

Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

LAKEWOOD HOMEOWNERS ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **ninth** day of **February** A.D., One Thousand Nine Hundred **seventy-three** and **will be** /duly recorded on ~~Film-No.~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **Perpetual Existence** from the date hereof, with its registered office in this State located at **Boise, Idaho** in the County of **Ada**

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **9th** day of **February**, A.D., 19 **73**.

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

ARTICLES OF INCORPORATION
OF
LAKEWOOD HOMEOWNERS ASSOCIATION, INC.
A Nonprofit Corporation

* * * * *

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, BRYCE L. PETERSON, FRED L. KOPKE, JOHN P. TATE, SR., JOHN P. TATE, JR., and WILLIAM D. TATE, each being a natural person of full age and a citizen of the United States of America and the State of Idaho, have voluntarily and do hereby associate ourselves together for the purpose of forming a nonprofit corporation under Title 30, Section 117A, of the laws of the State of Idaho, and we do hereby certify, declare and adopt the following Articles of Incorporation:

I

The name of this incorporated, nonprofit, cooperative association shall be "LAKEWOOD HOMEOWNERS ASSOCIATION, INC."

II

The period of existence and duration of the life of this association shall be perpetual.

III

The location of the registered office of this association shall be Boise, Ada County, State of Idaho, and the address of the registered office of this association shall be Boise, Idaho.

IV

This association does not contemplate pecuniary gain or profit to the members thereof, and the specific, primary purposes for which it is formed are to provide for the maintenance, preservation and architectural control of residential lots and the common area within that certain tract of property described as:

All of the lots and blocks in Lakewood - Unit No. 1, a subdivision, according to the official plat thereof on file in the office of the County Recorder of Ada County, State of Idaho;

together with additional residential property and common areas which may be annexed thereto, and to promote the health, safety and welfare of the residents within the above-described property and any additions or annexations thereto as may hereafter be brought within the jurisdiction of this association for this purpose.

In furtherance of this purpose, LAKEWOOD HOME-OWNERS ASSOCIATION, INC., hereinafter called "Association," shall have the power to:

(a) Perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded in the office of the County Recorder of Ada County, Idaho, and that Declaration of Covenants, Conditions and Restrictions which may be applicable to additional or annexed property, which Declaration of Covenants, Conditions and Restrictions will hereinafter be filed with reference to the additional and/or annexed property;

(b) Fix, levy, collect and enforce payment by any lawful means of all the charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all offices and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) Borrow money, only with the assent (by vote of written consent) of two-thirds (2/3) or more of each class of members, mortgage, pledge, deed of trust or hypothecate

any or all of its real or personal property as security for money borrowed or debt incurred;

(e) Dedicate, sell or transfer all or any part of the common area to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) or more of all voting members, agreeing to such dedication, sale or transfer;

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any merger, consolidation or such annexation shall have the assent by vote of two-thirds (2/3) or more of all voting members or by written consent of two-thirds (2/3) or more of all voting members;

(g) To have and to exercise any and all powers, rights and privileges which a corporation organized under the general nonprofit corporation laws of the State of Idaho by law may now or hereafter have or exercise and are not inconsistent with the laws of the State of Idaho with reference to nonprofit corporations;

(h) The foregoing clauses shall be construed as objects, purposes and powers; and it is hereby expressly

provided that any enumeration shall not be held to limit or restrict in any manner the power of this Association.

V

Every person or entity who is a record owner of a fee or an undivided fee interest, or a contract purchaser of a fee, in any lot which is subject by the covenants of record to assessments by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

VI

VOTING RIGHTS: The Association shall have two classes of voting membership:

Class A: Class A members shall be all owners with the exception of the declarant and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The voting for such lots shall be exercised as they among themselves determine, but in no event more than one (1) vote shall be cast with respect to any lot; and

Class B: The Class B member shall be the declarant (as defined in the Declaration) and shall be entitled to three (3) votes for each lot owned. Class B membership shall

cease and be converted into Class A membership when the total outstanding votes in Class A membership equal the total votes outstanding in Class B membership.

VII

BOARD OF DIRECTORS: The affairs of this Association shall be managed by a board of directors of not more than nine (9) or less than three (3) persons, who need not be members of the Association. The number of directors for the initial organization of this Association shall be five (5), but this number may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of the board of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
BRYCE L. PETERSON	4250 Glenwood Boise, Idaho
FRED L. KOPKE	1708 North 22nd Boise, Idaho
JOHN P. TATE, SR.	2912 Gekeler Lane Boise, Idaho
JOHN P. TATE, JR.	515 West Linden Boise, Idaho
WILLIAM D. TATE	209 West Linden Boise, Idaho

At the first annual meeting of the members, two (2) members shall be elected for a term of one (1) year, two (2) for a term of two (2) years, and one (1) for a term of three (3) years; at each annual meeting thereafter, the members shall elect sufficient directors to fill the director-

ship of this Association, and each director shall be elected for a term of three (3) years.

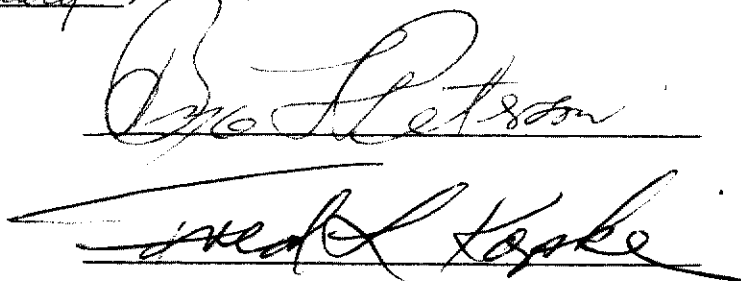
VIII

Upon dissolution of the Association, the assets of the Association shall be distributed to an appropriate public agency to be used for the purposes similar to those for which this Association was created. In the event that such distribution is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization organized and operated for such similar purposes.

IX

AMENDMENTS: Amendments of these Articles shall require the assent (by vote or written consent) of the members representing two-thirds (2/3) or more of the voting power.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 8th day of February, 1973.



John P. Tate
John P. Tate
William D. Tate

STATE OF IDAHO)
) ss.
County of Ada)

On this 8th day of February, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared BRYCE L. PETERSON, FRED L. KOPKE, JOHN P. TATE, SR., JOHN P. TATE, JR., and WILLIAM D. TATE, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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

Elva M. Dace
Notary Public for Idaho
Residing at Boise, Idaho

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

LAKEWOOD - UNIT NO. 1, A SUBDIVISION

KNOW ALL MEN BY THESE PRESENTS, That the undersigned does hereby certify and declare:

I

That TRIANGLE DEVELOPMENT COMPANY, an Idaho corporation, is the owner in fee simple of the following-described real property located in Ada County, Idaho, to-wit:

All of the lots and blocks in Lakewood - Unit No. 1, a subdivision, according to the official plat thereof on file in the office of the County Recorder of Ada County, State of Idaho.

II

That all of the real property, including the lots and tracts thereof, and any conveyance describing all or any part thereof, either by reference to the official plat of said subdivision or any number of designations therein, or otherwise, shall be subject to the restrictions, covenants, reservations and conditions herein expressed and set forth, and that by the acceptance of such conveyance, assignment or transfer of interest, the grantee or grantees and their heirs, executors, administrators, successors and assigns, and each of them, agree with each other as to the property so described or conveyed in or by such conveyance, as follows:

III

(a) COMMON AREA AND RESIDENTIAL LOTS: All of Block 2 and Lot 13 of Block 1 in Lakewood - Unit No. 1, a subdivision, shall be known as "common areas" and all other lots in said subdivision shall hereinafter be referred to as "residential lots" or "lot" or "lots."

(b) BUILDING RESTRICTIONS AND TYPE OF BUILDINGS: Each residential lot shall be restricted to Single Family Dwellings, and no structure shall be erected upon any residential lot or building site other than residential dwellings which shall exceed two (2) stories in height. All buildings shall be of frame, stone, brick, concrete or block construction and, if other than brick or stone, shall be finished, painted and kept in good repair, and said property shall be used in such

manner as to be inoffensive to any other property owners thereof.

(c) MINIMUM BUILDING SIZE: All residential buildings erected upon said property shall have a floor area required by a majority of the committee established in accordance with the provisions of Section V hereof; PROVIDED, HOWEVER, that in no event shall the required area be less than one thousand (1,000) square feet of ground floor area in case of a one (1) story house, nor less than eight hundred (800) square feet of first floor area in the case of a two (2) story or split level house, exclusive of garage, car ports, patios, breezeways, storage rooms, porches and similar structures.

(d) BUILDING LOCATION: Unless otherwise specifically approved in writing by a majority of the Architectural Control Committee, as provided for in Section V hereof, no dwelling house or garage or any part thereof or any other structure (exclusive of fences and similar structures), shall be placed nearer than twenty (20) feet to the front or twenty-five (25) feet to the rear of the building site on which it is located. No building foundation or walls shall be erected nearer than five (5) feet to any side lot line, and upon corner lots all buildings shall be at least twenty (20) feet from the side street line; this provision shall also apply to garages or other buildings located on the rear quarter of any lot except corner lots. For the purpose of this covenant, eaves, steps, chimneys and gutters shall not be considered as a part of the building, PROVIDED, HOWEVER, that this shall not be construed to permit any eaves, steps, chimneys or gutters or any portion of the building or any site to encroach upon any other site. Open porches shall not be considered as a part of the building, but any open porch which would extend beyond the building lines as herein established shall, prior to construction, require the approval of the Architectural Control Committee. Where it is architecturally possible, it is recommended that all garages be incorporated in and made a part of the dwelling house.

(e) BUILDING SITE: A building site shall consist of at least one (1) of the residence lots as platted in said plat and as described in a deed or conveyance, or a parcel composed of such residence lots or portions thereof, the depth and frontage of which parcel shall equal or exceed the depth and frontage of the residence lots as platted in the same block, with a minimum of seven thousand (7,000) square feet of area and seventy (70) feet of frontage at the building set-back line.

(f) MOVING OF BUILDINGS - CONSTRUCTION OF OUT-BUILDINGS: No buildings or structures shall be moved onto said real property from any land outside of said plat except a new prefabricated structure of a type and design approved by the Architectural Control Committee. No trailer houses shall be parked in any street or within building setback lines. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on a building site shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted. No building of any kind shall be erected or maintained on a building site prior to the erection of the dwelling house thereon, except that a garage or other small building or permanent construction may be erected for the purpose of storing tools and other articles prior to the erection of a permanent dwelling.

(g) PROSECUTION OF CONSTRUCTION WORK: The construction of the dwelling and associated structures shall be prosecuted diligently and continuously from time of commencement thereof until such dwelling and associated structures are fully completed and painted. All structures shall be completed as to external appearance, including finished painting, within six (6) months from the date of commencement of construction, unless prevented by causes beyond the control of the owner or builder and only for such time as that cause continues.

(h) OIL AND MINING OPERATIONS: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in a lot or tract, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot or tract. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot or tract.

(i) EXCAVATION, DEFACING OF LANDSCAPE, DITCHES: No excavation for stone, sand, gravel, earth or minerals shall be made upon a building site unless such excavation is necessary in connection with the erection of an improved structure thereon. No irrigation drain or waste water shall be permitted to flow in open ditches to or on any lot or tract in said subdivision and may be transmitted only as follows:

- (1) Ditches, if any, to be carried at sufficient depth underground so as not to interfere with the use of such ground;

- (2) Ditches, if any, to be carried in a sealed underground conduit;
- (3) Ditches, if any, are to be located only within easement or street right-of-way lines as shown on the plat of said subdivision; and
- (4) The cost of constructing such ditches, if any, shall be paid by the parties installing same. The owners of said subdivision are under no obligation to deliver water or furnish rights-of-way to any of the lots or tracts of this subdivision.

(j) UNSIGHTLY STRUCTURES OR EQUIPMENT: No unsightliness shall be permitted on any lot. Without limiting the generality of the foregoing, all unsightly facilities, equipment or structures shall be enclosed within approved structures or appropriately screened from view. Trailers, mobile homes, boats, tractors, vehicles other than automobiles, snow removal equipment, campers, golf carts or garden or maintenance equipment shall at all times, except when in actual use, be kept in an enclosed structure or screened from view in a manner approved by the Architectural Control Committee. All refuse, garbage and trash shall be kept at all times in covered, reasonably noiseless containers, which shall be kept and maintained within an enclosed structure or appropriately screened from view, except when necessarily placed for pickup by garbage removal facilities. Storage piles, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, shrubs or tree clippings or scrap, refuse or trash shall be kept, stored or allowed to accumulate on any lot or tract unless appropriately screened as approved by the Architectural Control Committee.

(k) WORKING VEHICLES AND TRAILERS: No working or commercial vehicles of three-quarter (3/4) ton or greater or any trailer shall regularly or as a matter of practice be parked on any lot unless properly screened or garaged and shall not be parked on any street adjacent to the property.

(l) MATERIAL STORAGE: No building material of any kind shall be placed or stored upon a building site until the grantee or builder is ready and able to commence construction,

and then such material shall be placed within the property lines of the building site upon which the structure is to be erected. The Architectural Control Committee and/or Lakewood Homeowners Association, Inc., through its agents, shall have the right to enter upon any vacant building site for the purpose of burning or removing weeds, brush, growth or refuse.

(m) FENCES - HEDGES: No fence, hedge or boundary wall situated anywhere upon any building site shall have a height greater than five (5) feet or such other lesser heights as the undersigned owner may specify above the finished graded surface of the ground upon which such fence, hedge or wall is situated. No fence, wall, hedge or shrub planting with an elevation above two (2) feet shall be permitted in front of building setback requirements without special written consent of the Architectural Control Committee. No fence, wall, hedge or shrub planting which obstructs sight lines at an elevation between four (4) and eight (8) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight-line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight-lines.

(n) NOXIOUS USE OF PROPERTY - SPITE FENCES: No portion of the common area, residential lot or building site or any structure thereon shall be used to the conduct of any trade or business or the conduct of any business or professional activities, and noxious or undesirable acts, or undesirable use of any portion of the real property is prohibited and shall not be permitted or maintained; PROVIDED, HOWEVER, the undersigned, its officers and agents, may maintain on a residence lot owned by them an office for the purpose of the development, construction and sale of the lots in the said Lakewood - Unit No. 1, a subdivision, or immediate and adjacent subdivisions which will be developed and improved in the overall plan of the undersigned for the area involved, which Lakewood - Unit No. 1, a subdivision, is a portion thereof. The determination of the undersigned owner that any activity or use is undesirable or noxious shall be conclusive on all parties so long as the undersigned maintains ownership of any lot or tract of Lakewood - Unit No. 1, a subdivision,

and thereafter such determination shall be made by Lakewood Homeowners Association, Inc.

The construction or maintenance of a spite fence or spite tree shall be prohibited upon any building site. The determination by the undersigned owner (so long as it owns property in Lakewood - Unit No. 1, a subdivision, and thereafter by Lakewood Homeowners Association, Inc.) that any wall, fence, hedge or tree falls within the latter category shall be conclusive upon all parties.

(o) BILLBOARDS - SIGNS: No sign of any kind shall be displayed to the public view on the common area or on any residential lot except one (1) sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property, during the construction and sales period.

(p) ANIMALS: No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except dogs, cats or other household pets, provided that they are not kept, bred or maintained for any commercial purpose, and no dogs or cats in excess of two (2) shall be kept by any residential householder, nor shall any such domesticated animals be kept which unreasonably bother or constitute a nuisance to other owners of other residential lots.

(q) EXTERIOR ANTENNAS: No outside television antennas or radio aerials shall be installed on any residential lot or the exterior of any residence.

(r) CONTROL OF EXTERIOR WALLS, ROOFS, ETC.: The Architectural Control Committee shall have the right to control the texture, design and color scheme of the outside walls, roofs and patio roofs and to require basic frontyard landscaping. The owners of residences shall not repaint the outside walls thereof without first obtaining approval of the Architectural Control Committee as to color. All patio roofs shall be of uniform design and color.

IV

That no building shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee, hereinafter designated, as to quality of workmanship and materials, harmony of external designs with existing structures, and as to location with respect to topography and finish grade elevation. No fence or wall shall be erected, placed or altered on any lot nearer to

any street than the minimum building setback line unless similarly approved, as provided in Section IV hereof.

As to all improvements, construction and alterations upon residential lots, the Architectural Control Committee shall have the right to refuse to approve any design, plan, floor area or color for such improvements, construction or alterations which is not suitable or desirable, in the opinion of a majority of said Committee, for any reason, aesthetic or otherwise, and in so passing upon such design the Committee shall have the right to take under consideration the suitability of the proposed building or other structure, and ability of the proposed building or other structure, and the material of which it is proposed to be erected, the harmony thereof with the surroundings and the affect of the building or other structure or alterations therein as planned on the outlook of the adjacent or neighboring property, and the effect or impairment that said structures will have on the view of surrounding building sites, and any and all other factors which, in the opinion of a majority of the Committee, shall affect the desirability or suitability of such proposed structure, improvements or alterations. Actual construction shall comply with the plans and specifications as approved and shall not commence prior to the receipt of the written approval or expiration of the time period provided herein for the granting of such approval by the Architectural Control Committee.

V

The Architectural Control Committee is composed of:

Bryce L. Peterson
Fred L. Kopke
John P. Tate, Sr.
John P. Tate, Jr.
William D. Tate

A majority of the Architectural Control Committee may designate a representative to act for it. In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At any time the then record owners of a majority of the lots as shown on the plat of the subdivision shall have the power, through a duly recorded written instrument, to change the membership of or to withdraw from the Committee or restore to it any of its powers and duties. No member of the said

Committee duly appointed or elected shall incur liability by reason of any act or omission in exercising the duties herein established for such Committee. When all lots and tracts owned by the undersigned have been sold, then the Directors of Lakewood Homeowners Association, Inc., shall thereupon become the Architectural Control Committee hereunder.

VI

That the Architectural Control Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or its designated representatives, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required of such Committee and the related covenants shall be deemed to have been fully complied with.

VII

(a) That the owner of said real property, hereinabove described, reserves unto itself, its successors and assigns, or for public dedication by the owner, its successors and assigns, a five (5) foot right-of-way across and along the street lines of all lots and a ten (10) foot right-of-way along the rear lot lines of each of said lots for the purpose of constructing water mains, electric distribution lines, irrigation ditches, sewer lines, gas pipelines and such other public utilities as shall be necessary, convenient and desirable for the grantees and owners of said lots henceforth. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot except for those improvements for which a public authority or utility company is responsible. Within these easements no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow of water through drainage channels in the easements.

(b) An easement is hereby granted to the Idaho Power Company, a corporation, its licensees, successors and assigns, a permanent and perpetual easement and right-of-way, sufficient in width to install and maintain an underground electric power line, including the perpetual right to enter upon the real estate hereinafter described, at all reasonable times, to construct, maintain and repair underground power lines through, under and across said lands, together with the right, at the sole expense of the grantee, to excavate and

refill ditches and trenches for the location of said power lines, and the further right to remove trees, bushes, sod, flowers, shrubbery and other obstructions and improvements interfering with the location, construction and maintenance of said power lines on and across the following premises, belonging to the said owner in Ada County, State of Idaho, in the following location, to-wit:

In Lakewood - Unit No. 1, a subdivision, Ada County, Idaho, a strip of land ten (10) feet wide, five (5) feet on each side of the boundary line of the actual building sites, running from the street right-of-way or utility easements as shown on the plat to a point or points on said boundary line which are directly opposite from the electrical service entrance facilities on the building constructed on the building sites on each side of the boundary line; thence, strips of land each ten (10) feet wide, one on each building site running directly from said point or points on the boundary line to the correspondingly opposite electrical service entrance facilities on the buildings constructed on said building sites. The actual building site may be a lot as shown on Lakewood - Unit No. 1, a subdivision, plat or a combination of portions of lots intended to comprise a building site.

The electrical system generally will consist of buried power wires, transformers, junction boxes and other equipment, part of which may extend above ground, necessary to serve electric power to these premises and adjacent premises.

(c) That the Architectural Control Committee, hereinabove designated, shall constitute a committee, subject to the aforementioned ordinances and rules and regulations of the various Zoning and Planning Commissions having jurisdiction, to determine and designate the location upon such easements of all irrigation ditches, pole lines, sewer lines and other public utilities distribution lines, which designation shall be effective to vest the right to utilize such easement areas. This committee shall exist in perpetuity and in the event of vacancy by resignation or death, prior to the time the Directors of Lakewood Homeowners Association, Inc., comprise the Architectural Control Committee as provided in Section V hereof, the remaining members of the Committee shall fill such vacancy by appointment of an owner of property within this subdivision.

VIII

That these protective restrictions and covenants shall run with the land described herein and shall be binding upon the parties hereto and all successors in title or interest to said real property or any part thereof until April 1, 2003, at which time said protective restrictions and covenants shall be automatically extended for successive periods of ten (10) years unless the owner or owners of the legal title to not less than two-thirds (2/3) of the platted residence tracts or platted lots, by an instrument or instruments in writing, duly signed and acknowledged by them shall then terminate or amend said protective restrictions and covenants, and such termination or amendment shall become effective upon the filing of such instrument or instruments for record in the office of the County Recorder of Ada County, Idaho. Such instrument or instruments shall contain proper references by volume and page numbers to the record of the Lakewood - Unit No. 1, a subdivision, plat and the record of this Declaration of Covenants, Conditions and Restrictions and all amendments thereof.

IX

In the event the improvements on any lot shall suffer damage or destruction from any cause, the owner thereof shall undertake the repair, restoration or reconstruction thereof within ninety (90) days of such damage or destruction unless prevented by matters beyond the control of the owner, and such time shall only be extended to provide for such contingency. In the event the owner shall fail, within said ninety (90) day period following the damage or destruction, as extended by matters beyond the control of the owner, to contract for or cause such repair, restoration or reconstruction to be done, then the Lakewood Homeowners Association, Inc., a non-profit corporation more fully set forth in Section X hereof, shall have the option to purchase said property at its then fair market value, which said option may be exercised at any time within six (6) months following the expiration of the ninety (90) day period, or any extension thereof, by tendering an amount equal to the then market value, less the balance due on any mortgage indebtedness, and upon such tender or payment, the owner shall make, execute and deliver to the Association a deed conveying to the Association said premises, which execution and delivery may be specifically enforced by Court action.

X

The undersigned owner, for each lot owned within Lakewood, Unit No. 1, a subdivision, by it hereby covenants,

and each subsequent grantee of any lot, by the acceptance of a deed therefor, whether or not it shall be so expressed in said deed, covenants and agrees to pay to Lakewood Homeowners Association, Inc.: (a) annual assessments or charges, and (b) special assessments for capital improvements.

The annual and special assessments, together with interest, costs and reasonable attorney's fees incurred in their collection, where necessary, shall be a charge upon the land and shall be a continuing lien upon the lot against which said assessments are made.

Assessments levied by Lakewood Homeowners Association, Inc., shall be used exclusively to promote the health, safety, welfare and recreation of the owners of the lots in Lakewood - Unit No. 1, a subdivision.

XI

LAKWOOD HOMEOWNERS ASSOCIATION, INC.

(a) The Lakewood Homeowners Association, Inc., herein referred to as the "Association," is incorporated as an Idaho nonprofit corporation. The purpose and powers of the Association and the rights and obligations inherent in its membership are set forth in its Certificate of Incorporation, its By-Laws and the provisions of this Declaration. Title to the common area designated in Lakewood - Unit No. 1, a subdivision, shall be vested in the Association. The Association shall be the body charged with the overall management, operation and supervision of the common area, and each lot owner delegates full authority to the Association for this purpose.

(b) The general purpose of the Association is to further and promote the community welfare of the lot owners. The Association is to be responsible for maintenance, repair and upkeep of the common area and community facilities within the common area. The Association shall also be the means for the promulgation and enforcement of all regulation necessary to the governing of the use and enjoyment of the common area and adherence by the lot owners to all restrictions in this Declaration, except as otherwise provided herein.

(c) Every person, including the undersigned owner, who acquires title, legal or equitable, to any lot shall become a member of this Association under such regulations as the Articles of Incorporation and By-Laws may prescribe; PROVIDED, HOWEVER, that such membership is not intended to apply to those persons who hold an interest in a lot merely as security for

the performance of an obligation; e.g., mortgages or deeds of trust. A contract purchaser shall be a member of the Association in lieu of and in place of a contract seller. Each membership is, and shall be, appurtenant to the title to the particular lot and shall pass with the transfer of title to the same or with a contract of purchase to transfer title. Each lot (or building site) is entitled to one (1) vote in matters submitted to the vote of the membership of the Association, regardless of the multiplicity of ownership of the lot, and such vote shall be cast as one (1) vote and not fractionalized.

(d) The Association shall have all of the powers that are set forth in its Articles of Incorporation and its By-Laws or that belong to it by operation of law, including the power to levy against every lot in said subdivision equally annual charges to cover its actual and estimated costs and expenses in performing its functions and obligations under this Declaration and any supplemental declaration. Notwithstanding anything herein to the contrary, expenses incurred by the Association in the maintenance of the common area and the improvements situated thereon and in furthering and promoting its purposes shall be borne equally by all lot owners.

(e) Each such charge shall be paid by the Association member to the Association on or before the date established by the Association pursuant to the resolution adopted by the Directors of said Association fixing the amount of annual charge. Written notice of the charge so fixed and the date of payment shall be sent to each member. Such charges shall constitute a personal debt of the lot owner and be and remain a lien upon his individual lot until paid. Upon the adoption of a resolution of charges, the Association shall, in the event such charges are not paid promptly, cause a notice thereof and of the lien created thereby to be signed and acknowledged by it and recorded in the office of the County Recorder of Ada County, Idaho. Such recorded notice shall embody said resolution and state the rate of the charge, the time payable, and when it becomes a lien. When paid the Association shall, from time to time, execute, acknowledge and record a release or releases of lien with respect to the property for which payment has been made. Full receipt shall be issued to lot owners upon payment.

(f) Each lot owner shall, by acceptance of a deed thereto or by the signing of a contract or agreement to purchase the same, whether from the undersigned owner or a subsequent owner of such lot, bind himself, his heirs, personal representatives and assigns to pay all charges determined and levied upon such lots, including interest thereon and

collection costs thereof, if any, and attorney's fees, and the obligation to pay such charges, interest and costs hereby constitute an obligation running with the lot. The sale or transfer of any lot shall not affect any lien for charges provided for herein.

(g) All liens herein provided for shall be enforceable by foreclosure proceedings in the manner provided by law in the State of Idaho for foreclosure of mortgages and/or trust deeds and shall be collectable in full, plus interest at the rate of eight percent (8%) per annum from the date the payment of the charge was due, plus all costs and expenses of collecting the unpaid charges, including reasonable attorney's fees; PROVIDED, HOWEVER, that no proceedings for foreclosure shall be commenced except upon the expiration of four (4) months from and after the date the charge giving rise to such a lien became due and payable.

(h) The funds arising from such charges, so far as may be sufficient, shall be applied toward the payment of expenses incurred by the Association in the maintenance or improvement of the common area and in furthering and promoting the community welfare of the lot owners.

(i) So long as the undersigned owns or retains ownership of more than fifty percent (50%) of the lots in Lakewood - Unit No. 1, a subdivision, the maximum annual assessment against any lot shall be One Hundred and Two Dollars (\$102.00) per lot. From and after January 1st of the year immediately following the year in which the ownership interest of the undersigned owner was less than fifty percent (50%), the maximum annual assessment may be increased each year by not more than three percent (3%) above the maximum assessed for the previous year without a two-thirds (2/3) affirmative vote of the membership of the Association as provided in the By-Laws and after a meeting of the members duly called for that purpose.

XII

If any restriction, easement or dedication herein varies from the requirements of other ordinances of the City of Boise or the County of Ada, or if the requirements of the City or the County ordinances are more restrictive, said more restrictive requirements shall be deemed to be a part hereof as if set forth herein.

XIII

The invalidation of any provision, sentence or paragraph contained in this Declaration of Covenants, Conditions

and Restrictions by judgment of any Court shall in no way affect or invalidate any of the other provisions, sentences or paragraphs of said Declaration of Covenants, Conditions and Restrictions, and the same shall be and remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has caused its named to be subscribed and affixed its official seal hereto, pursuant to a resolution of its Board of Directors, by its President and Secretary this 8th day of February, 1973.

TRIANGLE DEVELOPMENT COMPANY

By: William D. Tate
President

ATTEST:

Fred L. Kopke
Secretary

STATE OF IDAHO)
) ss.
County of Ada)

On this 8th day of February, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared William D. Tate and Fred L. Kopke, President and Secretary, respectively, of TRIANGLE DEVELOPMENT COMPANY, an Idaho corporation, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same for and on behalf of said corporation.

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

Elva M. Base
Notary Public for Idaho
Residing at Boise, Idaho