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# SUPPLEMENTAL DECLARATION FOR JUG MOUNTAIN RANCH PHASE 1 STAGE 2

Recorded May 24, 2004

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# SUPPLEMENTAL DECLARATION FOR JUG MOUNTAIN RANCH PHASE 1 STAGE 2

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# SUPPLEMENTAL DECLARATION FOR JUG MOUNTAIN RANCH PHASE 1 STAGE 2

# **ARTICLE 1. Introduction & Purpose**

1.1	This Supplemental Declaration (a) is filed pursuant to Section 7.1 of the	General Declaration for
Jug Mountain	Ranch (the "General Declaration") recorded	2004 as Instrument No.
283337	with the Valley County, Idaho Recorder, as may be amended; and,	(b) affects only Phase 1
Stage 2 of Jug	Mountain Ranch, according the recorded plat thereof and any amendment	ts thereto (the "Affected
Property").	·	`

1.2 The purposes of this Supplemental Declaration are to set forth additional covenants and conditions with respect to the use, density and design of improvements on the Affected Property, in order to preserve the natural beauty of Jug Mountain Ranch and its setting, to maintain Jug Mountain Ranch as a pleasant and desirable environment, to establish and preserve a harmonious design for the community, and to protect and promote the value of the Affected Property and Jug Mountain Ranch.

#### **ARTICLE 2. Definitions**

- **2.1** Lot: Each parcel of real property reflected on the Jug Mountain Ranch Planned Unit Development Phase 1 Stage 2 Plat as a Lot which may be independently owned and conveyed.
  - 2.2 Affected Lots: Block 3, Lots 1 through 20; Block 2, Lots 21 through 44.
- **2.4** Supplemental Declaration: This Supplemental Declaration as may be amended and supplemented.
- **2.5 Living Unit:** One or more rooms designed for or which may readily be occupied exclusively by one family or group of people living independently from any other family or group of people, and having not more than one Cooking Facility.
  - 2.6 Single Family Structure: A building which contains one Living Unit.
- 2.7 Primary/Secondary Structure: A building which contains two Living Units, one being for Guests, which Living Units cannot be separately sold, rented or leased. The Secondary Unit must be attached to the Primary Unit.
- **2.8** Attached Garage: An Attached Garage is a garage which is attached directly to a Living Unit. A garage which is attached to a Living Unit by a breezeway or some other covered but unenclosed outdoor route shall be considered an Attached Garage. A Detached Garage, which may not contain a Living Unit, is a garage which is not attached.
- 2.9 Cooking Facility: Fixtures and equipment for food storage and preparation of meals, including at least a sink, oven and refrigerator.
- **2.10 Building Improvements:** Any material improvement of any of the Affected Property including, but not limited to landscaping, site preparation, paving, fencing, building construction, exterior changes, or interior changes which change the use of interior space to an unauthorized use or which would change the number of Living Units.
- **2.11** Other: Other capitalized terms used herein shall have the meaning set forth in the General Declaration or in this Supplemental Declaration.

## ARTICLE 3. Jug Mountain Ranch Association

3.1 Membership: Except as otherwise provided at Article 5, each Owner of an Affected Lot shall be a Class A Residential member of the Jug Mountain Ranch Association, pursuant to the Jug Mountain Ranch Association Articles of Incorporation and Bylaws.

# **ARTICLE 4. Neighborhood Designation**

- **4.1 Designation:** At Article 13 of the Bylaws, Declarant created the Residential Home Site Neighborhood. Each Owner of an Affected Lot shall be a member of the Residential Home Site Neighborhood.
- 4.2 Declarant's Right to Reallocate Units Among Neighborhoods: Declarant shall have the right to create additional Neighborhoods, add Units to each Neighborhood, and to reallocate Units within each Neighborhood, pursuant a Supplemental Declaration.

# ARTICLE 5. Golf Course Use of Block 3, Lots 1 & 2

- Block 3, Lots 1 and 2 are currently being utilized as part of the Golf Course, and are hereby designated as part of the Golf Course, until such use is terminated pursuant to a Supplemental Declaration. Until termination of such use, the following shall occur:
  - (a) Lots 1 and 2 may be utilized as a golf club house and parking lot, any Golf Course-related use, and any other recreational use that the owner of the Golf Course shall determine;
  - (b) Lots 1 and 2 shall not be considered Units which are associated with a Class A Membership, as described in Article 3, but shall instead be part of the Golf Course, which is related to the Class C membership.
  - (c) Lots 1 and 2 shall not be part of the Residential Home Site Neighborhood, as described in Article 4.
  - (d) Lots 1 and 2 shall not be subject to the Building Improvement or Use limitations of Articles 7 and 8.

Upon termination of use of Lots 1 and 2 as part of the Golf Course, all terms, conditions and restrictions related to Affected Lots in this Supplemental Declaration shall apply to Lots 1 and 2.

## ARTICLE 6. Open Spaces, Easements, Roads and Utilities

- 6.1 Open Spaces: Pursuant to Article 5 of the General Declaration, Open Space Parcels depicted on the Phase 1 Stage 2 Plat are designated as follows:
  - (a) Golf Course: The following Lots, which are marked "Golf Course" on the Phase 1 Stage 2 Plat, are part of the Golf Course and are Private Open Space: Block 3, Lot 46; Block 2, Lots 50 and 52; and, Block 4, Lot 54.
  - (b) Common Open Space Lot: The following Lots, which are marked "Open Space" on the Phase 1 Stage 2 Plat, are Common Open Space: Block 5, Lot 48; Block 2, Lots 49, 51 and 53. Many of the Open Space Lots contain Wetlands, which are delineated on the Phase 1 Stage 2 Plat. These Wetlands are subject to regulation by the Army Corps of Engineers. Declarant reserves the right to expand these Wetlands, subject to review and approval from the Army Corps of Engineers. There are also "Golf Safety Zones" designated within the Open Space Lots, which are subject to use restrictions to be included in Rules and Regulations, due to the high likelihood of golf ball overflight in the area.

The above-described Open Space parcels shall be managed and used in accordance with the Phase 1 Stage 2 Plat and the General Declaration.

#### **6.2** Easements:

(a) Utility Easements: Declarant reserves the right to construct utilities and irrigation facilities within any Utility Easement and within any Open Space Parcel which is depicted on the Phase 1 Stage 2 Plat, and to grant easements for the repair and maintenance of any such utility or irrigation facility. Additionally, snow may be placed within any Utility Easement abutting a road, for the placement of snow plowed, blown or otherwise cleared from driveways, roads, or Open Space. No Building Improvements shall be constructed within any Utility Easement other than utility or irrigation-related improvements, or as

may be permitted pursuant to the Design and Development Guidelines. All Utility Easements are reserved in perpetuity.

- (b) Trail Easements: The Trail Easements depicted on the Phase 1 Stage 2 Plat shall be reserved for such recreational uses as the Declarant shall designate, in Declarant's sole discretion, including but not limited to the following uses: pedestrian, bicyclists, and skiers, and the use of motorized equipment to maintain and prepare trails for the same. Declarant shall also have the sole discretion to identify allowable users of the Trail Easements. Declarant reserves the right to modify the location of the trails, and shall have the sole discretion to vacate the Trail Easements.
- (c) Access Easement / Block 3 Lot 47: The Access Easement depicted on Block 3 Lot 47 of the Phase 1 Stage 2 Plat is dedicated for the use and enjoyment of the members of the Jug Mountain Ranch Association. However, the Water System is subject to the regulation of the Idaho Department of Environmental Quality ("DEQ"), and access to Lot 47 is subject to the regulation of DEQ and such Rules and Regulations as may be promulgated by the Association in that regard.
- (d) Access Easement / Block 4 Lot 54: The Access Easement depicted on Block 4 Lot 54 of the Phase 1 Stage 2 Plat is reserved for Declarant and Declarant's assigns, for utilities and for pedestrian and motorized ingress and egress to property owned by Declarant which is located East and North of the property platted in the Phase 1 Stage 2 Plat.
- (d) Pedestrian Access Easement / Block 4 Lot 54: The Pedestrian Access Easement depicted on Block 4 Lot 54 of the Phase 1 Stage 2 Plat is reserved for Declarant and Declarant's assigns, for pedestrian ingress and egress to property owned by Declarant which is located East and North of the property platted in the Phase 1 Stage 2 Plat. Said use shall be limited to non-motorized use, including but not limited to walking, biking, and skiing, and the use of motorized equipment to maintain and prepare trails for the same.
- **(e) Ditch Easements**: The Ditch Easements depicted on the Phase 1 Stage 2 Plat are reserved for the downstream water users.
- Drainage Easement: The Drainage Easement depicted on the Phase 1 Stage 2 Plat on Block 2, Lots 26, 27, 28, 29 and 30 is reserved for the Ranch Association, for drainage through the aforementioned parcels. There shall be no improvements constructed in the Drainage Easement, except as follows: (1) Driveways shall be allowed across the Drainage Easement, however a culvert must be used to allow for the continued, unrestricted drainage in the Drainage Easement, the design of which shall be reviewed and approved by the DRC; and, other improvements may be made if the DRC determines, in its discretion, that the proposed improvement allows for the continued, unrestricted drainage in the Drainage Easement; and, (2) Owners may propose to the DRC that the Drainage Easement as it passes through their lot be relocated in order to place an improvement in the Drainage Easement; in such case the Owner must submit an engineered proposal to relocate the Drainage Easement in such a manner as to allow for the continued, unrestricted drainage in generally the same manner as if the Easement were not relocated, and which does not negatively affect the drainage or a Drainage Easement on any neighboring property; and, in the event that such relocation is approved by the DRC, the Board shall review and confirm the relocation in its discretion; and, any approval shall be granted in a document which includes a depiction of the relocated Drainage Easement, and which must be signed by the President and Secretary of the Board, and recorded with the Valley County Recorder.
- 6.3 Roads: Pursuant to that certain Owner's Declaration of Roads For Jug Mountain Ranch, Phase 1 Stage 2 ("Declaration of Private Roads"), recorded with the Valley County Recorder, with the exception of Ashton Lane, which is public, all roads which are depicted on the Phase 1 Stage 2 Plat (including, but not limited to, those roads which are labeled as "Drive", "Place", or "Court") are private roads and shall permanently remain private roads. Said private roads are hereby irrevocably dedicated for the nonexclusive use and enjoyment of the members of the Ranch Association, together with their guests, invitees, and assigns, subject to the terms, conditions, and reserved Declarant's rights contained in the General Declaration and this Supplemental Declaration, which shall in no event divest the members' right of use as aforesaid. As provided in the General Declaration and the Declaration of Private Roads, the Ranch Association shall be responsible for the maintenance and repair of the above-described private roads.
- 6.4 Utilities: The Water System and Sewer System described in the General Declaration will be installed for use by all members in the Phase 1 Stage 2 Property. Block 2, Lot 45 is reserved for a lift station, which

is part of the Sewer System, and shall be transferred to the Ranch Association pursuant to the terms of Section 14.1 of the General Declaration. Block 3, Lot 47 is reserved for a well, which is part of the Water System, and shall be transferred to the Ranch Association pursuant to the terms of Section 14.2 of the General Declaration.

## **ARTICLE 7. Limitation of Building Improvements**

- 7.1 Affected Lots: These Lots may not contain any Building Improvements except:
  - (a) A Single Family Structure or a Primary/Secondary Structure; and,
- (b) A garage of a size and at a location approved in writing by the DRC, which may be attached or detached; and,
- (c) Such fences, walls, driveways and parking areas as may be approved in writing by the DRC; and,
  - (d) Landscaping improvements approved in writing by the DRC; and,
  - (e) Such other improvements as may be approved in writing by the DRC.

Maximum and minimum square footages are defined in the Design and Development Guidelines.

#### **ARTICLE 8.** Use of Platted Lots

- 8.1 Single Family Residential Use: The Affected Lots shall be used only for single family residential purposes with customary accessory uses, except as permitted under Section 8.4. Customary accessory uses shall include but not be limited to long or short term rentals to persons who use such improvements for residential or lodging purposes, as restricted by the terms of Section 7.17 of the General Declaration.
- 8.2 No Further Division: No Owner of any Affected Lot may apply to Valley County, Idaho, or any governmental jurisdiction to further divide any Affected Lot, except that Declarant may further divide an Affected Lot, or adjust lot lines between Affected Lots, prior to sale of such Affected Lot(s), as approved by Valley County.
- **8.3** Condominiums: No Owner of any Affected Lot shall dedicate or submit such Owners' Lot to a condominium form of ownership.
- 8.4 Home Office: An Affected Lot may also be used for a Home Office, only if the Ranch Association has issued a written permit for such activity. The Ranch Association may refuse to issue a permit in its sole and absolute discretion, if, in the Ranch Association's reasonable judgment, such activity would:
  - (a) create additional vehicular traffic to or from such Lot;
  - (b) employ persons at such lot other than those residing at such Lot;
  - (c) require storage of any significant materials, machinery, inventory or other items on such Lot;
  - (d) require processing of materials into finished products or the assembly of parts produced off site;
  - (e) require additional parking at such lot, whether for customers, delivery or otherwise;
  - (f) be incompatible with the quiet enjoyment of the surrounding Lots by such Lots' Owners; or,
  - (g) otherwise violate the provisions of Article 7 or 8 of the General Declaration.

Any such permit shall be issued for such period and upon such terms as the Ranch Association, in its sole discretion, deems reasonable.

# **ARTICLE 9. Future Development of Block 4**

Declarant reserves the right to further develop Block 4, and further divide Block 4, Lots 54 and 55, for any and all uses and densities permissible under the CUP, including but not limited to Golf Course, Utility and Open Space. Nothing contained herein shall limit the right of Declarant to obtain final plat approval for such uses, or to excavate, grade and construct improvements to and on any portion of Block 4, in furtherance of the terms of the CUP and other applicable Permits. Declarant need not seek or obtain approval from any Owners of Affected Lots for any such improvements. All Owners of Affected Lots consent to such future development and waive any claim that such development is incompatible with or otherwise diminishes the value of their Unit or Jug Mountain Ranch, or that any views enjoyed by any Unit are a property right thereof.

### **ARTICLE 10. Building Guidelines**

- 10.1 All Building Improvements on any Affected Lot must be built strictly in accordance with the provisions of the Design and Development Guidelines.
- 10.2 By acquiring any interest in an Affected Lot, the Owner of such Lot consents to and accepts the authority of the Design Review Committee to review and approve the plans and specifications for any Building Improvements on such Lot in accordance with the Design and Development Guidelines in effect from time to time. In particular, such Owner recognizes that certain of the judgments which will be made by the DRC are subjective in nature, and such Owner agrees not to contest such subjective judgments unless they are made in bad faith or in an arbitrary and capricious manner.

#### **ARTICLE 11. Miscellaneous**

11.1 Duration of Supplemental Declaration: This Supplemental Declaration shall run with and bind the Affected Property, and shall inure to the benefit of and shall be enforceable by the Ranch Association or any Owner of an Affected Lot, their respective legal representatives, heirs, successors, and assigns, for a term of 50 years from the date this Supplemental Declaration is recorded. After such time, this Supplemental Declaration shall be automatically extended for successive periods of 10 years, unless an instrument in writing, signed by the Declarant and the Ranch Association upon the affirmative vote of the Class E Declarant Member, the Ranch Association Board, and 90% of the Owners of the Affected Lots, has been recorded within the year preceding each extension, agreeing to terminate this Supplemental Declaration, in which case this Supplemental Declaration shall be terminated as specified therein.

## 11.2 Amendment:

- (a) **By the Board**: Except as limited or committed to action by the members, either by the Articles, the Bylaws, the Declaration or this Supplemental Declaration, the Board shall have the power to amend this Supplemental Declaration at any regular meeting of the Board or at any special meeting called for that purpose at which a quorum is represented. However, if the members shall amend any portion of this Supplemental Declaration, the directors shall not thereafter amend the same in such manner as to defeat or impair the object of the members in taking such action. Any amendment to the Declaration approved by the Board shall have no material adverse effect upon any right of any Owner or member.
- (b) **By Owners**: Thereafter and otherwise, this Supplemental Declaration may be amended upon the affirmative vote of 75% of the Owners of the Affected Lots and the approval of Declarant and the Ranch Association, by the recording of a written instrument or instruments specifying the amendment or the repeal, executed by the Declarant and the Ranch Association.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments: Amendments to this Supplemental Declaration shall become effective upon recordation in the land records of Valley County, Idaho, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Supplemental Declaration.

If an Owner consents to any amendment to this Supplemental Declaration or the Residential Association Articles of Incorporation or Bylaws, it will be conclusively presumed that such Owner has the authority to so consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment. No amendment shall be contrary to the terms or conditions of any valid County, State, or Federal Permit applicable to the PUD; nor, shall any Amendment divest any Owner of any material and substantial vested property rights.

No amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

11.3 Effect of Provisions of Supplemental Declaration: Each provision of this Supplemental Declaration, and a promise, covenant and undertaking to comply with each such provision: (a) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in any real property within the Affected Property is granted, devised or conveyed, whether or not set forth or referred to in such deed or other

instrument; (b) shall, by virtue of acceptance of any right, title or interest in any real property within the Affected Property by an Owner or the Ranch Association, be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner or the Ranch Association, as the case may be; (c) shall, as a personal covenant, be binding on such Owner or the Ranch Association and such Owner's or the Ranch Association's respective heirs, personal representatives, successors and assigns; (d) shall, as a personal covenant of an Owner, shall be deemed a personal covenant to, with and for the benefit of Declarant and to, with and for the benefit of the Ranch Association but not to, with or for the benefit of any other Owner; (e) shall, if a personal covenant of the Ranch Association, be deemed a personal covenant to, with and for the benefit of Declarant and to, with and for the benefit of each Owner; (f) shall be deemed a real covenant by Declarant, for itself, its successors and assigns, and also an equitable servitude, running, in each case, as a burden with and upon the title to each parcel of real property within the Affected property; (g) shall, as a real covenant and also as an equitable servitude, be deemed a covenant and servitude for the benefit of any real property now or hereafter owned by Declarant within the Affected property and for the benefit of any and all other real property within Jug Mountain Ranch; and (h) shall be deemed a covenant, obligation and restriction secured by a lien, binding, burdening and encumbering the title to each parcel of real property within the Affected Property which lien with respect to any Unit shall be deemed a lien in favor of Declarant and the Ranch Association, jointly and severally, and, with respect to any real property owned by the Ranch Association, shall be deemed a lien in favor of Declarant.

- 11.4 Enforcement and Remedies: Each provision of this Supplemental Declaration with respect to an Owner or property of an Owner shall be enforceable by Declarant or the Ranch Association as provided in Section 18.4 of the General Declaration.
- of this Supplemental Declaration and no action to enforce any such provision shall affect, defeat, render invalid or impair the lien of any mortgage, deed of trust or other lien on any property taken in good faith and for value and perfected by recording in the office of the Recorder of Valley County, Idaho, prior to the time of recording in said office of an instrument describing such property and listing the name or names of the Owner or Owners of fee simple title to the property and giving notice of such violation, breach or failure to comply, nor shall such violation, breach, failure to comply or action to enforce affect, defeat, render invalid or impair the title or interest of the holder of any such mortgage, deed of trust, or other lien or title or interest acquired by any purchaser upon foreclosure of any such mortgage, deed of trust or other lien or result in any liability, personal or otherwise, of any such holder or purchaser. Any such purchaser upon foreclosure shall, however, take subject to this Supplemental Declaration with the exception that violations or breaches of, or failures to comply with, any provisions of this Supplemental Declaration which occurred prior to the vesting of fee simple title in such purchaser shall not be deemed breaches or violations hereof or failures to comply herewith with respect to such purchaser, his heirs, personal representatives, successors or assigns.
- 11.6 Perpetuities: The covenants, conditions, restrictions, and other provisions of this Declaration and any other Association Document shall continue in full force and effect until the death of the survivor of the now living grandchildren of Robert F. Kennedy, the former Attorney General of the United States of America, plus twenty-one years, unless this Declaration is sooner terminated pursuant to Section 11.1 above.
- 11.7 Limited Liability: Neither Declarant, the Ranch Association, the DRC, the Board of Directors of the Ranch Association, nor any member, agent or employee of any of the same shall be liable to any party for any action or for any failure to act with respect to any matter it the action taken or failure to act was in good faith and without malice.
- 11.8 Successors and Assigns: Except as otherwise provided herein, this Supplemental Declaration shall be binding upon and shall inure to the benefit of Declarant, the Ranch Association, and each Owner of an Affected Lot and their respective heirs, personal representatives, successors and assigns.
- 11.9 Severability: Invalidity or unenforceability of any provision of this Supplemental Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Supplemental Declaration.
- 11.10 No Waiver: Failure to enforce any provisions of this Supplemental Declaration shall not operate as a waiver of any such provision or of any other provision of this Supplemental Declaration.

IN WITNESS WHEREOF Declarant has executed this Supplemental Declaration the day and year first above written.

ILIG MOUNTAIN RANCH LLC

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