to the provisions hereof. Each Owner of a Building Lot, upon becoming an Owner of such Building Lot, shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay reasonable attorneys' fees in addition to any other relief or remedy obtained against such Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board may exercise the power of foreclosure and sale pursuant to Section 9.3 to enforce the liens created hereby. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

9.2 Assessment liens.

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

9.2.2 Claim of Lien. Upon default of any Owner in the payment of any Regular, Special or Limited Assessment issued hereunder, the Association may cause to be

recorded in the office of the Valley County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Building Lot(s) against which the same have been assessed, and the name of the record Owner thereof. Each delinquency shall constitute a separate basis for a notice and claim of lien, but any number of defaults may be included within a single notice and claim of lien. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction or release of such delinquent sums and charges. The Association may demand and receive the cost of preparing and recording such release before recording the same.

9.3 Method of Foreclosure. Such lien may be foreclosed by appropriate action in court or by sale by the Association establishing the Assessment, its attorney or other person authorized to make the sale. Such sale shall be conducted in accordance with the provisions of the Idaho Code applicable to the exercise of powers of sale permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any title company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

9.4 Required Notice. Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of the notice of delinquency and claim of lien, whether judicially, by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Building Lot(s) described in such notice of delinquency and claim of lien, and to the person in possession of such Building Lot(s), and a copy thereof is recorded by the Association in the Office of the Valley County Recorder.

9.5 Subordination to Certain Trust Deeds. The lien for the Assessments provided for herein in connection with a given Building Lot shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such Building Lot prior to the

recordation of a claim of lien for the Assessments. Except as expressly provided in Section 9.6 with respect to a first mortgagee or beneficiary of a deed of trust who acquires title to a Building Lot, the sale or transfer of any Building Lot shall not affect the Assessment lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.

9.6 Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat the rights of a mortgagee under a mortgage or of the beneficiary under any deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such mortgage or deed of trust such Building Lot shall remain subject to this Declaration, as amended.

ARTICLE X: INSPECTION OF ASSOCIATION'S BOOKS AND RECORDS

10.1 Members' Rights of Inspection. The membership register, books of account, minutes of meetings of the Board and committees of an Association, and other documents as required by the Idaho Non-Profit Corporation Act shall be made available for inspection and copying by any Member of the Association or by such Member's duly appointed representatives, at any reasonable time and for a purpose reasonably related to such Member's interest as a Member at the office of the Association or at such other place as the Board of such Association shall prescribe. No Member or any other person shall copy the membership register for the purposes of solicitation of or direct mailing to any Member of an Association.

10.2 Rule Regarding Inspection of Books and Records. The Board shall establish reasonable rules with respect to:

10.2.1 Notice. Notice to be given to the custodians of the records by the persons desiring to make the inspection.

10.2.2 Time of Inspection. Hours and days of the week when such an inspection may be made.

10.2.3 Payment of Reproduction Costs. Payment of the cost of reproducing copies of documents requested pursuant to this Article X.

10.3 Directors' Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of any Association, and the physical properties owned or controlled by the Association, and the right of inspection by a director includes the right to make extracts and copies of such documents.

ARTICLE XI: ARCHITECTURAL COMMITTEE

11.1 Creation. At all times, three (3) individuals who are Members of the Association shall serve on The Woodlands Architectural Committee ("Architectural Committee"). Each member shall hold office until such time as such member has resigned or has been removed, or such member's successor has been appointed, as provided herein. Members of the Architectural Committee may be removed by the person or entity appointing them at any time without cause.

11.2 Right of Appointment. The Master Association Board shall have the right to appoint and remove all members of the Architectural Committee. If a vacancy on the Architectural Committee occurs and a permanent replacement has not yet been appointed, the Board may appoint an acting member to serve for a specified temporary period not to exceed one (1) year.

11.3 Review of Proposed Construction. 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 as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Architectural Committee. The Board shall have the power to determine, by rule or other written designation consistent with this Declaration, which types of Improvements shall be submitted for Architectural Committee review and approval. The Architectural Committee shall have the power to hire an architect, licensed with the State of Idaho, to assist the Architectural Committee in its review of proposals or plans and specifications submitted to the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alternations or additions contemplated thereby in the locations indicated will not be detrimental to the habitat of

The Woodlands Common Areas, or appearance of the surrounding area of the Property as a whole, that the appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on either the Master Association or any Local Association.

11.3.1 Conditions on Approval. The Architectural Committee may condition its approval of proposals or plans and specifications upon such changes therein as it deems appropriate, and/or upon the agreement of the Owner submitting the same ("Applicant") to grant appropriate easements to an Association for the maintenance thereof, and/or upon the agreement of the Applicant to reimburse an Association for the cost of maintenance, and may require submission of additional plans and specifications or other information before approving or disapproving material submitted.

11.3.2 Architectural Committee Rules and Fees. The Architectural Committee also may establish rules and/or guidelines setting forth procedures for and the required content of the applications and plans submitted for approval. Such rules may require a fee to accompany each application for approvals or additional factors which it will take into consideration in reviewing submissions. The Architectural Committee shall determine the amount of such fee in a reasonable manner. Such fees shall be used to defray the costs and expenses of the Architectural Committee, including the cost and expense of hiring an architect licensed by the State of Idaho, as provided above, or for such other purposes as established by the Board, and such fee shall be refundable to the extent not expended for the purposes herein stated. If plans submitted are the same or substantially similar to plans previously approved by the Architectural Committee, fees may be reduced for such application approvals. Such rules and guidelines may establish, without limitation, specific rules and regulations regarding design and style elements, landscaping and fences and other structures such as animal enclosures as well as special architectural guidelines applicable to Building Lots located adjacent to public and/or private open space.

11.3.3 Detailed Plans. 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, landscape plans, drainage plans, elevation drawings and descriptions or 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 any plan submitted for approval.

11.3.4 Architectural Committee Decisions. Decisions of the Architectural Committee and the reasons therefor shall be transmitted by the Architectural Committee to the Applicant at the address set forth in the application for approval within twenty (20) days after filing all materials required by the Architectural Committee. Any materials submitted pursuant to this Article XI shall be deemed approved unless written disapproval by the Architectural Committee shall have been mailed to the Applicant within twenty (20) days after the date of filing said materials with the Architectural Committee.

11.4 Meetings of the Architectural Committee. The Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. The Architectural Committee may from time to time by resolution unanimously adopted in writing, designate an Architectural Committee representative (who may, but need not be one of its members) to take any action or perform any duties for and on behalf of the Architectural Committee, except the granting of variances pursuant to Section 11.9. In the absence of such designation, the vote of any two (2) members of the Architectural Committee, or the written consent of any two (2) members of the Architectural Committee taken without a meeting, shall constitute an act of the Architectural Committee.

11.5 No Waiver of Future Approvals. The approval of the Architectural Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.

11.6 Compensation of Members. The members of the Architectural Committee shall receive no compensation for such services rendered, other than reimbursement for expenses

incurred by them in the performance of their duties hereunder and except as otherwise agreed by the Board.

11.7 Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

11.7.1 Notice of Completion. Upon the completion of any work for which approved plans are required under this Article XI, the Owner shall give written notice of completion to the Architectural Committee.

11.7.2 Architectural Committee Inspection; Non-Compliance. Within thirty (30) 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 in writing of such non-compliance within such thirty (30) day period, specifying the particular non-compliance, and shall require the Owner to remedy the same.

11.7.3 Failure to Remedy any Non-Compliance. If upon the expiration of thirty (30) days from the date of such notification, or any longer time the Architectural Committee determines to be reasonable, the Owner shall have failed to remedy such non-compliance, the Architectural Committee shall notify the Board in writing of such failure. Upon notice and hearing, as provided in the Bylaws, the Board shall determine whether there is a non-compliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a non-compliance 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 unless the Board specifies a longer time as reasonable. If the Owner does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the non-compliance, and the Owner shall reimburse the Master Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Master Association, the Board shall levy a Limited Assessment against such Owner for reimbursement pursuant to this Declaration.

11.7.4 Failure to Provide Notice of Non-Compliance Constitutes Approval. If for any reason the Architectural Committee fails to notify the Owner of any non-compliance within thirty (30) days after receipt of the written notice of completion from the Owner, the work shall be deemed to be in accordance with the approved plans.

11.8 Non-Liability of Architectural Committee Members. Neither the Architectural Committee nor any member thereof, nor its duly authorized Architectural Committee representative, shall be liable to any Association, or to any Owner or Grantee for any loss, damage, or injury arising out of or in any way connected with the performance of the Architectural Committee's duties hereunder, unless due to the willful misconduct or bad faith of the Architectural Committee. The Architectural Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition, solely on the basis of aesthetic consideration and the overall benefit or detriment which would result to the immediate vicinity and to the Property generally. The Architectural Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of building, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

11.9 Variances. The Architectural Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. However no variances will be granted for construction of structures or Improvements, including without limitation manicured lawns, in The Woodlands Common Area. Such variances must be evidenced in writing, must be signed by at least two (2) members of the Architectural Committee, and shall become effective upon recordation in the office of the Country Recorder of Valley County. If such variances are granted, no violation of the covenants, conditions or restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except

as to the particular Building Lot and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting such Owner's use of the Building Lot, including but not limited to zoning ordinances or requirements imposed by any governmental or municipal authority.

11.10 Local Architectural Committee. The Master Association may, at its option, create a three (3) member Local Architectural Committee for the Property contained in any Tract designated by a Supplemental Declaration. Upon its formation, all proposals, plans and specifications for Improvements within the Tract requiring approval of the Architectural committee described above must be submitted to the Local Architectural Committee for approval, rather than being submitted to the Architectural Committee. Thus, all proposals, plans and specifications for Improvements require the approval of either the Architectural Committee or the Local Architectural Committee, if such has been created, but not both such Committees. Each provision of this Article XI shall apply to the Local Architectural Committee as if it were the Architectural Committee and to the Local Association as if it were the Master Association, except to the extent that such interpretation would be in conflict with the provisions of this Article XI.

ARTICLE XII: ANNEXATION OF ADDITIONAL PROPERTIES

12.1 By Master Association. The Master Association may deem it desirable to annex additional properties, and bring such property within the provisions of this Declaration as provided herein. Such additional Tracts may be created by the Master Association upon the exercise by Members of at least two-thirds (2/3) of the votes of the Master Association. The use and development of such Tracts shall conform to all applicable land use regulations, as such regulations are modified by variances.

12.2 Rights and Obligations of Owners of Annexed Tracts. Subject to the provisions hereof, upon the recording of a Supplemental Declaration as to any Tract all provisions contained in this Declaration shall apply to the Tract in the same manner as if it were originally covered by this Declaration, subject to such modifications, changes and deletions as are specifically provided in such Supplemental Declaration, such Tract shall be treated for all purposes as a Tract as defined above. The Owners of lots located in the Tracts shall become

members of the Master Association and shall become liable for their appropriate share of Assessments. Title to The Woodlands Common Areas which are to be owned and managed by the Master Association within said Tracts shall be conveyed to the Master Association, free and clear of any and all encumbrances and liens, subject to reservations, easements, covenants, conditions and restrictions then of record including those set forth in this Declaration or any Supplemental Declaration applicable to such Tracts.

12.3 Method of Annexation. The addition of a Tract to the Property authorized under Sections 12.1 shall be made by filing of record a Supplemental Declaration or other similar instrument with respect to the Tract, which shall be executed by the Association or the owner thereof and which shall annex such property to the Property. Thereupon each Tract shall be a part of the Property, shall be subject to this Declaration and encompassed within the general plan and scheme hereof as modified by such Supplemental Declaration, and shall be subject to the functions, powers and jurisdiction of the Master Association, any Local Association and Recreation Association established for the area encompassing such Tract. Such Supplemental Declaration or other appropriate document may contain such additions, modifications, or deletions as may be deemed by the Master Association or the Owner thereof desirable to reflect the different character, if any, of the Tract, or as the Master Association or such Owner may deem appropriate in the development of the Tract. If any Tract is created, the Master Association, the Local Association, and/or Recreation Association shall have the authority to levy Assessments against the Owners located within such Tract, and the Master Association shall have the duty to maintain additions to The Woodlands Common Area located within the Tract if so specified in any Supplemental Declaration.

12.4 De-annexation. The Master Association may delete all or a portion of the property – described in Exhibit “A”, including previously annexed Tracts, from the Property and from coverage of this Declaration and the jurisdiction of any Association, so long as seventy-five percent (75%) of the Members of the Association agree, and provided that a Supplemental Declaration of Deletion of Property is recorded in the Office of the Valley County Recorder in the same manner as a Supplemental Declaration of annexation.

ARTICLE XIII: EASEMENTS

13.1 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Building Lot and such portion or portions of The Woodlands Common Area adjacent thereto or as between adjacent Building Lots due to the unwillful placement or settling or shifting of the Improvements including but not limited to structures, walkways, bike paths, sidewalks, and driveways constructed, reconstructed, or altered thereon in accordance with the terms of this Declaration. Easements of encroachment shall be valid only so long as they exist; and the rights and obligations of Owners shall not be altered in any way because of encroachments, settling, or shifting of the Improvements; provided, however, that in no event shall a valid easement for encroachment occur due to the willful act or acts of an Owner. In the event a structure on any Building Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Building Lot agree that minor encroachments over adjoining Building Lots that existed prior to the encroachment may be reconstructed pursuant to the easement granted by this Section 13.1.

13.2 Easements of Access. All Owners of Building Lots will have a perpetual easement for access, ingress, and egress over The Woodlands Common Area, including but not limited to any private streets, cul-de-sacs, and walkways. This easement shall run with the land. Such easements may be used by all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Property, for pedestrian walkways, vehicular access, and such other purposes reasonably necessary for the use and enjoyment of a Building Lot or The Woodlands Common Area.

13.3 Drainage and Utility Easements. The Association expressly reserves for the benefit of all the Property reciprocal easements of access, ingress and egress for all Owners to and from their respective Building Lots for installation and repair of utility services, for drainage of water over, across and upon adjacent Building Lots, and The Woodlands Common Areas, and for necessary maintenance and repair of any Improvement including fencing, retaining walls, lighting facilities, mailboxes and sidewalk abutments, trees and landscaping. In addition, the Association shall have the right to grant additional easements and rights-of-way over the Property and/or a Tract, as appropriate, to utility companies and public agencies as necessary or expedient for the proper development and maintenance of the Property.

13.4 Improvement of Drainage and Utility Easement Areas. The Owners of Building Lots are hereby restricted and enjoined from constructing any Improvements upon the Buffer Zones and any drainage or utility easement areas as shown on the Plat(s) of The Woodlands or otherwise designated in any recorded document which would interfere with or prevent the easement from being used for such purpose; provided, however that the Owner of such Building Lots and the Master Association or designated entity with regard to the landscaping easement described in this Article XIII, shall be entitled to install and maintain landscaping on such Buffer Zones and easement areas, and also shall be entitled to build and maintain fencing on such Buffer Zones and easement areas subject to approval by the Master Association Architectural Committee, so long as the same would not interfere with or prevent the Buffer Zones and easement areas from being used for their intended purposes; provided, that the damage sustained to Improvements on the Buffer Zones and easement areas as a result of legitimate use of the Buffer Zones and easement area shall be the sole and exclusive obligation of the Owner of the Building Lot whose Improvements were so damaged.

13.5 Rights and Duties Concerning Utility Easements. The rights and duties of the Owners of the Building Lots within the Property with respect to utilities shall be governed by the following:

13.5.1 Easements for Connections. Wherever utility house connections are installed within the Property, which connections or any portions thereof lie in or upon Building Lots owned by an Owner other than the Owner of the Building Lot served by the connections, the Owner of the Building Lot served by the connections shall have the right, and is hereby granted an easement to the full extent necessary therefor, to enter upon any Building Lot or to have their agent enter upon any Building Lot within the Property in or upon which said connections or any portion thereof lie, to repair, replace and generally maintain the connections as and when it may be necessary.

13.5.2 Connections Servicing More Than One Building Lot. Whenever utility house connections are installed within the Property, which connections serve more than one Building Lot, the Owner of each Building Lot served by the connections shall be entitled to full use and enjoyment of such portions of said connections as service such Owner's Building Lot.

13.6 Driveway Easements. Whenever a driveway is installed within the Property which in whole or in part lies upon a Building Lot owned by an Owner other than the Owner of the Building Lot served, or installed to serve more than one Building Lot, the Owner of each Building Lot served or to be served by such driveway shall be entitled to full use and enjoyment of such other Building Lot as required to service such Owner's Building Lot or to repair, replace or maintain such driveway.

13.7 Disputes as to Sharing of Costs. In the event of a dispute between Owners with respect to the repair or rebuilding of utility connections or driveways, or with respect to the sharing of the cost therefor, upon written request of one of such Owners addressed to the Master Association, the matter shall be submitted to the Board which shall decide the dispute and, if appropriate, make an appropriate Assessment against any or all of the Owners involved on behalf of the prevailing Owner(s), which Assessment shall be collected and enforced in the manner provided by this Declaration for Limited Assessments.

13.8 General Easement for Maintenance of Fences, Buffer Zones, and Landscape. An easement is hereby reserved to each appropriate Association, its contractors and agents, to enter those portions of Building Lots, for the purpose of installing, maintaining, replacing, and restoring any Association owned or controlled fences, Buffer Zones, exterior landscaping, and natural vegetation and habitat. Such activity shall include, by way of illustration and not of limitation, fence maintenance, Buffer Zone maintenance, the mowing of lawns, irrigations, sprinkling, tree and shrub trimming and pruning, walkway improvement, seasonal planting, and such other landscaping activities within the Property as such Association shall determine to be necessary from time to time.

13.9 Overhang Easement. There shall be an exclusive easement appurtenant to each Building Lot over The Woodlands Common Areas for overhanging eaves, and for any projections from the buildings, which projections shall not extend beyond the eave line and shall be consistent with all building codes.

13.10 Maintenance and Use Easement Between Walls and Lot Lines. Whenever the wall of a structure, or a fence or retaining wall, which is legitimately constructed on a Building Lot under plans and specifications approved by the Architectural Committee, is located within three

(3) feet of the lot line of such Building Lot, the Owner of such Building Lot is hereby granted an easement over and on the adjoining Building Lot (not to exceed 3 feet from the Building Lot line) for purposes of maintaining and repairing such wall or fence and eaves or other overhangs, and the Owner of such adjoining Building Lot is hereby granted an easement for landscaping purposes over and on the area lying between the lot line and such structure or fence so long as such use does not cause damage to the structure or fence.

13.11 Sewer Covenants and Restrictions. All Building Lots within The Woodlands Planned Community shall be subject to and restricted by the following covenants and restrictions.

13.11.1 Sewer Charge. A monthly sewer charge must be paid upon or after connecting to the City of McCall public sewer system, according to the ordinances and laws of the City of McCall.

13.11.2 Inspection. The Owner of the Building Lot shall submit to the inspection by either the Department of Public Works or the Department of Building whenever a Building Lot is to be connected to the City's sewage system and a building sewer is constructed or installed on or within an Owner's Lot.

13.11.3 Collection; Enforcement. The City of McCall shall have the vested right and power to bring all actions against the Owner of the Property conveyed or any part thereof for the collection of any charges herein required and to enforce the conditions herein stated. This covenant shall run with the land.

ARTICLE XIV: MISCELLANEOUS

14.1 Term. The easements created hereunder shall be perpetual, subject only to extinguishment by the holders of such easements as provided by law. The covenants, conditions, restrictions and equitable servitudes of this Master Declaration shall run until December 31, 2015, unless amended as herein provided. After December 31, 2015, such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by Members holding at least three-fourths (3/4) of the voting power of the Master Association and such written instrument is

recorded with the Valley County Recorder. Further provided that the Master Association shall not be dissolved without the prior written approval of the City of McCall such consent not to be unreasonably withheld provided that a responsible successor organization shall agree to perform those maintenance responsibilities arising from applicable city and county government requirements.

14.2 Amendment.

14.2.1 By Grantor. Except as provided in Section 14.3 below, until the recordation of the first deed to a Building Lot in the Property, the provisions of this Master Declaration may be amended, modified, clarified, supplemented, added to (collectively, "amendment") or terminated by Grantor by recordation of a written instrument setting forth such amendment or termination. Any amendment affecting only a particular Tract may be made by Grantor by an amendment to this Master Declaration at any time up to the recordation of the first deed to a Building Lot in such Tract.

14.2.2 By Owners. Except where a greater percentage is required by express provision in this Master Declaration, any amendment to the provisions of this Master Declaration, other than this Article XIV, shall be by an instrument in writing signed and acknowledged by the president and secretary of the Master Association certifying and attesting that such amendment has been approved by the vote or written consent of Owners representing more than fifty percent (50%) of the votes in the Master Association, and such amendment shall be effective upon its recordation with the Valley County Recorder. Any amendment to this Article XIV shall require the vote or written consent of Members holding ninety-five percent (95%) of the voting power of the Master Association.

14.2.3 Effect of Amendment. Any amendment of this Master Declaration approved in the manner specified above shall be binding on and effective as to all Owners and their respective properties notwithstanding that such Owners may not have voted for or consented to such amendment. Such amendments may add to and increase the covenants, conditions, restrictions and easements applicable to the Property but shall

not prohibit or unreasonably interfere with the allowed uses of such Owner's property which existed prior to the said amendment.

14.3 Mortgage Protection. Notwithstanding any other provision of this Master Declaration, no amendment of this Master Declaration shall operate to defeat or render invalid the rights of any mortgagee under a mortgage or the beneficiary under any first deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after foreclosure of any such mortgage or first deed of trust such Building Lot shall remain subject to this Master Declaration, as amended.

14.4 Notices. Any notices permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Master Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Master Association. Such address may be changed from time to time by notice in writing to the Master Association, as provided in this Section 14.4.

14.5 Enforcement and Non-Waiver.

14.5.1 Right of Enforcement. Except as otherwise provided herein, any Owner of any Building Lot shall have the right to enforce any or all of the provisions hereof against any property within the Property and Owners thereof.

14.5.2 Violations and Nuisances. The failure of any Owner of a Building Lot to comply with any provision hereof, or with any provision of the Articles or Bylaws of any Association, is hereby declared a nuisance and will give rise to a cause of action in the Grantor, the Association or any Owner of Building Lot(s) within the Property for recovery of damages or for negative or affirmative injunctive relief of both. However, any other provision to the contrary notwithstanding, only Grantor, the Master Association, the Board, or a duly authorized agent of any of them, may enforce by self-help any of the provisions hereof only if such self-help is preceded by reasonable notice to the Owner.

14.5.3 Violation of Law. Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property within the Property is hereby declared to be in violation of this Master Declaration and subject to any or all of the enforcement procedures set forth in this Master Declaration and any or all enforcement procedures in law and equity.

14.5.4 Remedies Cumulative. Each remedy provided herein is cumulative and not exclusive.

14.5.5 Non-Waiver. The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the right to enforce any such provision.

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

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

14.6.2 Restrictions Severable. Notwithstanding the provisions of the foregoing paragraph 14.6.1, each of the provisions of this Master Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

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

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

14.7 Successors and Assigns. All references herein to Grantor, Owners, any Association or person shall be construed to include all successors, assigns, partners and authorized agents of such Grantor, Owners, Association or person.

IN WITNESS WHEREOF, the President and Secretary of the Woodlands Homeowners Association, Inc. attest and certify that the above-stated Amended and Restated Master Declaration of Covenants, Conditions, and Restrictions for the Woodlands has been duly approved and consented to by more than fifty percent (50%) or the Owners of the Association, this 3 day of October, 2014.

By: 
President of Woodlands Homeowners Assoc, Inc.

Printed
Name: Michael Everett

State of Michigan)
County of Chippewa) ss

On this 3rd day of October, 2014, before me, the undersigned Notary Public for the State of Michigan, personally appeared Michael Everett, President of the Woodlands Homeowners Association, Inc., the corporation which executed the foregoing document, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that he executed the same for and on behalf of the corporation and in its name.

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

Janine A. Murray
Notary Public
Residing at: 3132 S. Shunk Rd., Sault Ste
My commission expires: 4/28/2021 Marie
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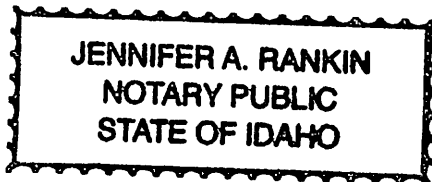
By: Margie K. Elliott
Secretary of Woodlands Homeowners Assoc, Inc.

Printed
Name: MARGIE K. ELLIOTT

State of Idaho)
County of Ada) ss

On this 24 day of September, 2014, before me, the undersigned Notary Public for the State of Idaho, personally appeared Margie K. Elliott, Secretary of the Woodlands Homeowners Association, Inc., the corporation which executed the foregoing document, known to me or identified to me to be the person whose name is subscribed to the foregoing, and acknowledged to me that he executed the same for and on behalf of the corporation and in its name.

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



Jennifer A Rankin
Notary Public
Residing at: Ada County
My commission expires: 5-7-19