

RECORDING REQUEST BY AND
WHEN RECORDED MAIL TO
Knoeland, Korb • Collier
P.O. Box 249
Ketchum, Idaho 83340
(208) 726-9311

ULAH CO. REQUEST

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CONDOMINIUM DECLARATION

[OR

KETCHUM TRADING CENTER

ARTICLE I.

Recitals and Certain Definitions.

Section 1,1 The Declarant The Real Property, ENVIRONMENTAL CONTROL, INC., a Delaware Corporation, and STOREY CONSTRUCTION, Inc., an Idaho Corporation, (the "Declarant"), are the owners of that certain real property located in Blaine County, Idaho, described as a Plat of Lot 10 and 11, Northgate Subdivision, City of Ketchum, Blaine County, Idaho, (the "Real Property"),

Section 1,2 Intention of Declarant. Declarant intends to provide for condominium ownership of the Real Property under the condominium Property Act of the State of Idaho,

Section 1,3 The Project. The term "Project" shall collectively mean the Real Property and all buildings and other improvements located on the Real Property.

Section 1,4 This condominium project will provide a mean, implies of separate interests in Unit and co-ownership with other tenants in common, of Common Area, the term are herein defined,

ARTICLE II.

Additional Definitions

The following term shall have the following meaning when used herein unless the context otherwise requires.

Section 2,1 Building. "Building" mean, one of the buildings constructed on the Real Property pursuant to this Declaration,

Section 2.2 Unit. "Unit" means the separate interest in a condominium ~~aa~~ bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof as shown and numbered on the Condominium Map to be tiled for record, together with all fixtures and improvements therein contained. Notwithstanding such markings, the following are not a part of a Unit: bearing walls, columns, floors and roofs (except for the interior surface thereof, ~~it a~~ perimeter wall, floor or ceiling), foundations, shafts, central heating, reservoirs, tanks, pumps and other services used by more than one Unit, pipes, vents, ducts, flues, chutes, conduits, **wires**, and other utility installations, wherever located, except the outlets thereof when located within the Unit. The interior surfaces of a perimeter window or door means the points at which such surfaces are located when such windows or doors are closed; the physical windows and doors themselves are part of the Common Area, as herein defined. Each Unit also includes the interior of any storage areas which are shown on the Condominium Map as belonging to such Unit, bounded as described herein for the other portion of the Unit. In case of combination of two or more adjoining Units, those portions of partition walls between Units which are from time to time used as door openings **between** such Units shall be deemed to be divided in half longitudinally, parallel to the partition wall, and each half shall constitute part of the Unit which it adjoins, a Limited Common Area appurtenant to such Unit,

Section 2.3 Common Area. "Common Area" means the entire Project excepting all Units,

Section 2.4 Limited Common Area. "Limited Common Area" means that Common Area designated herein for exclusive use by Owners of particular Condominiums, as those terms are herein defined,

Section 2.5 General Common Area. "General Common Area" means all Common Area excepting all Limited Common Area.

Section 2.6 Condominium. "Condominium" means a separate interest in a Unit together with an undivided interest in common in the Common Area (expressed as a percentage of the entire ownership interest in the common Area) as set forth in Exhibit A attached hereto and by this reference made a part hereof,

Section 2.7 Owner. "Owner" means any person or entity, including Decedent, at any time owning a Condominium; the term "Owner" shall not refer to any Mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure,

Section 2.8 Mortgage. "Mortgage" means any mortgage, deed of trust, or other security instrument by which a Condominium or any part thereof is encumbered,

Section 2.9 Mortgagee. "Mortgagee" means any person, or any successor to the interest of such person named as the mortgagee, trust beneficiary or creditor under any mortgage, as mortgage is defined in Article II, Section 218, under which the interest of any Owner, or successor to the interest of such Owner, is encumbered.

Section 2.10 Association. "Association" means KETCHUM TRADE CENTER, INC., an Idaho corporation, not for profit, its successors and assigns, organized as provided herein.

Section 2.11 Condominium Map. "Condominium Map" means the Condominium Map for the KETCHUM TRADE CENTER, to be filed for record in the office of the County Recorder of Blaine County, Idaho, consisting of a plat or survey map of the surface of the ground of the Real Property showing a survey and legal description thereof, the location of each Building with respect to the boundaries of the Real Property, together with diagrammatic floor plans of the Buildings showing the boundaries of each Unit within each Building, including horizontal and vertical locations and dimensions of all boundaries of each Unit, Unit number identifying the Units together with such other information as may be included thereon in the discretion of the Declarant.

ARTICLE III.

Statement of Intention and Purpose

Declarant hereby declares that the Project and every part thereof, is held and shall be held, conveyed, devised, leased, rented, encumbered, used, occupied and improved and otherwise affected in any manner subject to the provisions of this Declaration, each and all of which provisions are hereby declared to be in furtherance of the general plan and scheme of condominium ownership referred to in Article I and are further declared to be for the benefit of the Project and every part thereof and for the benefit of each owner. All provisions hereof shall be deemed to run with the land as covenants running with the land or as equitable servitudes as the case may be, and shall constitute benefits and burdens to the Declarant and its assigns and to all persons hereafter acquiring or owning any interest in the project, however such interest may be obtained.

ARTICLE IV.

Duration and Incidents of Condominium Ownership

Section 4.1 Estates of an owner. The Project is hereby divided into condominiums each consisting of a separate interest in a Unit and an undivided interest in common in the Common Area in accordance with the attached Exhibit A setting forth the Common Area appurtenant to each Unit, The percentage of ownership interest in the Common Area which shall be allocated to each Unit

for purposes of tax assessment under Section 5 -1514 of the Idaho Code and for purposes of liability **as** provided by section 55-1515 of such Code shall be the same **as** set forth in Exhibit A. Exhibit A also contains a legal description of each Unit in the Project, consisting of the identifying number of such Unit as shown on the Condominium Map. Such undivided interest in the Common Area are hereby declared to be appurtenant to the respective Units.

Section 4.2 Limited Common Area. "Limited Common Area" shall be used in connection with such Unit to the exclusion of the use thereof by the other owners of Common Area except by invitation.

Section 4.3 Right to Combine Units. Declarant reserves the right to combine physically the area or space of one Unit with the floor or space of one or more adjoining Units. Such combination shall not prevent **separate** ownership of such Condominiums in the future. Declarant **reserves** the right to designate and convey to any purchaser of such combined Units as additional Limited Common Area any walls, floors or other structural separations between Units or combine, or any space which would be occupied by such structural separations but for the combination of the Units. Such structural separations and such space shall automatically become General Common Area if the combined Units become subject to separate ownership in the future,

Section 4.4 Title. Title to a Condominium may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Idaho,

Section 4.5 Inseparability. No part of a Condominium or of the legal right comprising ownership of a Condominium may be separated from any other part thereof during the period of Condominium ownership **prescribed herein**, so that **each** Unit and the undivided interest in the Common Area appurtenant to such Unit shall always be conveyed, **devised**, encumbered, and otherwise affected only **as a** complete Condominium. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a condominium or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the **entire** condominium, together with all appurtenant right created by law or by this Declaration.

Section 4.6 Partition Not Permitted. The Common Area shall be owned in common by all Owners of Condominium, and no owner may bring any action for partition thereof,

Subject to the limitations contained herein, each owner shall have the non-exclusive right to use and enjoy the General Common Area, and shall have the exclusive right to use and enjoy the Limited Common Area designated herein for exclusive use by such owner,

Section 4.8 Tax and Assessment Each Owner shall execute such instrument and take such action as may be reasonably required by the Association to obtain separate real property tax assessments of the interest of each Owner in each Condominium. If any tax or special district or other assessment may, in the opinion of the Association, nevertheless be a lien on the Project or any part thereof, the Association shall pay the same and assess the same to the owner or Owner responsible therefor. Each owner shall pay the tax or assessment levied against his Condominium, or interest therein, or his interest in the Common Area, or any part of any or all of the foregoing. Each Owner shall pay taxes, rates, impositions and assessments levied against the Project or any part of the Common Area in proportion to his interest in the Common Area, such payment to be made to the Association at least thirty (30) days prior to the delinquency of such tax or assessment. Each such unpaid tax or assessment shall bear interest at the legal judgment rate from and after the time the same becomes payable by each owner and shall be secured by the lien created by Section 9.6 hereof.

Section 4.9 Owner's Rights with Respect to Interiors Each Owner shall have the exclusive right to paint, repaint, tile, wall, paper or otherwise maintain, repair and decorate the interior surface of the wall, ceiling, floor, window, and door forming the boundaries of his Unit and all walls, ceilings, floors and doors within such boundaries.

Section 4.10 Easement for Encroachments If any part of the common Area encroaches or hereinafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Area, or upon an adjoining Unit or Unit, an easement for such encroachment and for the maintenance of the same shall exist. Such encroachments shall not be considered to be encumbrances whether on the Common Area or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by settling, rising or shifting of the earth, or by change in position caused by repair or reconstruction of the Project or any part thereof.

Section 4.11 Easement of Access for Repair, Maintenance and Emergencies Some of the Common Area is or may be located within the Unit or may be conveniently accessible only through the Units. The owner of other Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Unit and to all Common Area from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Area located therein or accessible therefrom or for making any repair therein necessary to prevent damage to the Common Area or to another Unit or Units. The Association shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit or

Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Area ... result of emergency repair within another Unit at the instance of the Association or of owner shall be an expense of all of the owner provided, however, that if such damage is the result of negligence of the owner of a Unit, then such owner shall be financially responsible for all of such damage, such damage shall be repaired and the property shall be restored substantially to the same condition it existed prior to damage, Amount owing by owner pursuant thereto shall be collected by the Association by allotment pursuant to Article IX below,

Section 4.12 Owner's Right to Ingress and Egress and Support. Each owner shall have the right to ingress and egress over, upon and across the Common Area necessary for access to his Unit and to the Limited Common Area designated for use in connection with his Unit, and shall have the right to the horizontal and lateral support of his Unit, and such right shall be appurtenant to and pass with the title to each Condominium,

Section 4.1 Association's Right to Use of Common Area. The Association shall have a non-exclusive right to make use of the Common Area which it is obligated or permitted to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain in the General Common Area maintenance and storage facilities for use by the Association.

Section 4.14 Prohibition of Use of Common Area. No person shall have the right to ingress and egress over, upon and across the Common Area, the right to store material thereon and to make such other use thereof as may be reasonably necessary or incident to complete development of the Project,

Section 4.15 Easements Deemed Granted. All conveyance of Condominiums hereafter made, whether by the Declarant or otherwise, shall be construed to grant and relate to such reciprocal easements which shall have effect to benefit Sections 4.10, 4.11, 4.12, 4.13 and 4.14 above, even though no specific reference to such easements or to this section, appear, in any such conveyance.

ARTICLE V,

Description of Co-Dominium

Every contract for the sale of a Condominium and every other instrument affecting title to a condominium may describe that condominium by the number shown on the Condominium Map with the appropriate reference to the condollinhtill Map and to this declaration ... each owner on the record of the County Recorder of Blaine County, Idaho, in the following fashion:

"Condominium Unit--... shown on the Condominium Map for JCF. TCIIUM TRADE CENTER appudng in the record of Blaine County, Idaho, Instrument No. , and defined and described in that condominium beciaration lor LETCHUM TRADE CENTER, INC. recorded in the record of Blaine County, Idaho, . 11 Inatrumont No.-----

such description will be construed to describe the Unit, together with the appurt.nant undivided lnt@r-nt in the Common Area, and to incorporate all the right incident to ownership of a Condominium and all the limitation on such own.rnhlp . . decribed in this Declaration.

ARTICLE Vt,

Mechanic' Lln Algha

No labor performed or **Hrvlch or lnaterlall** t:urnilhed with the confont of or at the requHt of an owner or his agent or his contractor or subcontractor shall be the **balil** for the filing of a lien against the Conaominlum of any other owner, or against any part thereof, or against any other property or any other owner, unless such other owner has expressly consented to or requested the performance of such labor l,}r turnhhin9 of such material or aorvicea. Such oxpr-nl conl, nt shall be dtemed to have been given by the owner of any Condominu. In the ca.. of emergency ropoira t.horoto. Labor performed OR **service** OR material furnllhed for the Project, if duly authorlHd by the Association, shall be deemed to be performed or furnllhed with the **expren** consent of each Owner. Any owner may remove his condominium from a Uen against two or more condominium or any part thereof by payment to the holder of the Uen of the fraction of the total sum-cured by such lien which is attributable to his Condominium.

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Tb. auoclation

Section 7,1 Memberh1 l **A certified** copy of the Article of Incorporation and copy of the Br-Law, of the Association are attached hereto Exhibit D and **respectively**, and hereby made put of this Declaration, Every owner shall be entitled and required to be a member of the Association, If title to a condominium is held by more than one person, the membership related to that condominium shall be shared by all such persons in the same proportionate interest and by the same type of tenancy in which the title to the condominium is held, An owner shall be entitled to one vote for each condominium owned by him, No person or entity other than an owner may be a member of the Association, and the Article of Incorporation or Bylaw of the Association state that the membership in the Association may not be transferred except in connection with the transfer of a Condominium, provided,

however, that the right of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium,

Section 7.2 Voting. The Association shall have two (2) classes of voting membership:

Class A Class A member, are all owners, with the exception of Declarant. Each Class A member shall be entitled to one (1) vote for each condominium in which he owns an interest. However, when more than one Class A member owns an interest in a condominium, the vote for such condominium shall be exercised as they themselves determine, but in no case shall more than one (1) vote be cast with respect to any one condominium.

Class B The Class B member shall be the Declarant who shall be entitled to three (3) votes for each condominium owned by the Declarant. The Class B membership shall cease and be converted to Class A membership on the happening of one of the following events, whichever occurs earlier:

a. When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or

b. On the third anniversary of the recording of the condominium map,

As long as two classes of membership in the Association exist, no action by the Association that must have the prior approval of the Association members shall be deemed approved by the members unless approved by the appropriate percentage of both classes of members.

Section 7.3 Transfer. Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth herein or reserved herein may be transferred or assigned to any other person or entity provided, however, that no such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer or assignment shall not revoke or change any of the rights or obligations of any Owner as set forth herein,

Section 7.4 Application. The provisions of this Article are amended by the Articles of Incorporation of the Association and by the By-Laws of the Association provided, however, that no present or future provision of such Articles of Incorporation or By-Laws shall arbitrarily alter or amend any of the rights or obligations of the owner as set forth herein,

ARTICLE VIII,

Certain Rights and Obligations of the Association

Section 8.1 The Management Body, The Association may designate a "Management Body" as provided by I.C. 36-35-150J(f) and in the event a Management Body is **designated** it shall administer the Project in accordance with the condominium Property Act, this Declaration, the **Articles of Incorporation** and By-Laws of the Association.

Section 8.2 The Common Area, The Association, subject to the rights of the Owners set forth in Article IV hereof, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair; however, each Owner of a Condominium Unit shall **keep** the Limited Common Area designated for use in connection with his Unit in a clean, sanitary and attractive condition subject to the restrictions herein, and shall maintain and repair the heating equipment and the water heater servicing his Unit exclusively. The Association shall be responsible for the maintenance and repair of exterior surfaces of buildings and improvements located on the Project, including without limitation, the painting of the same as often as necessary, and replacement of trim and caulking, the maintenance and repair of roof, the maintenance and repair of other Common Area, including utility lines, area for **access** to any automobile parking structure constituting part of the Condominiums and all other improvements or materials located within or used in connection with the common Area. The Association shall maintain in a proper, first class manner, all landscaping and natural vegetation constituting part of the Common Area, including assuring the preservation of good visual continuity between landscaped area and natural vegetation. The specification of duties of the Association with respect to particular Common Area shall not be construed to limit its duties with respect to other Common Area, **as set forth** in the first sentence of this Section. The cost of such management, maintenance and repair by the Association shall be borne as provided in Article IX,

The Association shall **have the right** to grant **easements** for utility purposes over, upon, **across**, under or through any portion of the Common Area, and each Owner hereby irrevocably appoints the Association as attorney-in-fact for such purposes.

Section 8.3 Miscellaneous Services, The Association may obtain and pay for the services of any person or entity to manage its Affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly

by the Association or by any person or entity with whom or which it contracts. The Association shall obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish electrical, water, sewer, trash collection services, and other common services to each Unit,

section 8.4 Personal The Association may acquire an interest in all of the owner's tangible and intangible personal property and hold for the use and benefit of all of the owner's tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the owner in the same proportion as their respective interests in the Common Area. Such interest shall not be transferable except with the transfer of a condominium. A transfer of a condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other owners. The transfer of title to a condominium under this foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium.

section 8.5 Rules and Regulations The Association may make reasonable rules and regulations governing the use of the Unit and of the Common Area, which rules and regulations shall be consistent with the rights and duties established in this Declaration. Such rules and regulations may include, without limitation, assignment of particular portions of storage area within the Common Area for exclusive use by owner of particular Condominium. The Association may suspend any owner's voting rights in the Association during any period or periods during which such owner fails to comply with such rules and regulations or with any other obligation of such owner under this Declaration. The Association may also take judicial action against any owner to enforce compliance with such rules, regulations or other obligations or to obtain damages for non-compliance, all to the extent permitted by law.

section 8.6 Reserved Rights The Association may exercise all other rights or privileges reserved to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to affectuate any such right or privilege,

ARTICLE IX

Assessment

Section 9.1 Agreement to Pay Assessment. Declarant, for each Condominium owned by it within the Project, and for and as the owner of the Project and **every** part thereof, hereby covenants, and each owner of any Condominium by the acceptance of a deed therefor, whether or not it **be so expressed** in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association periodic **assessments** made by the Association for the purposes provided in this Declaration, and special assessments for capital improvement and other matters as provided in this Declaration, such **assessments** shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 9.2 Amount of Total Periodic Assessments. The total periodic assessments against all Condominiums shall be based upon advance estimates of such requirements by the Association to provide for the payment of all **estimated expenses** growing out of or connected with the maintenance and operation of the common Area or furnishing electrical, **water, sewer** and trash collection and services, and other common services, **to each** Unit, which estimates may include, among other things, **expense** of management, taxes and special assessments, until the condominiums are separately assessed as provided herein, premium for all insurance which the Association is required or permitted to maintain pursuant hereto, landscaping and care of grounds, common lighting and heating, water charges, trash collection, **sewer service** charges, repairs and maintenance wages for Association employees, legal and accounting fees, any deficit remaining from a previous period, the creation of a reasonable contingency **reserve, surplus** and/or sinking funds and any other **expenses** and liabilities which may be incurred by the Association for the benefit of the owner under or by reason of this Declaration,

Section 9.3 Apportionment of Periodic Assessments. Expenses attributable to the common Area and to the Project as a whole shall be apportioned among all Owners in proportion to the interest in the common Area owned by each, . . .

Section 9.4 Notice of Periodic Assessments and Time for Payment Thereof The Association shall make periodic assessments, which **assessments** shall be annually, quarterly or monthly as the Association shall from time to time determine. The Association may, in its discretion, allow **assessments** to be paid in installments. Written notice of assessments shall be given to each owner, which notice shall **specify** the amount of the assessment and the date or **dates of** payment of the same. No payment shall be due later than fifteen (15) days after the said written notice has been

given. Each periodic **assessment** shall bear interest at the legal judgment rate from the **date** it becomes due and payable if not paid within thirty (30) **days** after such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the owner of any Condominium for such assessment, but the date when payment shall become due in such a **case** shall be deferred to a date fifteen (15) days after such notice shall **have** been given.

Section 9.5 Special Assessments for Capital Improvement. In addition to the annual assessments authorized by this Article, the Association may levy at any time a special assessment, payable over such a period as the Association may determine for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other sections hereof which shall make specific reference to this Article. Any amounts **assessed** pursuant hereto shall be assessed to owners in proportion to the interest in the Common Area owned by each. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due later than thirty (30) days after such notice shall have been given. A special assessment shall bear interest at the legal judgment rate from the date it becomes due and payable if not paid within thirty (30) days after such date.

Section 9.6 Lien for Assessments. All sums assessed to any Condominium pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such condominium in favor of the Association upon recording of a notice of assessment as herein provided. Such lien shall be superior to all other liens and encumbrances on such Condominium except only for (a) a valid tax and special assessment liens on the Condominium in favor of any governmental assessing authority (b) a lien for all sums unpaid on a first Mortgage, or on any Mortgage to Declarant, duly recorded in **Blaine** County, Idaho real estate records, including all unpaid obligatory advances to be made pursuant to such Mortgage and all amounts advanced pursuant to such Mortgage and secured by the lien thereof in accordance with the terms of such instrument, and (c) labor or materialmen's liens to the extent required by law. All other lienors acquiring liens on any condominium after this Declaration shall have been recorded in said records shall be deemed to consent that such liens shall be interior to future lien for assessments as provided herein, whether or not such consent be specifically set forth in the instrument creating such lien.

To create a lien for a unit pursuant to this Article, the Association may prepare a written notice of assessment letting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the record owner of the Condominium and a description of the Condominium, such a notice shall be signed by the Association and may be recorded in the office of the County Recorder of Blaine County, Idaho. No notice of assessment shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by sale by the Association after failure of the owner to pay such an assessment in accordance with its terms. Such lien to be enforced in the manner permitted by law in Idaho for the exercise of power of sale in deed of trust or in any other manner permitted by law. In any such foreclosure, the owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of filing the notice of assessment and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Condominium which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the owner thereof,

A further notice stating the satisfaction and release of any such lien shall be executed by the Association and recorded in the Blaine county, Idaho real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of assessment,

Any encumbrancer holding a lien on a Condominium may pay, but shall not be required to pay, any amount secured by the lien created by this section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority,

Unless sooner satisfied and released or the enforcement thereof initiated as provided earlier in this Section, any lien created pursuant to this Section shall expire and be of no further force or effect one year from the date of recordation of said notice of assessment, provided, however, that said one year period may be extended by the Association for a period not to exceed one additional year by a written extension signed by the Association and recorded in the office of the County Recorder of Blaine county, Idaho, prior to expiration of said first one year period.

Section 9.7 Personal Obligation Of Owner, The amount of any periodic or special assessment against any Condominium shall be the personal obligation of the owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same, No owner may avoid or diminish such

personal obligation by waiver of the use and enjoyment of any of the Common Area or by abandonment of his condominium.

Section 9.8 Statement of Account. Upon payment of a reasonable fee not to exceed \$50.00 and upon written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Condominium, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Condominium, the amount of the current periodic assessment and the date that such assessment becomes or became due, credit for advanced payment or prepaid items, including, but not limited to, an owner's share of prepaid insurance premium, which statement shall be conclusive upon the Association in favor of person who rely thereon in good faith, unless such request for a statement of account shall be complied with within twenty (20) days, all-unpaid assessments which became due prior to the date of making such request, shall be subordinate to the lien of Mortgagee which acquired its interest subsequent to requesting such statement. Where a prospective purchaser makes such request, both the lien for such unpaid assessments and the personal obligation of the purchaser shall be released automatically if the statement is not furnished within the twenty (20) day period provided herein and thereafter an additional written request is made by such purchaser and is not complied with within ten (10) days, and the purchaser subsequently acquires the Condominium,

SECTION 9.7 Personal Liability of Purchaser for Assessments.

Subject to the provisions of Section 9.8, a purchaser of a Condominium shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

ARTICLE X,

Use of Condominium

Section 10.1 Unless otherwise specifically prohibited herein, any commercial operation or use shall be permitted within the Condominium Unit if it is performed entirely within the Unit and is permitted by applicable law, regulation and ordinances of the City, the County of Blaine, or other governmental agency having jurisdiction, and by this Declaration.

Section 10.2 No noxious or offensive trade or activity shall be carried on within the Unit or upon any part of the Project, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to any property or owner within the Project, or which may be inconsistent with or detrimental to the operation

of the Project, The prohibition of use shall include, but is not limited to, each of the following,

a. No industrial operation or use shall produce noise at a level greater than the standards set by the appropriate local, state or federal agency

b. All equipment causing earth or floor vibrations shall be so mounted as to eliminate vibration hazard and to prevent unreasonable vibration from extending to any other Unit in the Project

c. No industrial operation or use shall discharge into the atmosphere any odorous matter or air pollutants producing a hazard or nuisance to any other Unit in the Project, No process which by its nature is likely to cause air pollution shall be permitted unless there is available a method approved by Declarant and all applicable governmental agencies for controlling the emission of pollutant, and such controls are effectively implemented when required by Declarant or any governmental agency,

d. No industrial operation or use shall discharge onto any portion of the Project, nor discharge into any sewer system or storm drain system for the Project, any toxic or noxious material or other substance which may create a hazard to or otherwise endanger the health, safety or welfare of any Owner of a Unit in the Project or his employee, tenants or customer,

If the obligations stated herein are breached, or if the presence of hazardous material in a Unit or on the Project is caused or permitted by an owner or his agents or tenants results in contamination of a Unit or the Project, or if contamination by hazardous material otherwise occurs for which an Owner is legally liable, such owner shall be responsible to remove such hazardous material at his expense and return the Unit and/or Project to the condition existing prior to the introduction of any hazardous material to the Unit and/or the Project, owner responsible for such contamination hereby agree to indemnify, defend and hold harmless other owner from any and all claims, judgment, damages, penalties, fines, costs, claims or losses which arise during or after owner's a result of such contamination,

section 10.3 None of the following operations and uses shall be permitted within the Project,

a. Parking of mobile home, motor home and/or trailer for temporary or permanent residential or storage purposes unless parked inside the Unit

b, Storing of inoperable vehicles, junk or surplus materials,

c, Mechanical or auto body shop or paint shop

d. Dumping, disposal, incinerating or other reduction of garbage, sewage, dead animal, or refuse,

• • Tire retreading,

f, Breeding and/or keeping of any livestock, including but not limited to horse, cow, goat, sheep and hogs;

g. Slaughtering of animals

h, Smelting of iron, tin or other mineral of any kind whatsoever, and

Concrete batch plant.

(Section 10.4 Nothing shall be done or kept in any Condominium Unit and/or the Common Area which will increase the rate of insurance on the Common Area without the approval of the Association. No owner shall permit anything to be done or kept in his Condominium Unit, or the Common Area, which will result in the cancellation of insurance on any Common Area or which would be in violation of any law

Section 10.5 All signs to be displayed to the public view on or from any Condominium Unit or the Common Area shall not be displayed without the prior written approval of the Association. Only signs displayed on Unit doors are permitted subject to the prior written approval of the Association.

Section 10.6 No animal of any kind shall be raised, bred or kept in any Condominium Unit or on the common Area, for any purpose, including commercial purposes, except such animals used for security purposes ••maybe approved by the Association.

Section 10.7 The owner shall not permit or suffer anything to be done or kept upon said premises which will increase the rate of insurance on the building, or on the contents thereof, or which will obstruct or interfere with the rights of the other occupants, or annoy them by unreasonable noise or otherwise, nor will he commit or permit any nuisance on the premises or commit or suffer any immoral or illegal act to be committed thereon. The owner shall comply with all of the requirements of the Board of Health and of all other governmental authorities with respect to the said premises. If by reason of the occupancy or use of said premises by the owner the rate of insurance of the building shall be increased, the owner shall become personally liable for the additional insurance premiums,

Section 10,8 Nothing shall be done in any Condominium Unit or in, on, or to any building in any Common Area which would structurally change any such building, except as is otherwise provided herein,

Section 10,9 There shall be no structural alteration, construction or removal of any building, fence, wall or other structure in the Project (other than repairs or rebuilding provided for elsewhere in this Declaration) without the approval of the Architectural Control Committee, as set forth herein below. No building, fence, wall or other structure shall be constructed upon any portion of any common Area other than such buildings and structures as shall be constructed (a) by the Declarant (or a person to whom Declarant assigns it as developer), or (b) by the Association as provided elsewhere in this Declaration,

Section 10,10 Except as permitted by the Association, and except as permitted in Section 10,11 below, no vehicles other than passenger automobiles or station wagons or other vehicles up to 1-1/2 tons, shall be parked in any portion of the Common Area. The common Area is hereby made subject to all State laws and City ordinances pertaining to the control of vehicular traffic, and the City through its authorized agent hereby given the authority to enter upon the Common Area and enforce such laws and ordinances,

Section 10,11 No material, supplies or equipment shall be stored outside of the Unit at any time. No garbage receptacle shall be placed on the Common Area other than the receptacle provided by the Association. In no event shall any owner, tenant or employee impede any means of ingress to or egress from another owner's Unit. All loading and unloading of vans, trucks or other vehicles shall take place as quickly as possible and with as little inconvenience as possible to the owner. Notwithstanding any provision in the Declaration to the contrary, trucks or other vehicles in excess of 1-1/2 tons are permitted to be used for loading and unloading of materials, supplies and equipment.

Section 10,12 All owners shall be Members of the Association and shall comply with the terms and conditions as set forth in the Articles of Incorporation and the Bylaws and any rule or regulation of the Association. No owner shall transfer any membership or interest in the Association, except upon the transfer of the condominium to which it is appurtenant.

Section 10.13 No owner shall install or cause to be installed any T.V. or radio antenna, or other similar electronic receiving or broadcasting device on any portion of the exterior of any building in the Project without the prior written approval of the Association as to height, size, purpose, use and shape,

Section 10,14 No owner shall install or cause to be installed any chimney, duct, flue or other similar apparatus without the

prior written approval of the Association, All plans and specifications for the installation of such equipment shall be submitted to the Association for written approval as to shape, design, height, dimension, color, and proposed location,

Section 10.1, An Owner may lease all or some portion of his Condominium unit, subject to the following restrictions: all lease agreements shall be in writing and shall provide that the terms or the lease shall be subject in all respects to the provisions of the Declaration of Restriction and Bylaws, and that any failure by the Lessee to comply with the terms of such documents shall constitute a default under the lease, Other than the foregoing, there are no restrictions on the right of an Owner to lease his Unit,

Section 10.16 There shall be no structural alterations, drilling, removal or other use of structural projections (including, but not limited to, supporting beams, purlings and rafters) within a Unit without the prior written approval of the Association, All approved alterations made pursuant to this Section shall also comply with all applicable City ordinances and State laws,

Section 10.17 No inside or outside window coverings shall be applied to Unit or common Area without the prior written approval of the Association,

Section 10.18 No deck furniture, furnishings or personal property of any kind or nature shall be placed on or kept on porch or deck without the prior written approval of the Association.

Section 10.19 An Owner shall be financially responsible for any and all damage to the Common Area caused by his negligence or the negligence of his tenant, invitee, agent or guest.

ARTICLE XI

Insurance

Section 11.1 Full of Insurance, The Association shall obtain and keep in force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Idaho, The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time,

Annual Insurance The Association shall obtain insurance on the property in such amount as shall provide for full replacement thereof in the event of damage or destruction from the casualty agent which includes insurance to be obtained, all in the

mnnar Jn which a corporation ownng 1lmlar multiplo family ronldontial buldngl ln the vlainly of the Project would, in tho oxorcile of prudont bullnell judgment, obtain such lnuranc, such insurance shall include fire and extended coverage, vndalim and mliciou mlchiof, war risk lnuranc if available ar.d 1! doomd npproplate by the Alloclaton, and luch other rllkl and hazarda ngnlnft which tho Alloclaton lhall dtom it lppropriatl to provid insurance protection, Tht AlloclltiOn may comply with tho above roquromonta by th purchllt of blanket coverage and may eloct such "cJoductlbla" provlson u ln th Anociation' opini on lbro conei&nt with 900d-bulinlll practico,

b. Public Liability and Property Damage Insurance.

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(c) workmnn' Compenlati9n and Employnr' Liability
In urnnco, The Alloclaton lhall purchllae workmo-n' comonaation and employer' liability lnuranc and all other mlmlar insurance in rollpoc of employee of the AJociation in th amount and in tho forma now or horeafUr required by law,

(d) Fidelity lnuranc. The Alloclaton lllhall purchao, in luch amount and in luch form aa lt shall deem appropriate, coverage again t dilhonHty of employee, dHtruction or disappearance of money or **lecuritlll**, and forgery.

(e) Other. The Alloclaton may obtain lnuranc a9Unlt such other r **ka, ol a** mlmlUar or dinimUar nAture, u it shall doom appropriate with **rellpct** to the Project, including any personal property of **the Alloclaton** located thereon.

section 11.2 Optional lnuranc. The Alaocilltton may obtain the following types ol lnuranc coverage, but it la not :equired to do so,

(a) Personal Property Casualty Insurance. The Association may In it dlcration obtain lnuranc on the per onal property and furnishinga initially **placed** ln the Units of owners by Oclarant upon completion of conltruction of the Project in such amount, al shall provide for th full replacement thereof in the ovont of damage or destruction from **calualtlll** agaln t which such insurance ll obtained,

(b) casualty alad public Llabll\ty lnlluranc. The flftaocllntion may In lt mlcretlon obtan chUAlty and public liabll:y lnuranc covera9l, in amount. It may Hloct, with

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Section 11, i Insurance Proceeds. The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Article. The Association shall apportion the proceeds to the portions of the Project which have been damaged and shall determine the amount of the proceeds attributable to damage to the Common Area, to the extent that reconstruction is required herein, the proceeds shall be used for such purpose. To the extent that reconstruction is not required herein and there is a determination that the Project shall not be rebuilt, the proceeds shall be distributed in the same manner herein provided in the event of sale of obsolete Units, as set forth in Section 13,4. Each owner and each Mortgagee shall be bound by the apportionment of damage and of the insurance proceeds made by the Association pursuant hereto,

Section 11,6 Owner's Own Insurance. Notwithstanding the provisions of sections 11.1 and 11.2 hereof, each owner may obtain insurance at his own expense providing coverage upon his condominium, his personal property, for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Article. All such insurance of the owner's Condominium shall waive the insurance company's right of subrogation against the Association, and other owners, and the servants, agents and guests of any of them, if such insurance can be obtained of subrogation,

ARTICLE XII.

casualty Damage or Destruction

section 12,1 Affect Title. Title to each Condominium is hereby made subject to the terms and conditions hereof, which bind the Declarant and all subsequent owners, whether or not it be expressed in the deed by which any owner acquires his Condominium.

Section 12,2 Association as Agent. All of the owners irrevocably constitute and appoint the Association their true and lawful attorney-in-fact in their name, place and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided, Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute such appointment.

section 12,3 General Authority of Association. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of any Condominium owner which may be necessary or appropriate to exercise the power herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs mean restoring the Project to substantially the same condition in which

it existed prior to damage, with each Unit and the Common Area having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless the Owner and the first Mortgagee unambiguously agree not to rebuild in accordance with the provisions set forth hereinafter,

In the event any Mortgagee should not agree not to rebuild, the Association shall have the option to purchase such Mortgage by payment in full of the amount secured thereby if the Owners are in unanimous agreement not to rebuild, The Association shall obtain the funds for such purpose by special assessments under Article IX of this Declaration,

section 12.4 Estimate of Costs. As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Association shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the Project damaged or destroyed,

Section 12.5 Repair and Reconstruction. As soon as practicable after receiving these estimates the Association shall diligently pursue to completion the repair or reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney-in-fact for the owners, and no consent or other action by any owner shall be necessary in connection therewith, such repair or reconstruction shall be in accordance with the original plans and specifications of the Project or may be in accordance with any other plan and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than five percent (5%) from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plan and specifications, and the location of the Building shall be substantially the same as prior to damage or destruction,

Section 12.6 Funds for Reconstruction. The proceeds of any insurance collection shall be available to the Association for the purpose of repair or reconstruction, If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association, pursuant to Article IX hereof, may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. such assessment shall be allocated and collected as provided in that Article, further levies may be made in like manner if the amount, collected proves insufficient to complete the repair or reconstruction.

section 12.7 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and

the amount, received from the **allotment** provided for in Section 12,6 constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds. If there is a balance after payment of all cost of such **repair** or reconstruction, such balance shall be distributed to the owner in proportion to the contributions by each owner pursuant to the allotment by the Association under Section 12,6 of this Declaration,

Section 12.8 Declaration Not to Rebuild. If all Owners and all holders of Brat Mortgage on condominium agree not to rebuild, as provided herein, the Project shall be sold and the proceeds distributed in the same manner herein provided in the event of sale of obsolete Units, **as set forth** in Section 13,4,

ARTICLE XII I.

Obsolescence

Section 13.1 Adoption of a Plan. The record Owners, as reflected on the real estate record of Blaine county, Idaho, representing an **aggregate** record ownership interest of eighty percent (80%) or more of the Units may **agree** that the Project is obsolete and adopt a written plan for the renewal and reconstruction which plan has the unanimous approval of all first Mortgagees of record at the time of the adoption of such plan, Written notice of adoption of such plan shall be given to all owners. such plan shall be recorded in Blaine County, Idaho, real estate records.

Section 13,2 Payment for Renewal and Reconstruction. The expenses of renewal or reconstruction shall be payable by all of the Owners as assessed against their respective Condominiums, These assessments shall be levied in advance pursuant to Article IX hereof and shall be allocated and collected as provided in that Article, Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction,

Section 13,3 Dissents from the Plan. An owner not a party to such a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen (15) days after the recordation of such plan, The Association shall then give written advice of such dissent to all the owners within five (5) days after the expiration of such fifteen (15) day period, Within fifteen (15) days of receipt of such notice from the Association, the record owners, representing an aggregate record ownership of more than sixty-six and two third percent (66 2/3%) of the Units may cancel the plan by written instrument recorded in Blaine County, Idaho real estate records, If the plan is not canceled, then the Condominium of each dissenting owner shall be purchased according

to the following procedure, if the owner and the Association can agree on the fair market value therefor, then such sale and conveyance shall be completed within sixty (60) days thereafter, if the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencement date" from which all period of time mentioned herein shall be measured, within ten (10) days following the commencement date each party shall nominate a qualified appraiser by written nomination and shall give notice of such nomination to the other, if either party fails to make such nomination, the appraiser nominated shall, within fifteen (15) days after default by the other party appoint and disclose to him another qualified appraiser, if the two appraisers designated by the parties, or selected pursuant hereto in the event of default of one party, are unable to agree, they shall appoint another qualified appraiser to be umpire between them, if they can agree on such person, if they are unable to agree upon such umpire, then each appraiser provisionally appointed shall nominate two qualified appraisers, and from the number of the four persons so nominated one shall be drawn by lot by judge of any court of record in Idaho, and the person whose name is so drawn shall be the umpire, his nomination from among which the name of the umpire shall be drawn by lot shall be submitted within ten (10) days after the failure of the two appraisers to agree, which, in any event, shall not be later than twenty (20) days, to whom the appointment of the second appraiser, the declaration of the appraiser as to the fair market value, or in the case of their disagreement the decision of such umpire shall be final and binding. In the event of such appraisers shall be borne equally by the Association and the owner, the sale shall be consummated within sixty (60) days after the decision of the appraiser, and the Association shall thereupon shall distribute the proceeds in the same manner provided in Section 13.4 of this declaration. The obligation of the Association to make such purchase shall be conditioned on the fair market value of the condominium exceeding the obligation incurred by lien on such condominium, and upon the marketability of the title of the owner, owner shall furnish the Association an appropriate abstract of title or commitment for title insurance evidencing marketability of this title not less than fifteen (15) days prior to the date set for completion of the sale.

The Association, pursuant to Article IX hereof, may levy a special assessment sufficient to provide funds to pay for the condominium of condominium of such owner,

section 13.4 Sale of Obligated Unit. The owner, representing an aggregate owner, hereby agrees that the condominium are obsolete and that the project should be sold, such an agreement must have the unanimous approval of every Unit Mortgagee of record at the time such agreement is filed. In such instance the Association shall forthwith record its notice setting forth such fact or facts, and

upon, the recording of such notice by the Association the Project shall be sold by the Association as attorney-in-fact for all of the Owners free and clear of the provisions contained in this Declaration, the Condominium Map, and the By-Laws. The sale proceeds shall be apportioned among the Owners in proportion to the respective units originally paid to Declarant for the purchase of the Condominium **exclusive of the** amounts paid for personal property, and such **apportioned proceeds** shall be paid into separate accounts, each account **representing one** Condominium. Each such account shall remain in **the name of the** Association and shall be further identified by the condominium designation and the name of the owner. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to Mortgage and other liens and the **balance** remaining to each respective owner.

Section 13.5 Distribution of Excess. In the event amounts collected pursuant to Section 13.2 are in **excess** of the amounts required for renewal and reconstruction, the excess shall be returned to the Owner by the Association by a distribution to each Owner in an amount proportionate to **the respective** amount collected from each such owner.

ARTICLE XIV.

Condemnation

Section 14.1 Consequences of Condemnation. If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply,

Section 14.2 Proceeds. Compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award", shall be payable to the Association.

Section 14.3 Complete Taking. In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owner in proportion to the respective amount paid to Declarant for the purchase of the Condominium exclusive of the amount paid for personal property, provided that if a standard different from the value of the Project as a whole is employed to measure the condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principal set forth in the last preceding paragraph, the Association shall make all practicable determination of the share of the Condemnation Award to which each owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 13.4 of this Declaration.

Section 14.4 Partial Taking. In the event that less than the entire Project is taken or condemned, or sold, or otherwise disposed of in lieu of or in avoidance thereof, the Condominium Ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable, the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, **damages**, or other proceeds, and shall apportion the amounts so allocated among the Owners as follows:

(a) the total amount allocated to taking of or injury to the Common Area shall be apportioned equally among the Owners; (b) the total amount allocated to **leverance damages** shall be apportioned to those Condominiums which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements an owner has made within his own Unit shall be apportioned to the particular Unit involved; and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made in the same manner provided in Section 13.4 of this Declaration.

Section 14.5 Reorganization. In the event a partial taking results in the taking of a complete Unit, the owner thereof automatically shall **cease to be a member** of the Association. Thereafter the Association shall reallocate the ownership, voting rights, and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the owners of remaining Unit for amendment of this Declaration as provided in Article XV thereof.

Section 14.6 Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures **specified in Article XII above.**

ARTICLE XV,

Revocation or Amendment to Declaration

This Declaration shall not be revoked nor shall any of the provisions hereon be amended unless the owner representing an undivided ownership interest of fifty percent (50%) or more of the Condominium, as reflected on the most recent record of Blaine County, Idaho, and all holders of any recorded Mortgage covering, or affecting any or all of the Condominium, who interest in a Mortgage in such records, consent and agree to such revocation or amendment by instrument duly recorded, any such revocation or amendment shall be binding upon every Owner and every Condominium whether the burden thereon is increased or decreased by any such instrument and whether or not the owner of each and every Condominium consents thereto,

ARTICLE XII.

Period of Condominium Ownership

The Condominium ownership created by this Declaration and the Condominium Map shall continue until this Declaration is revoked in the manner provided in Article XV of this Declaration or until terminated in the manner provided in Article XIII (Assignment) or XIV (Condemnation) of this Declaration,

ARTICLE XIII.

Assignment

Section 17.1 Compliance with Provisions of Declaration and By-Laws. Failure to comply with the provisions of this Declaration, the Articles of Incorporation and the By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto which are lawfully amended from time to time. Failure to comply with any of the same shall be ground for an action to recover damages and for injunctive relief or both, available by the Association on behalf of the owner, or, in a proper case, by an aggrieved owner,

Section 17.2 Registered Office & Mailing Address. Each owner shall maintain a registered office and all notices or demands intended to be served upon any owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the owner at such registered mailing address. All notices or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association designated in the By-Laws of the Association. All notices or demands to be served on Mortgagee pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee at such address if the Mortgagee has furnished to the Association in writing, unless the Mortgagee furnishes the Association such address, the Mortgagee shall be entitled to receive none of the

notice provided for in this Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section.

Section 17.3 Transfer of Declarant's Rights. Any rights or any interest reserved hereby to the Declarant may be transferred or assigned by the Declarant either separately or with one or more of such rights or interests, to any person or entity,

Section 17.4 Owner's Obligations Continue. All obligations of the owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he may have leased or rented said interest as provided herein, but the owner of a condominium shall have no obligation for expenses or other obligations accruing after he conveys such Condominium.

Section 17.5 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the literal number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

Section 17.6 Severability. If any of the provisions of this Declaration or any clause, paragraph, sentence, phrase or word or the application thereof in any circumstance be invalid, such invalidity shall not affect the validity of the remainder of the Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstance shall not be affected thereby.

Section 17.7 Statute. The provisions of this Declaration shall be in addition and supplemental to the Condominium Property Act of the State of Idaho and to all other provisions of law.

This Declaration is executed this 21st day of January, 1991.

Declarant

ENVIRONMENTAL, INC.,

Alan J. & Alita

Ernest Benzian, its resident

STOREY CONSTRUCTION, INC.,

Gary Storey

Gary Storey, its President

STATE OF IDAHO

•••

COUNTY OF BLAINE 114

On **this** day of I? Df:-t'1 f&.., 1991, boforfl mo, the undorsigned, a Notary Public In en for aaid State, porsonnlly appoasad ERNST DENZIEN, known **to me to he** the President of ENVIRONMENTAL CONTROL, INC,, and known to be the person whoso namo is subscribed to the within instrument, and acknowledgPd to mo that ha executed the same on behalf of **aaid** Corporation,



IN WITNESS WHEREOF, I **have** hereunto set my hand And A!fixad my seal on the **day and year first above** written,

47L1r\U-1'.. .11.VL.a.V
NOTARY PUBLIC for Idaho)
Residing at il .7-7-t 111
Commission Exp res Mf i: ". .1.
FEUf,UlltY i, iJVU

STATE OF IDAHO

COUNTY OF BLAINE

On this .1.1.2,- day of -V ' -e 1991, before me, the undersigned, a Notary PubUon and for Hid State, personally appeared GARY STOREY, known to me to be the President of STOREY CONSTRUCTION. INC., and known to be the person whose name is subscribed to the within instrument, and acknowledged to me that hG executed the same on behalf of **■aid** Corporaticn.

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



NOTARY PUBLIC - Idaho
Residing at _____
Commission Expires 137

IXH1B1T A

KETCHUM TMDI CENTER

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EXHIBIT D

State of Idaho

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CERTIFICATE OF INCORPORATION
OF

KETCHUM TRADE CENTER, INC.

I, PETET. CENARRUSA, Secretary Of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of KETCHUM TRADE CENTER, INC, duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law,

ACCORDINGLY and by virtue of the authority vested in me by law, I Issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation,

Dated: December 3, 1991



tfll
SECRETARY OF STATE

Sheryl Daniels
Corporation Clerk

ARTICLES OF INCORPORATION

OF

KETCHUM TRADE CENTER, INC. 07 8 29

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopt the following Articles of Incorporation,

ARTICLE I

The name of the corporation is KETCHUM TRADE CENTER, INC., hereinafter called "Association",

ARTICLE II

The principal office of the Association is 105 Canyon Drive, Ketchum, Idaho, and the post office address is P. O. Box 1877, Ketchum, Idaho, 83340. The registered agent of the Association at the above street address is GARY STOREY,

ARTICLE III

The incorporator and his address are as follows:

Gary Storey Mailing address
P. O. Box 1877
Ketchum, Idaho 83340

Street address
105 Canyon Drive
Ketchum, Idaho 83340

ARTICLE I

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate a pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the maintenance, preservation and structural control of the condominium unit and common areas within that certain tract of property described as Lot 10 and 11, Northgate Subdivision, Ketchum, Blaine County, Idaho, and to promote the health, safety and welfare of the occupants within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose.

(a) Exclude all of the power and privilege and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Restriction of KETCHUM TRADE CENTER, INC., and any supplemental declaration, herinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Blaine County Recorder and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length.

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the declaration to pay all expenses in connection therewith and all other expenses incident to the conduct of the business of the Association, including all license, tax or governmental charges levied or imposed again the property of the Association.

(c) Acquire (by gift, purchase or otherwise), own, hold, manage, operate, maintain, convey, lease, leasehold, or otherwise, donate for public use or otherwise dispose or roll or prrnonnl property in connection with the activities or the Association

(d) Borrow money and with the amount of two-thirds (2/3) or more, mortgage, pledge, deed in trust, or hypothecate any or all or its real or personal property as security for money borrowed or debt incurred

(e) Donate, sell or transfer all or any part of the common stock to any public agency, authority, or utility for such purpose and subject to such conditions as may be agreed to by the members. No such donation or transfer shall be a voidable unenforceable instrument held in trust by two-thirds (2/3) of the members agreeing to such donation, sale or transfer

(f) Participate in merger and consolidation with other non-profit corporations or organized for the same purpose or any other additional property and common area, provided that any such merger, consolidation or annexation shall have the approval of two-thirds (2/3) of the Association's members

(g) Give and to exercise any and all powers, rights and privileges which a corporation organized under the Non-profit Corporation Law of the State of Idaho by law may now or hereafter have or exercise,

Under no circumstances shall the income of the Association be distributed to the members, directors and officers,

AMENDED EXHIBIT 1
 CONDOMINIUM MAP LARINGTON RECORDED APRIL 9, 1992
 KETCHUM TRADE CENTER
 COMMON AREA RECREATION AREAS RIBUTION
 BLAINE COUNTY, IDAHO REPLACEMENT OF LOTS 10 AND 11
 NORTHGATE SUBDIVISION, CITY OF KETCHUM

unit	Sq ft	% of sq Ft
K	818	7.26% MCMAHAN
D	938	8.33% MCMAHAN
C	938	8.33% MCMAHAN
E	860	7.63% SCI
E	860	7.63% SCI
F	938	8.33% EUCON
G	938	8.33% ENCON
H	818	7.26% GREENBERG
I	500	4.44% PLUMMER
J	553	4.91% WHITE
K	553	4.91% SCI
L	553	4.91% SCI
M	385	3.42% WIRTH
N	553	4.91% WILLIAMS
O	553	4.91% BENNETT
P	500	4.44% RICHIE
TOTAL	11266	100.00%

REQUEST
 STOREY CONSTRUCTION
 JUN 28 1994 10 32
 NOTARY

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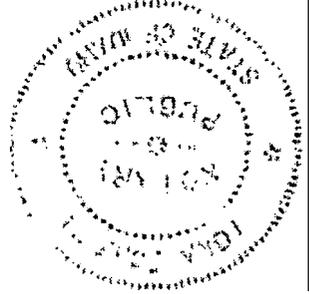
Dated this 26th day of June, 1994.

KETCHUM TRADE CENTER, INC.

On this 26th day of June, 1994, before me, the undersigned, Notary Public in and for said state, personally appeared GARY STOREY, known to me to be the President of STOREY CONSTRUCTION, INC., and known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

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

NOTARY PUBLIC for Idaho,
 Residing at Blaine, Idaho
 Commission Expires 11-11-97



THIS INSTRUMENT WAS PRESENTED FOR
 RECORDATION TO THE CLERK OF THE COUNTY OF
 BLAINE, IDAHO, AND WAS SIGNED AND
 FILED FOR RECORD ON JUNE 28, 1994.

THIS INSTRUMENT IS THE ONLY ORIGINAL FOR RE-
 RECORDATION AND ORIGINAL INSTRUMENT FILED FOR
 RECORDATION.

AMENDED EXHIBIT A
 CONDOMINIUM DECLARATION RECORDED JPRU... 9, 19 92 .3
 KETCHUM TRADE CENTER
 COMMON AREA PERCENTAGE DISTRIBUTION
 BLAINE COUNTY IDAHO REPLAT OF LOTS 10 AND 11
 MORTHGATE SUBDIVISION, CITY OF KETCHUM

unit	Sq Ft	% of Sq ft
A.	818	1.21% MCMAHAN
B	938	8.33% MCMAHAN
C	938	8.33% MCMAHAN
D	560	4.91% SCI
E	860	7.63% SCI
F	938	8.33% ENCON
G	938	8.33% ENCON
H	818	7.26% GREENBERG
I	500	4.44% LUMMER
J	553	4.91% WHITE
K	553	4.91% SCI
L	561	4.98% SCI
M	388	3.42% WIRTH
N	553	4.91% WILLIAMS
O	55	0.49% ENCON/SCI
P	500	4.44% RIDI
TOTAL	11266	100.00%

Gary Greenberg
 2-1-94
 21,0575
 CONSTRUCTION
 REQUEST

Dated this day of May, 1994.

KETCHUM TITLE COMPANY, INC.

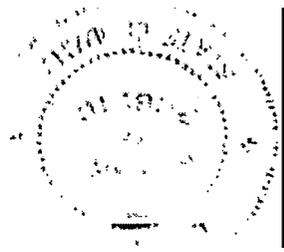
Gary Storey

Gary Storey, Title Director

On this day of May, 1994, before me, the undersigned, a Notary Public in and for said State, personally appeared GARY STOREY, known to me to be the President of STOREY CONSTRUCTION, INC, and known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of said Corporation.

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

Tonia Corbett
 NOTARY PUBLIC for Idaho,
 Residing at Blaine County
 Commission Expires 11-12-99



KETCHUM TRADE CENTER
 PROPOSED COMMON AREA PERCENTAGE DISTRIBUTION
 FOR THE PURPOSE OF ASSESSING PROPERTY TAXES
 PER 4/19/95 MEETING UNANIMOUS VOTE

377551

Unit	Sell	% of Sell
A	\$127,500.00	8.07%MCMAHAN
B	\$117,500.00	7.44%MCMAHAN
C	\$117,500.00	7.44%MCMAHAN
O	\$112,500.00	7.12%SCI
E	\$107,500.00	6.81%SCI
F	\$107,500.00	6.81%ENCON
G	\$107,500.00	6.81%ENCON
H	\$127,500.00	8.07%GREENBERG
I	\$80,500.00	5.10%PWMMER
J	\$87,500.00	5.54%WHITE
K	\$85,500.00	5.41%SCI
L	\$85,500.00	5.41%SCI
M	\$67,500.00	4.27%WIRTL
N	\$82,500.00	5.22%WILLIAMS
O	\$82,500.00	5.22%ENCON/SCI
P	\$82,500.00	5.22%ENCON/SCI

BLAINE CO. REQUEST

Stacy Construction

'SS fwh 20 PPI 2 03

Mary Green, CLERK

FEES \$ 300

misc

TOTAL \$1,579,000.00 100.00

THIS DECLARATION IS EXECUTED THIS 19TH DAY OF APRIL 1995.

DECLARANT:

[Signature]
 GARY STOEY, DIRECTOR

[Signature]
 KEN OCLASSEN, DIRECTOR

[Signature] 4/19/95
 JACOB GREENBERG, DIRECTOR

STATE OF IDAHO)
)
 COUNTY OF BLAINE)

ON THIS 19TH DAY OF APRIL 1995, BEFORE ME, THE UNDERSIGNED, NOTARY PUBLIC IN AND FOR THE STATE OF IDAHO, PERSONALLY APPEARED GARY STOEY, KEN OCLASSEN, AND JACOB GREENBERG, KNOWN TO ME TO BE THE DIRECTORS OF THE KETCHUM TRADE CENTER HOMEOWNER'S ASSOCIATION, AND KNOWN TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THIS INSTRUMENT, AND ACKNOWLEDGED TO ME THAT THEY EXECUTED SAME ON BEHALF OF SAID ASSOCIATION.

IN WITNESS WHEREOF, I HAVE HEREIN SET MY HAND AND AFFIXED MY OFFICIAL SEAL ON THE DAY AND YEAR FIRST ABOVE WRITTEN.



NOTARY PUBLIC FOR IDAHO
 RESIDING AT _____
 COMMISSION EXPIRES _____

KETCHUM TRADE CENTER
 PROPOSED COMMON AREA PERCENTAGE DISTRIBUTION
 FOR THE PURPOSE OF ASSESSING PROPERTY TAXES
 PER 4/19/95 MEETING UNANIMOUS VOTE

377851

Unit	Sell	% of sell
A	\$127,500.00	8.07%MCMAHAN
B	\$117,500.00	7.44%MCMAHAN
C	\$117,500.00	7.44%MCMAHAN
O	\$112,500.00	7.12%SCI
E	\$107,500.00	6.81%SCI
F	\$107,500.00	6.81%ENCON
G	\$107,500.00	6.81%ENCON
H	\$127,500.00	8.07%GREENBERG
I	\$80,500.00	5.10%PLOMMER
J	\$87,500.00	5.54%ENCON
X	\$85,500.00	5.41%SCI
L	\$88,500.00	5.41%SCI
M	\$67,500.00	4.27%WIRTH.
N	\$82,500.00	5.22%WILLIAMS
O	\$82,500.00	5.22%ENCON/SCI
P	\$82,500.00	5.22%ENCON/SCI

BLAINE CO. REQUEST

Gary Storey Construction

'95 fwh 20 Pfl 2 03

Mary Green, CLERK

FEES \$ 300

misc

TOTAL \$1,579,000.00 100,00%

THIS DECLARATION IS EXECUTED THIS 19TH DAY OF APRIL 1995.

DECLARANT::

Gary Storey
 GARY STOREY, DIRECTOR

Ken Oclassen
 KEN OCLASSEN, DIRECTOR

Jacob Greenberg 4/19/95
 JACOB GREENBERG, DIRECTOR

STATE OF IDAHO)
)
 COUNTY OF BLAINE)

ON THIS 19TH DAY OF APRIL 1995, BEFORE ME, THE UNDERSIGNED, NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED GARY STOREY, KEN OCLASSEN, AND JACOB GREENBERG, KNOWN TO ME TO BE THE DIRECTORS OF THE KETCHUM TRADE CENTER HOMEOWNER'S ASSOCIATION, AND KNOWN TO BE THE PERSONS WHOSE NAMES ARE SUBSCRIBED TO THIS INSTRUMENT, AND ACKNOWLEDGED TO ME THAT THEY EXECUTED SAME ON BEHALF OF SAID ASSOCIATION.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL ON THE DAY AND YEAR FIRST ABOVE WRITTEN.

[Faint notary seal text]

NOTARY PUBLIC FOR ID
 RESIDING AT # - 11...
 COMMISSION EXPIRES