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DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
PIONEER RIDGE
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

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DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
PIONEER RIDGE PLANNED UNIT DEVELOPMENT
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS ("Declaration"), is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the owner of that certain subdivision project approved for seventeen (17) residential Lots and one park/drainage parcel on a total of 5.538 acres, located in the City of Post Falls, Kootenai County, Idaho, being the first phase of a larger project known as "Pioneer Ridge" (Actually, an earlier subdivision of the same name and in the same vicinity was developed by a third party developer, but that project is not part of the subdivision encumbered and to be encumbered by this Declaration.) The land (being the 5.538 acres referenced above) encumbered by this Declaration is more particularly described as follows:

All land located within the Plat of Pioneer Ridge First Addition, in the City of Post Falls, according to the Plat filed October 22, 1992, in Book G of Plats, Page 14, as Instrument No. 127963, records of Kootenai County, Idaho;

EXCEPTING therefrom the dedicated roads.

B. As used in this Declaration and the remaining Project Documents, the terms "Property" and "Project" shall refer only to Phase One of the Pioneer Ridge described above, unless and until subsequent Phases are made subject to this Declaration by the preparation of an appropriate Declaration of Annexation, to be recorded according to the terms of this Declaration. Only then will the new Phases be encumbered by this Declaration and become part of Pioneer Ridge. By the recordation of this Declaration, the Declarant is making no representation that further Phases will be annexed to and become part of the Property and the Project.

C. In addition to ownership of individual Lots, the purchasers will hold a membership in an incorporated nonprofit Association of all Owners, known or to be known as Pioneer Ridge Owners Association, which Association will have ownership or easements rights in certain property within the Plat. Such areas shall be known as Common Area, and shall be operated and

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maintained for the benefit of the Owners of all Lots within the Property (all Phases).

D. Declarant intends by this document to impose upon the Property described herein (Phase One only, until later Phases are annexed) mutually beneficial restrictions under a general plan of improvement for the benefit of all of the Lots and the Owners thereof.

E. Declarant hereby declares that the Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the following declarations, limitations, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property, and every part thereof, in accordance with the plan for the subdivision and sale of the Property as a residential community. All of the limitations, covenants, conditions, restrictions, and easements shall constitute covenants and encumbrances which shall run with the land and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title, or interest in or to any part of the Property.

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ARTICLE 1

DEFINITIONS

1.1 "Architectural Committee" shall mean the Architectural Committee created pursuant to Article 4 of this Declaration.

1.2 "Articles" shall mean the Articles of Incorporation of the Association, as amended from time to time.

1.3 "Assessment" shall mean that portion of the cost of maintaining, improving, repairing, operating, insuring and managing the Common Area which is to be paid by the Lot Owners as determined by the Association under this Declaration. Assessments may be designated as Regular Assessments, Extraordinary Assessments, or Special Assessments, as those terms are more specifically defined in Article 6 of this Declaration.

1.4 "Association" shall mean Pioneer Ridge Owners Association, an Idaho nonprofit corporation, formed by Declarant in conjunction with the recordation of this Declaration, the Members of which shall be Owners of Lots within the Property as provided herein.

1.5 "Board" or "Board of Managers" shall mean the Board of Managers of the Association, as it shall be constituted from time to time.

1.6 "Bylaws" shall mean the Bylaws of the Association as restated or amended from time to time.

1.7 "Common Area" shall mean those areas and rights that are held by the Association and operated and maintained for the benefit of the Owners of all Lots. Specifically, the Common Area shall include the following parcel of property within the Project, which shall be operated and maintained as a park area for the disposition of storm drainage, as more particularly described in Article 3 below:

Lot 1, Block 3, within the Plat of Pioneer Ridge First Addition, in the City of Post Falls, according to the Plat filed October 22, 1992, in Book G of Plats, Page 14, as Instrument No. 127963, records of Kootenai County, Idaho;

1.8 "Common Expenses" shall mean the actual and estimated expenses of maintenance, improvement, repair, operation, and management of the Common Area and of administration of the Association, and any reasonable reserve for such purposes as determined by the Board, and all sums designated Common Expenses by or pursuant to the Project Documents.

1.9 "Declarant" shall mean DESTINY DEVELOPMENT CORPORATION, an Idaho corporation, and its successors-in-interest and assigns

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with respect to the Property, but excluding members of the public purchasing completed Lots.

1.10 "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions, as it may be amended from time to time.

1.11 "Lot" shall mean any of the numbered seventeen (17) separate residential parcels as designated on the Plat (exclusive of the Common Area).

1.12 "Member" shall mean a member of the Association, as defined in the Articles of Incorporation and Bylaws of the Association.

1.13 "Mortgage" includes a recorded mortgage, deed of trust, real estate contract, or other instrument creating a security interest in any Lot.

1.14 "Mortgagee" includes a mortgagee, beneficiary or holder of a deed of trust, real estate contract vendor, or other holder of a security interest in any Lot.

1.15 "Mortgagor" includes a mortgagor, the grantor of a deed of trust, real estate contract vendee, or other person granting a security interest in any Lot.

1.16 "Owner" or "Owners" shall mean the record holder or holders of title to a Lot within the Property. This shall include any person having a fee simple title to any Lot, but shall exclude persons or entities having any interest merely as security for the performance of any obligation. Further, if a Lot is sold under a recorded contract of sale to a purchaser, the purchaser, rather than the fee owner, shall be considered the "Owner."

1.17 "Person" shall mean any natural person, corporation, partnership, association, trustee, or other legal entity.

1.18 "Phase" shall mean a particular parcel of property which is or shall become part of the Project pursuant to the recordation of an appropriate Declaration of Annexation. The property described in Recital "A" above shall be deemed to be Phase One of the Project, and any parcel annexed to the Project pursuant to Article 15 below shall be deemed to be a subsequent Phase of the Project.

1.19 "Plat" shall refer to the recorded plat for Pioneer Ridge, as amended from time to time.

1.20 "Project Documents" shall mean this Declaration, the Plat, and the Articles and Bylaws of the Association, as each shall be amended from time to time.

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1.21 "Property" or "Project" shall mean the entire real property covered by this Declaration, together with any additional real property (subsequent Phase) annexed to the Project by the recordation of an appropriate Declaration of Annexation.

END OF ARTICLE 1

DEFINITIONS

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ARTICLE 2

ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND
VOTING RIGHTS

2.1 Organization of Association. The Association is or shall be incorporated under the name of PIONEER RIDGE OWNERS ASSOCIATION, as a nonprofit corporation under the Idaho Nonprofit Corporation Act.

2.2 Duties and Powers. The duties and powers of the Association are those set forth in this Declaration, and in the Articles and Bylaws, together with its general and implied powers as a nonprofit corporation, generally to do any and all things that a nonprofit corporation organized under the laws of the State of Idaho may lawfully do and which are necessary or proper in operating for the peace, health, comfort, safety and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in this Declaration, the Articles and Bylaws.

2.3 Membership. The Owner of a Lot shall automatically, upon becoming the Owner of that Lot, be a Member of the Association, and shall remain a Member thereof until such time as his or her ownership ceases for any reason, at which time his or her membership in the Association shall automatically cease. Membership shall be in accordance with the Articles and the Bylaws of the Association.

2.4 Transferred Membership. Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in his or her name to the purchaser of his or her Lot, the Association shall have the right to record the transfer upon its books and thereupon the old membership outstanding in the name of the seller shall be null and void.

2.5 One Class of Membership; Voting Requirements. The Association shall have one (1) class of voting membership established according to the Articles, with one vote being allocated to each Lot.

2.6 Membership Meetings. Regular and special meetings of Members of the Association shall be held with the frequency, at the time and place, and in accordance with the provisions of the Bylaws of the Association.

2.7 Board of Managers. The affairs of the Association shall be managed by a Board of Managers, which shall be established and which shall conduct regular and special meetings according to the provisions of the Bylaws of the Association.

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2.8 Use of Agent. The Board of Managers, on behalf of the Association, may contract with a professional management agent for the performance of maintenance and repair of the Common Area, and for conducting other activities on behalf of the Association, as may be determined by the Board, subject to such limitations as may be set forth in the Bylaws.

END OF ARTICLE 2

ASSOCIATION, ADMINISTRATION, MEMBERSHIP
AND VOTING RIGHTS

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ARTICLE 3

RIGHTS IN COMMON AREA

3.1 Common Area. The Common Area shall include the park area described in the Definitions above, and any other property or property rights conveyed to or held by the Association for the benefit of all Lots within the Project.

Each Lot Owner shall have an equal nonexclusive right to use all parts of the Common Area in accordance with the purposes for which it is intended, without hindering the exercise of or encroaching upon the lawful rights of any other Lot Owners, subject to rules and regulations enacted by authority of the Board as provided herein.

3.2 Subdivision and Partition Prohibited. Neither the Lot nor any Common Area shall be further subdivided, and the Common Area shall remain held as set forth above. No Owner shall bring any action for partition or division of any part of any Lot or the Common Area (it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Project); provided, however, that a Lot Owner may bring an action for partition by sale of a Lot and division of the proceeds thereof.

3.3 Regulation of Common Area Use. The rights and easements of use and enjoyment of the Common Area created by this Declaration shall be subject to such rules and regulations as may be adopted by the Board of Managers from time to time. Without limiting the generality of the Board's authority to enact reasonable rules and regulations, such rights shall be subject to the following:

(a) The right of the Board to consent to or otherwise cause the construction of additional improvements on the Common Area and to consent to or otherwise cause the alteration or removal of any existing improvements on the Common Area for the benefit of the Members of the Association; and

(b) The right of the Board to consent to or join in the grant or conveyance of easements, licenses or rights of way in, on or over the Common Area, for access, ingress and egress, for utilities, and/or for other purposes not inconsistent with the intended use of the Property as a residential subdivision.

3.4 Damage by Member. Each Member shall be liable to the Association for any damage to the Common Area, if the damage is sustained because of the negligence, wilful misconduct or unauthorized or improper installation or maintenance of any improvement by the Member, or by any tenant, guest, or other invitee of the Member. The Association, acting through the Board, reserves the right to determine whether any claim shall be

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made upon the insurance maintained by the Association, and the Association further reserves the right to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Member or the person for whom the Member may be liable as described above. The cost of correcting the damage to the extent not reimbursed to the Association by insurance shall be a Special Assessment against the Lot and may be enforced as provided hereby for the enforcement of other Assessments.

END OF ARTICLE 3

RIGHTS IN COMMON AREA

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ARTICLE 4

ARCHITECTURAL CONTROL

4.1 Prohibition of Alteration and Improvement. Subject to the exemption of Declarant hereunder, no building, sign, fence, wall, obstruction, awning, improvement, or structure of any kind, shall be commenced, erected, painted or maintained upon the Property, nor shall any alteration or improvement of any kind be made thereto unless and until the same has been approved in writing by the Board or by an Architectural Committee (the "Committee") appointed by the Board as provided in this Article.

4.2 Development Plans and Approval. Plans and specifications showing the nature, kind, shape, color, size, materials and location of such improvements or alterations, together with detailed landscaping plans, shall be submitted to the Board or Committee for approval as to quality of workmanship and design. However, no permission or approval shall be required to rebuild in accordance with plans and specifications previously approved by the Board or Committee.

The Board or Committee shall consider and act upon any and all plans and specifications submitted for its approval under this Article and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with approved plans. Any application submitted pursuant to this Article shall be deemed approved, unless written disapproval or a request for additional information or materials shall have been transmitted to the applicant within twenty (20) days after the date of receipt by the Board or Committee of all required materials.

4.3 Architectural Committee. If a Committee is to be appointed, all members thereof shall be appointed by the Board. There shall be not less than three (3) nor more than five (5) members of the Committee, as determined by the Board. Unless and until a Committee is appointed, the functions of the Committee shall be undertaken by the Board.

The members of the Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder. Neither the Committee nor any member of the Committee shall be liable in damages or otherwise for decisions made in good faith pursuant to the authority granted in this Article.

4.4 Architectural Guidelines. The Board or Committee shall have the authority to adopt Architectural Guidelines, and to augment, amend, or otherwise modify such Guidelines from time to time; provided that they shall, at all times be consistent with the remaining Project Documents and building restrictions imposed by law. The Guidelines shall, at a minimum, include the following provisions:

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(a) All homes shall contain a minimum of 1200 square feet. Compliance with such minimums shall be determined by reference only to usable living space, exclusive of garages, shops, patios, and other areas not intended as part of the living quarters;

(b) All homes shall include an attached enclosed garage designed to accommodate at least two (2) cars;

(c) All outdoor lighting shall be indirect or directed in a downward direction so as to minimize the impact on surrounding Lots. The Guidelines may also set forth further specifics as to focus and intensity of lighting;

(d) No fences between a home and any street shall exceed three (3) feet in height. all fences shall otherwise be subject to Board or Committee approval.

Without limiting the authority granted to the Board or Committee herein, the Guidelines may also specify landscaping requirements (including numbers and species of trees and shrubs), and acceptable building materials. Also, in addition to the Guidelines adopted according to this Article, all construction shall comply with the terms of Article 8 below (Use Restrictions).

END OF ARTICLE 4

ARCHITECTURAL CONTROL

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ARTICLE 5

REPAIR AND MAINTENANCE

5.1 Repair and Maintenance Rights and Duties of Association. The Association shall operate, maintain, repair and replace the Common Area and facilities thereon, or shall contract for such operation, maintenance, repair and replacement to assure maintenance of the Common Area and facilities thereon in good condition, reasonable wear and tear excepted. The Association shall have no obligation to maintain any Lot or improvements on any Lot; however, in the event an Owner fails to maintain his or her Lot or improvements thereon as provided herein in a manner which the Board deems necessary to preserve the appearance and value of the Property, the Board may notify the Owner of the work required and demand it be done within sixty (60) days from the giving of such notice. In the event the Owner fails to carry out such maintenance within such period, the Board may cause such work to be done and may specially assess the cost thereof to such Owner, and, if necessary, lien his or her Lot for the amount thereof.

5.2 Repair and Maintenance Rights and Duties of Owners. Each Lot Owner shall at his or her sole cost and expense maintain and repair his or her Lot and all improvements thereon, in good condition so as to be consistent with the balance of the Project, in the judgment of the Board.

END OF ARTICLE 5

REPAIR AND MAINTENANCE

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ARTICLE 6

ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

6.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the following Assessments, which shall be established and collected as provided herein:

- (a) Regular Assessments;
- (b) Extraordinary Assessments; and
- (c) Special Assessments.

All Assessments, together with interest, costs, penalties and actual attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each Assessment is made, the lien to become effective upon recordation of a Notice of Assessment Lien. Each such Assessment, together with interest, costs, penalties and actual attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. No Owner of a Lot may exempt himself from liability for his or her contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area or by the abandonment of his or her Lot.

6.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of all the Owners of Lots in the entire Project for the improvement and maintenance of the Common Area for the common good of the Project. The Regular Assessments shall include an adequate reserve fund for maintenance, repair and replacement of those portions of the Common Area which must be replaced on a periodic basis.

6.3 Regular Assessments. Until the end of the Association's fiscal year immediately following the closing of the sale of the first Lot in the Project, the maximum annual Regular Assessment for the entire Project shall be such amount as may be set forth in the Project budget prepared by Declarant. Thereafter, the Board shall determine and fix the amount of the maximum annual Regular Assessment for the entire Project at least sixty (60) days in advance of the start of each fiscal year; provided, however, that the maximum annual Regular Assessment may not be increased by more than twenty percent (20%) above the maximum annual Regular Assessment for the immediately preceding fiscal year, without the vote or written assent of a majority of the total voting power of the Association.

6.4 Extraordinary Assessments. In addition to the Regular Assessments authorized above, the Board may levy, in any fiscal year, an Extraordinary Assessment applicable to that year only

for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or to defray any unanticipated or underestimated Regular Assessment; provided, however, that the aggregate Extraordinary Assessments for any fiscal year shall not exceed five percent (5%) of the budgeted gross expenses of the Association (excluding reserves) for that fiscal year, without the vote or written assent of a majority of the total voting power of the Association.

6.5 Special Assessments. In addition to the Regular and Extraordinary Assessments authorized above, the Board may levy Special Assessments (without limitation as to amount or frequency) against a Lot and its Owner to reimburse the Association for costs incurred in bringing that Owner and his or her Lot into compliance with the Project Documents, including interest, penalties, actual attorneys' fees and costs.

6.6 Allocation of Assessments. Each Lot, including Lots owned by Declarant, shall bear an equal share of each aggregate Regular and Extraordinary Assessment (subject to the right of the Declarant to defer the commencement of Assessments against Lots owned by the Declarant as provided in Paragraph 6.7 below).

6.7 Date of Commencement of Assessment; Due Dates. The Regular Assessments provided for herein shall commence on the first day of the month following closing of the sale of the first Lot in the Project. Due dates of Assessments shall be the first day of every calendar month. No notice of such Assessment shall be required other than an annual notice setting forth the amount of the Assessment for the following year.

Notwithstanding the foregoing, Declarant shall have the right to defer, for up to four (4) years from the date of recording of this Declaration, the commencement of Declarant's Regular Assessment obligation. This deferral shall be available only for so long as the Declarant, at its expense, performs or subsidizes all actual Common Area maintenance and repair to the extent such maintenance and repair is not covered by Assessments against Lots not owned by the Declarant. Upon expiration of the deferral period, Lots owned by the Declarant shall be assessed in the same manner as all other Lots.

6.8 Transfer of Lot by Sale or Foreclosure. The sale or transfer of any Lot shall not affect any Assessment lien, or relieve the Lot from any liability therefor, whether the lien pertains to payments becoming due prior or subsequent to such sale or transfer. Notwithstanding the foregoing, the sale or transfer of any Lot pursuant to foreclosure or by deed in lieu of foreclosure of a recorded first mortgage given in good faith and for value shall extinguish the lien of all such Assessments as to payments which became due prior to such sale or transfer. Sale or transfer pursuant to mortgage foreclosure shall not, however, affect the personal liability of the Owner for unpaid

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Assessments. Any Assessments for which the liens are extinguished pursuant to this Paragraph shall be deemed to be Common Expenses collectible from all of the Lots, including the Lot for which the lien was extinguished.

In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid Assessments by the Association against the latter for his or her share of the Common Expenses (and for his or her obligation for individual Special Assessments) up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Board, setting forth the amount of the unpaid Assessments due the Association, and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid Assessments made by the Association against the grantor in excess of the amount set forth in the statement; provided, however, the grantee shall be liable for any such Assessment becoming due after the date of any such statement.

6.9 Enforcement of Assessment Obligation; Priorities; Discipline. If any part of any Assessment is not paid within ten (10) days after the due date, an automatic late charge equal to five percent (5%) of the Assessment (but not less than \$10) shall be added to and collected with the Assessment. Additionally, if any part of any Assessment is not paid and received by the Association or its designated agent within thirty (30) days after the due date, the total unpaid Assessment (including the late charge) shall thereafter bear interest at the rate of eighteen percent (18%) per annum until paid. Each unpaid Assessment, whether Regular, Extraordinary or Special, shall constitute a lien on each respective Lot prior and superior to all other liens recorded subsequent to the recordation of the Notice of Assessment Lien, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; or (2) labor or materialmen's liens arising under Idaho law (timely and duly filed) if the legal effective date is prior to the recording of the Notice of Assessment Lien. Such lien, when delinquent, may be enforced by sale by the Association (acting through the Board), its attorney or other person authorized by this Declaration or by law to make the sale, after failure of the Owner to pay such Assessment, in accordance with the provisions of Idaho law applicable to the exercise of powers of sale in deeds of trust (with the Board having the right and authority to appoint an independent trustee), or by judicial foreclosure as a mortgage, or in any other manner permitted by law. During any such foreclosure proceeding, the foreclosing party shall be entitled to the appointment of a receiver to collect rent becoming due with respect to the subject Lot. The Association, acting on behalf of the Lot Owners, shall have the power to bid for the Lot at the foreclosure sale, and to acquire and hold, lease, encumber and convey the same. The foreclosing party shall have the right to eliminate any redemption rights of the defaulting

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unpaid Assessments, rent, interest, costs, penalties, and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties including actual attorneys' fees and costs and may temporarily suspend the voting rights of a Lot Owner who is in default in payment of any Assessment, after notice and hearing according to the Bylaws.

6.10 Payment of Taxes Assessed Against Common Area or Personal Property of Association. If any taxes are assessed against the Common Area or the personal property of the Association, rather than against the Lots, said taxes shall be included in the Assessments made under this Article, and, if necessary, an Extraordinary Assessment may be levied against the Lots in an amount equal to said taxes (regardless of the limitation on Extraordinary Assessments set forth in Paragraph 6.4 above).

END OF ARTICLE 6

ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

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ARTICLE 7

EASEMENTS AND UTILITIES

7.1 Common Area Easements. Declarant expressly reserves for the benefit of the Owners and the Association reciprocal, nonexclusive easements for the use and enjoyment of the Common Area and all facilities thereon, consistent with its intended purposes.

Declarant also expressly reserves for the benefit of the Board of Managers and all agents, officers, and employees of the Association, nonexclusive easements over the Common Area and all Lots as necessary to maintain and repair the Common Area, and to perform all other tasks in accordance with the provisions of this Declaration. Such easements over the Common Area and Lots shall be appurtenant to, binding upon and shall pass with the title to, every Lot conveyed.

7.2 Encroachment and Utility Easements. Each Lot and the Common Area is hereby declared to have an easement over each other Lot and the Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of any improvement, or any other cause. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that no valid easement for encroachment shall be created in favor of an Owner or Owners if said encroachment occurred due to the gross negligence or wilful misconduct of said Owner or Owners.

Declarant also expressly reserves for the benefit of itself and its successors-in-interest and assigns, including the Association, easements over and under the entire Property (together with the right to grant, transfer and relocate the same) for the installation, repair, and maintenance of sanitary sewer, water, electric, gas, telephone, television and other utility lines and services, as may be deemed appropriate to service the Property.

7.3 Utility Services. Each Owner shall make all arrangements for and pay directly for all utilities and services furnished to or used by such Owner, including without limitation, gas, electricity, sewer, garbage collection, telephone service, and television receiving.

Utilities required in connection with the maintenance and operation of the Common Area, such as power for Common Area lighting, if any, and water for landscape irrigation, shall be the responsibility of the Association, and shall be deemed a Common Expense.

END OF ARTICLE 7

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ARTICLE 8

USE RESTRICTIONS

8.1 Use of Individual Lots. Lots shall be used only for single family residential purposes by the Owner and his or her family, or by a single-family tenant. No cattle, pigs, goats, poultry, or other livestock or animals shall be raised or maintained on any Lot, except that no more than two (2) cats and two (2) dogs may be kept on any Lot (the right to keep dogs being conditioned by a requirement that they be kept leashed or within an enclosed area within the Lot at all times). A Lot may not be used for commercial or other nonresidential purposes unless approval is first given in writing signed by the Owners of three-fourths (3/4) of all Lots, and unless the proposed use complies with all requirements of any governmental or quasi-governmental agency having jurisdiction over the Property.

8.2 Lot Maintenance. Each Lot and the exterior appearance of improvements thereon shall be maintained in a clean, neat and orderly condition and in good repair at all times. All rubbish, trash and garbage shall be regularly removed from all Lots, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers which shall be kept screened and concealed from the view of other Lots, the Common Area, and all public ways. During any period prior to the commencement of construction, Lots shall nevertheless be maintained in good condition (according to the judgment of the Board), and weeds and debris shall not be allowed to accumulate.

8.3 Nuisances. No noxious, illegal, or offensive activities shall be carried on within any Lot; nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of each of the other Owners of their respective Lots.

8.4 Construction Requirements. Only one (1) single-family residence shall be allowed on each Lot. No improvements shall be located closer than twenty-five (25) feet to any street. Rear yard setbacks shall be at least twenty (20) feet, and side yard setbacks (except for a side yard adjacent to a street) shall be at least five (5) feet. Notwithstanding the foregoing, all improvements shall comply with setback requirements of the City of Post Falls and any other agency or municipality having jurisdiction.

With respect to those Lots through which the prior recorded natural gas line easement runs, no improvements shall be constructed within ten (10) feet of the centerline of the pipe as located by the holder of the easement.

Construction of the principal residence on a Lot shall be commenced within one (1) year from the date of conveyance of the Lot by the Declarant to the individual Owner. The work of construction, altering or repairing any structure shall be

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diligently performed from its commencement until completion and, in any event, the exterior appearance thereof (including landscaping) shall be completed within one (1) year after the commencement of construction. All construction shall conform to requirements established by any municipality or governmental agency having jurisdiction over the Property. Landscaping shall be completed within six (6) months following the earlier of completion or occupancy of the primary residence.

8.5 Mobile and Modular Homes/Trailers. No mobile or modular home or residential trailer shall be permitted on any Lot.

8.6 Vehicle and Equipment Restrictions. No utility, boat or other trailer, commercial vehicle, bus, truck (other than standard size pickup truck), inoperable automobile, boat, or similar equipment, and no vehicle which is in an extreme state of disrepair, shall be permitted to remain upon any Lot, other than temporarily (as for purposes of loading and unloading of passengers or personal property), unless placed or maintained within an enclosed garage, or within such portion of the Common Area as may be designated by the Board for such use. No noisy or off-road, unlicensed motor vehicles shall be maintained or operated upon the property, except such recreational vehicles as may have been approved by the Board.

8.7 Signs. No signs shall be displayed to the public view on any Lot, except such signs as may be approved in writing by the Board. This restriction shall not apply to "For Sale" or "For Rent" signs, which shall be allowed provided they do not exceed three (3) square feet in size.

8.8 No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenant. Any Owner acquiring a Lot in the Project in reliance on one or more of such restrictive covenants shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot agrees to hold Declarant harmless therefrom.

END OF ARTICLE 8

USE RESTRICTIONS

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ARTICLE 9

INSURANCE

9.1 Duty to Obtain Insurance; Types. The following policies of insurance shall be obtained and maintained:

(a) Hazard Insurance: Each Owner shall maintain, with respect to its Lot, and the Association shall maintain, with respect to the Common Area, hazard insurance covering loss or damage to all parts of such ownership (and contents) in the amount of the full replacement value thereof, providing protection against all direct causes of loss. The insurance shall name the Association as an additional insured and shall contain the standard mortgage clause, naming the holders of first mortgages as the mortgagees.

(b) Liability Insurance: Each Owner, with respect to its Lot and improvements thereon, and the Association, with respect to the Common Area, shall maintain, at their respective cost, a comprehensive general liability insurance policy, with policy limits and endorsements deemed appropriate by the Board (but having a combined single limit of liability of not less than \$1,000,000.00), covering all occurrences within such Lot and the Common Area.

(c) Fidelity Bonds: If required by any first mortgagee, the Board shall also carry blanket fidelity bonds for anyone who either handles or is responsible for funds which are held or administered by the Association, whether or not they receive compensation for such services.

9.2 Lenders' Requirements. Notwithstanding the foregoing, the Association and each Lot Owner shall maintain insurance and fidelity bonds meeting the requirements for similar projects established by the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), the Mortgage Association ("TMC"), Veterans Administration ("VA") and/or the Federal Housing Administration ("FHA"), so long as any of them shall be a holder, insurer, or guarantor of a mortgage on a Lot within the Project, except to the extent such coverage is not available or has been waived in writing by FNMA, GNMA, TMC, VA and/or FHA, as applicable.

9.3 Waiver of Claim Against Association. As to all policies of insurance maintained by or for the benefit of the Association and the Owners, the Association and the Owners hereby waive and release all claims against one another, the Board of Managers and Declarant, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by any of said persons.

END OF ARTICLE 9
INSURANCE

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ARTICLE 10

DESTRUCTION OF IMPROVEMENTS

10.1 Restoration of Common Area. Except as otherwise provided in this Declaration, in the event of any destruction of any portion of the Common Area, the repair or replacement of which is the responsibility of the Association, it shall be the duty of the Association to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article 9 hereof for reconstruction or repair of the Common Area shall be used for such purpose, unless otherwise provided herein. The Board shall be authorized to have prepared the necessary documents to effect such reconstruction as promptly as practical. The Common Area shall be reconstructed or rebuilt substantially in accordance with the original construction plans, unless changes recommended by the Board or the Architectural Committee have been approved by the vote of a majority of the total voting power of the Owners. If the amount available from the proceeds of such insurance policies for such restoration and repair is not sufficient to cover the entire cost of restoration and repair, the Association shall be authorized to levy an Extraordinary Assessment to collect the deficiency from all Owners and to proceed with the restoration.

10.2 Restoration of Residential Improvements. In the event of any destruction of any portion of any residential improvements, it shall be the duty of the Owner, subject to the rights of any first mortgagee, to restore and repair the same to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article 9 hereof for reconstruction and repair of the improvements shall be used for such purpose, unless otherwise provided herein. The improvements shall be reconstructed or rebuilt substantially in accordance with the original construction plans, unless changes are approved by the Board or the Architectural Committee. If the amount available from the proceeds of such insurance for such restoration and repair is insufficient, the cash required shall be provided by the Owner.

END OF ARTICLE 10

DESTRUCTION OF IMPROVEMENTS

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ARTICLE 11

EMINENT DOMAIN

11.1 Awards; Repair; Restoration and Replacement. In the event of any taking of any Lot in the Project by eminent domain (including actual condemnation or sale under threat of condemnation), the Owner of such Lot shall be entitled to receive the award for such taking (subject to the rights of any mortgagee thereof), and after acceptance thereof, he or she and his or her mortgagee(s), shall be divested of all interest in the Project if such Owner shall vacate his or her Lot as a result of such taking. The remaining portion of the Project shall be resurveyed, if necessary, and this Declaration shall be amended to reflect such taking. In the event of a taking by eminent domain of more than one Lot at the same time, the Board may participate in the negotiations, and may propose the method of division of the proceeds of condemnation, where Lots are not valued separately by the condemning authority or by the court. In the event any Lot Owner or first mortgagee disagrees with the proposed allocation, he or she may have the matter submitted to arbitration under the rules of the American Arbitration Association.

11.2 Awards for Owners' Personal Property and Relocation Allowances. Where all or part of the Project is taken by eminent domain, each Owner shall have the exclusive right to claim all of the award made for such Owner's personal property, and any relocation, moving expense, or other allowance of a similar nature designed to facilitate relocation.

END OF ARTICLE 11

EMINENT DOMAIN

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ARTICLE 12

RIGHTS OF MORTGAGEES

In order to induce various lenders and lending agencies, including without limitation, The Mortgage Corporation ("TMC"), the Government National Mortgage Association ("GNMA") and the Federal National Mortgage Association ("FNMA"), the Veterans Administration ("VA") and/or the Federal Housing Administration ("FHA") to participate in the financing of the sale of Lots within the Project, this Article 12 is included in this Declaration. To the extent these added provisions, pertaining to the rights of such lenders and lending agencies, conflict with any other provisions of this Declaration or any other of the Project Documents, these added restrictions shall control. For purposes of this Article 12, the terms "Eligible Holder" and "Eligible Insurer or Guarantor" refer to a holder, insurer or guarantor of any first mortgage on a Lot, who has provided a written request to the Association, to be notified of any proposed amendment or action described in Paragraph 12.5 or Paragraph 12.6 below.

12.1 Notwithstanding any other provision of Project Documents, no amendment or violation of the Project Documents shall operate to defeat or render invalid the rights of any mortgagee of a Lot made in good faith and for value, provided that after the foreclosure of any such mortgage, such Lot shall remain subject to the Project Documents.

12.2 Each first mortgagee of a mortgage encumbering any Lot, which obtains title to such Lot pursuant to judicial foreclosure or the powers provided in such mortgage, shall take title to such Lot free and clear of any claims for unpaid Assessments or charges against such Lot which accrued after the time such mortgage recorded its mortgage, and prior to the time such mortgagee acquires title to such Lot.

12.3 First mortgagees, upon written request, shall have the right to (1) examine the books and records of the Association during normal business hours; (2) require from the Association the submission of annual audited financial reports and other financial data; (3) receive written notice of all meetings of the Owners; and (4) designate, in writing, a representative to attend all such meetings.

12.4 Each Owner hereby authorizes the first mortgagee of a first mortgage on his or her Lot to furnish information to the Board concerning the status of the first mortgage and the loan which it secures.

12.5 Lot Owners shall have the right to amend the Project Documents in accordance with Article 13 below, subject to the rights of Eligible Holders to participate in the amendment process as provided in this Paragraph. Amendments of a material nature shall be agreed to by (i) the Declarant (so long as the Declarant owns any Lot in the Project or retains the right to

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annex any future phase(s); (ii) Lot Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Association, excluding votes held by the Declarant; and (iii) Eligible Holders representing at least fifty-one percent of the votes of Lots that are subject to mortgages held by Eligible Holders. A change affecting any of the following would be considered as material:

- Voting rights;
- Assessments, assessment liens, or subordination of assessment liens;
- Reserves for maintenance, repair and replacement of Common Area;
- Responsibility for maintenance and repairs;
- Reallocation of interests in the Common Area, or rights to its use;
- Boundaries of any Lot;
- Convertibility of Lots into Common Area or vice-versa;
- Expansion or contraction of the Project, or the addition, annexation or withdrawal of property to or from the Project;
- Insurance or fidelity bonds;
- Leasing of Lots;
- Imposition of any restrictions on a Lot Owner's right to sell or transfer his or her Lot;
- A decision by the Association to establish self-management when professional management had been previously required by an Eligible Holder;
- Restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in the Project Documents;
- Any action to terminate the legal status of the Project after substantial destruction or condemnation (when Lot Owners are considering termination of the legal status of the Project for reasons other than substantial destruction or condemnation, approval must be obtained from Eligible Holders representing at least sixty-seven percent (67%) of the votes of Lots that are subject to mortgages held by Eligible Holders); or
- Any provisions that expressly benefit mortgage holders, insurers or guarantors.

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If the Association determines that an addition or amendment to the Project Documents is not a material change, the approval of Eligible Holders shall be implied by the failure of an Eligible Holder to submit a response to a written proposal for an amendment within thirty (30) days after the proposal is made.

12.6 Each Eligible Holder and each Eligible Insurer or Guarantor is entitled to timely written notice of the following:

- Any condemnation or casualty loss that affects either a material portion of the Project or the Lot securing its mortgage;
- Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage;
- A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and
- Any proposed action that requires the consent of a specified percentage of Eligible Holders.

In addition to the foregoing, the Board shall have the power and authority, without the vote of the Association, to enter into such contracts or agreements on behalf of the Association as are required in order to satisfy the guidelines of the VA, FHA, TMC, the FNMA or the GNMA or any similar entity, so as to allow for the purchase, guaranty or insurance, as the case may be, by such entities of first mortgages encumbering Lots. Each Owner hereby agrees that it will benefit the Association and the membership of the Association, as a class of potential mortgage borrowers and potential sellers of their residential Lots, if such agencies approve the Property as a qualifying Project under their respective policies, rules and regulations, as adopted from time to time.

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ARTICLE 13

DURATION AND AMENDMENT

13.1 Duration. This Declaration shall continue in full force for a term of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination is recorded, meeting the requirements of an amendment to this Declaration as set forth in Paragraph 13.2.

13.2 Amendment. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which the proposed amendment is to be considered. A resolution adopting a proposed amendment may be proposed by an Owner at a meeting of the Members of the Association. The resolution shall be adopted by the vote, in person or by proxy, or written consent of (i) the Declarant, for so long as the Declarant owns any Lot in the Project or retains the right to annex any future phase(s); and (ii) Lot Owners representing at least sixty-seven percent (67%) of the total allocated votes in the Association, excluding votes held by the Declarant.

Notwithstanding the foregoing, the following special voting provisions shall apply:

(a) Amendments of material nature shall be enacted in compliance with the provisions of Article 12 of this Declaration;

(b) The specified percentage of the voting power necessary to amend a specified provision of this Declaration shall be not less than the percentage of affirmative votes prescribed for action to be taken under that provision;

A certificate, signed and sworn to by two (2) officers of the Association, that the record Owners of the required number of Lots (and the necessary number of Owners, and the required number of first mortgagees, where applicable) have either voted for or consented in writing to any amendment adopted as provided above, when recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years.

END OF ARTICLE 13

DURATION AND AMENDMENT

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ARTICLE 14

DECLARANT'S RIGHTS AND RESERVATIONS

Declarant is undertaking the work of development of the Project and the establishment of a single-family residential community on the Property. The completion of that work and the sale, rental, and other disposal of the Lots is essential to the establishment and welfare of the Property as a single-family residential community. In order that said work may be completed as rapidly as possible, nothing in this Declaration shall be understood or construed to:

14.1 Prevent Declarant, its contractors, or subcontractors from doing on the Property or any Lot, whatever is reasonably necessary or advisable in connection with the completion of the work; or

14.2 Prevent Declarant or its representatives from erecting, constructing and maintaining on any part or parts of the Property, such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Property as a single-family residential community, and disposing of the same by sale, lease or otherwise; or

14.3 Prevent Declarant from maintaining such sign or signs on any of the Property as may be necessary for the identification of the Project or for the sale, lease or disposition thereof.

So long as Declarant, its successors-in-interest and assigns, owns one or more of the Lots established and described in this Declaration and except as otherwise specifically provided herein, Declarant, its successors and assigns, shall be subject to the provisions of this Declaration.

In the event Declarant shall convey all of its right, title and interest in and to the Property to any third person, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such third person shall be obligated to perform all such duties and obligations of the Declarant.

END OF ARTICLE 14

DECLARANT'S RIGHTS AND RESERVATIONS

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ARTICLE 15

ANNEXATION OF ADDITIONAL PROPERTY

Additional property may be annexed to the Project and become subject to this Declaration by either of the following methods:

15.1 Annexation Pursuant to Plan. The Property described on Exhibit "A" attached hereto, or any portion thereof, may be annexed to and become a part of the Project described herein, subject to this Declaration, and subject to the jurisdiction of the Association, without the assent of the Association or its Members, on condition that:

(a) Any annexation pursuant to this subparagraph shall be made prior to ten (10) years from the date of recordation of this Declaration; and

(b) A Declaration of Annexation shall be recorded by Declarant, covering the property to be annexed. Said Declaration shall incorporate this Declaration by reference and may contain such complementary additions and modifications of the covenants and restrictions contained herein as may be necessary to reflect the different character, if any, of the added property, and as are not inconsistent with the scheme of this Declaration.

15.2 Annexation Pursuant to Approval. Upon the vote or written assent of Declarant (while Declarant has any interest in the Project), and of two-thirds (2/3's) of the total voting power of the Association, the owner of any property adjacent (including being across any public right of way) to the Property described herein, who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may record a Declaration of Annexation covering the property to be annexed. Said Declaration shall incorporate this Declaration by reference and may contain such complementary additions and modifications of the covenants and restrictions contained herein as may be necessary to reflect the different character, if any, of the added property, and as are not inconsistent with the general scheme of this Declaration.

Upon annexation of additional property under either method described above, the annexed property shall become subject to this Declaration without the necessity of amending individual sections hereof. The Owners of the Lots in the original Project will continue to have the same easements, rights and interests therein and will acquire similar easements, rights and interests in the annexed property. Owners of Lots in the annexed portion of the Project will likewise acquire similar easements, rights and interest in all portions of the Project, and will become members of the Association.

END OF ARTICLE 15

ANNEXATION OF ADDITIONAL PROPERTY

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ARTICLE 16

GENERAL PROVISIONS

16.1 Enforcement. The Association (acting through the Board), and any Owner, shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by this Declaration, and in such action shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

16.2 Invalidity of Any Provision. Should any provision of this Declaration be declared invalid or in conflict with any law of the jurisdiction where the Project is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

16.3 Conflict of Project Documents. If there is any conflict among or between the Project Documents, priority shall be given to Project Documents in the following order: this Declaration, the Plat, the Articles, the Bylaws, and the rules and regulations of the Association. Notwithstanding the foregoing, any provision in any of the Project Documents which is for the protection of mortgagees shall have priority over any inconsistent provision in that document or in any other Project Document.

END OF ARTICLE 16

GENERAL PROVISIONS

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EXHIBIT "A" TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
PIONEER RIDGE

Legal Description of Potential Annexation Property

That portion of the West half of the Southwest quarter (W1/2SW1/4) and the West 26 2/3 rods of the East half of the Southwest quarter (E1/2SW1/4) of Section 27, Township 51 North, Range 5 W.B.M., Kootenai County, State of Idaho, lying south and east of the railroad property conveyed to the Spokane International Railway Company by deed recorded June 25, 1906, in Book 18 of Deeds, page 375, Kootenai County Records;

EXCEPT that portion platted as Pioneer Ridge and recorded in Book F of Plats, page 23, Kootenai County records;

AND EXCEPT that portion platted as Pioneer Ridge First Addition and recorded in Book G of Plats, page 14, Kootenai County Records.

Instrument No. 796988
Recording Date: Feb. 20, 1979
Time: 11:00 a.m.

Book 98 Page 725

DECLARATION OF PROTECTIVE
COVENANTS COVERING LOTS IN PIONEER RIDGE
ADDITION

PIONEER RIDGE INVESTORS, a partnership, and CRANSTON CONSTRUCTION, INC., an Idaho Corporation are the owners of all lots in the PIONEER RIDGE ADDITION to Post Falls, Kootenai County, State of Idaho, according to the plat recorded in Book F of Plats, Page 23, records of Kootenai County, Idaho and do hereby make the following declarations as to the limitations, restrictions, and uses to which the lots or tracts constituting said PIONEER RIDGE ADDITION may be put and hereby specify that such declarations shall constitute covenants to run with the land as provided by law and shall be binding on all parties and all persons claiming under them and for the benefit of and limitations on all future owners of the platted property. This Declaration of Protective Covenants is designed for the purpose of keeping the platted property desirable, uniform, and suitable in architectural design and use and for the purposes specified herein.

PART A. RESIDENTIAL COVENANTS.

A-1. LAND USE. All lots in the plat are restricted to single family residential use. No subdivision of any lot shall be made or permitted.

A-2. ARCHITECTURAL CONTROL. No building shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with exist-structures, and as to location with respect to topography and finish grade elevation. No fence or wall shall be erected, placed or altered on any lot nearer to any street than the minimum building setback line unless similarly approved. Approval shall be as provided in Part C.

A-3. BUILDING LOCATION. The location of each building on a lot will be determined by the Architectural Control Committee depending upon the nature and contour of any lot in said plat, provided, however, that:

- a) The minimum setback of any structure must be in accordance with any minimum setback line shown on the recorded plat or in accordance with the minimum setback standards of the City of Post Falls, Idaho.

- b) No structure shall be constructed closer than fifteen (15) feet to any street right-of-way line.
- c) For Lot 10, Block 4, and Lot 12, Block 5, no ornamental landscaping exceeding three (3') feet in height or any structure shall be permitted on the triangle formed by measuring forty (40') feet along the road right-of-way line in either direction from the northernmost corner of either lot.
- d) The front building line of Lot 4, Block 6, shall be interpreted as a line twenty-five (25') feet east and parallel to the straight line formed by joining the northwest and southwest lot corners.

A-4. EXTERIOR LIGHTING. All exterior lighting must be of a controlled focus and intensity as will not disturb neighbors on adjacent property.

A-5. SEWAGE AND GARBAGE DISPOSAL.

- a) Garbage cans and trash areas must be screened from view.
- b) No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
- c) No individual sewage disposal system shall be permitted on any lot unless such system is designed, located and constructed in accordance with the requirements, standards and recommendations of the Panhandle Health District. Approval of such system as installed shall be obtained from such authority.
- d) The owners of each lot shall promptly connect the sewage disposal system of the improvements on their property to the central sewage disposal system serving this addition when the same becomes available.

A-6. WATER.

- a) The lots in PIONEER RIDGE ADDITION are located in the EAST GREENACRES IRRIGATION DISTRICT, a federal funded irrigation project, and are subject to the federal Reclamation Act and the rules and regulations of the Bureau of Reclamation of the United States

- b) Domestic water is available from the EAST GREEN-ACRES IRRIGATION DISTRICT subject to the rules and regulations of the Bureau of Reclamation and the rules and regulations of the EAST GREENACRES IRRIGATION DISTRICT.
- c) Each lot owner agrees to pay the tap-on fee and usa charges as required by the EAST GREENACRES IRRIGATI DISTRICT.
- d) The lots in this addition are subject to a lien for payment of a portion of the EAST GREENACRES IR-RIGATION DISTRICT'S debt to the United States Gov-ernment for the development of the irrigation syste
- e) Water mains belonging to the EAST GREENACRES IR-RIGATION DISTRICT have been installed in public roads adjacent to each lot in this sbudivision.
- f) No individual water supply system shall be permitte on any lot.

A-7. NUISANCES, SIGNS, ANIMALS AND BUSINESS, ETC.

- a) No noxious, illegal or offensive use of property shall be carried on upon any lot, nor shall any-thing be done thereon which may be, or become, an annoyance or nuisance to the neighborhood. No grant or grantees, under any conveyance, shall at any tin conduct, or permit to be conducted, on any resident lot, any trade or business of any description, eith commercial, professional or religious, including a schools, nurseries, or church schools, nor shall said premises be used for any other purpose whatso-ever except for the purpose of a private dwelling (residence.
- b) No signs or any kind shall be displayed to the pub view on any lot except 1) one sign of not more th four (4) square feet advertising the property for sale or rent, 2) signs used by a builder to advert a property during construction and sales period, o 3) signs erected by the developer or its agents ad vertising the development.
- c) No animal, livestock or poultry of any kind shall raised, bred or kept on any lot except dogs, cats other household pets may be kept, provided they ar not kept, bred or maintained for commercial purpos

- d) No tent, trailers, mobile homes, or other structures of temporary nature for human habitation shall be used on said lots. Exposed, unlicensed vehicles shall not be permitted. Recreational vehicles shall not be parked upon the streets within the subdivision for more than thirty-six (36) hours at any one time. Owners must store recreational vehicles off the streets within the subdivision.

A-8 ACCESS. Access for the lots in this subdivision to and from public roads shall be only to the interior streets of the development. No owner shall create, use or maintain any access from his lot directly to Ponderosa Boulevard.

PART B. REQUIRED IMPROVEMENTS.

B-1. LANDSCAPING. As part of the construction phase of each home within the subdivision and within sixty (60) days of the paving of the driveway for each home, the owner and/or contractor shall landscape and plant the front yards of each home including any portion of the road right of way lying between the curb and the house. Homes located on lots with frontage on more than one street shall landscape and plant all yards lying between the house and the curb of each street. The time limit for completion of landscaping may be extended by the Architectural Control Committee in the event of hardship due to weather conditions.

B-2. SIDEWALKS. As part of the construction phase of each home located on the lots listed in this subsection, the owner and/or contractor shall at the time of paving the driveway for each of said homes install a sidewalk within the street right of way abutting said lots designated herein. The sidewalk shall be installed to the specifications of the City of Post Falls, Idaho. This covenant, B-2, applies only to the following:

- a) Within the right of way of PIONEER RIDGE DRIVE abutting Lot 1, Block 2; Lots 1 and 2, Block 3; and Lots 1 through 12, Block 5.
- b) Within the right of way of STAGECOACH DRIVE abutting Lot 1, Block 3 and Lots 12 and 13, Block 5, and Lot 10, Block 4.
- c) Within the right of way of MUSKET AVENUE abutting Lots 1 and 23, Block 5 and Lot 1, Block 4.
- d) Within the right of way of POWDERHORN STREET abutting Lots 1 through 10, Block 4.

B-3. DRIVEWAYS AND GARAGES. The site development within this subdivision shall provide for at least an attached or unattached two car garage with a paved driveway at least seventeen (17') feet wide running from said garage to the curb of the adjacent street.

PART C. ARCHITECTURAL CONTROL COMMITTEE.

- C-1 MEMBERSHIP. The Architectural Control Committee is composed of Robert Schini, 2201 Government Way, Unit A, Coeur d'Alene, Idaho 83814; James T. Knudson, 6023 Sundown Drive, Coeur d'Alene, Idaho 83814; and James F. Judd, P.O. Box 999, Post Falls Idaho, 83854. A majority of the committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At any time, the then record owners of eighty-five (85%) percent of the lots shall have the power through a duly recorded written instrument to change the membership of the committee or to withdraw from the committee or restore to it any of its powers and duties.
- C-2 PROCEDURE. The committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.
- C-3 APPLICATIONS CONSIDERED. Only buildings for residential occupancy and appurtenances thereto shall be considered or approved by said Architectural Control Committee. The Architectural Control Committee shall further specify setback provisions depending upon the nature and contour of any lot in said plat.
- C-4 EXTERIOR COLORS. The exterior colors for all structures in this subdivision must be selected from an approved color list adopted by the Architectural Control Committee.
- C-5 ORIENTATION OF HOUSES. The orientation and location of houses and garages on lots, the minimum square footage, roof area or costs, and the required setbacks for each lot shall be determined by the Architectural Control Committee. The intent of this restriction is to keep all homes as compatible as possible with their natural surroundings and with each other and to permit the placement of homes in accordance with the great variety of topography

PART D. GENERAL PROVISIONS.

- D-1 TERM. These covenants shall run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the owners of the lots has been recorded agreeing to delete said covenants.
- D-2 AMENDMENT. These restrictive covenants may be altered, amended or deleted in whole or in part if agreed to in writing by eighty-five (85%) percent or more of the then lot owners in Pioneer Ridge Addition.
- D-3 RIGHT OF FIRST REFUSAL. Pioneer Ridge Investors Company or its assigns, shall have the exclusive first right of refusal to repurchase any undeveloped lot in said plat subsequently offered for sale by owner other than a member of Pioneer Ridge Investors during the time limitation of these restrictive covenants.
- D-4 ENFORCEMENT OF PARTIES HERETO. If the parties here or any of them or their heirs or assigns shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons holding any real property situated in the said subdivision to bring any proceeding against that person or persons violating or attempting to violate any such covenants and either to restrain such violation or to recover damages or both. Any party violating any covenant shall be liable for attorney fees to be fixed by the Court in favor of any party successfully bringing an action based on such violation.
- D-5 ENFORCEMENT BY THE CITY OF POST FALLS. The restrictions and covenants set forth in Sections A-5-d, A-8 and B-2 are for the benefit of not only the owners of property within the subdivision but also for the benefit of the City of Post Falls. The City of Post Falls may enforce said Sections A-5-d, A-8 and B-2 in the manner provided in subdivision D-4 of this Declaration.
- D-6 SEVERABILITY. Invalidation of any one of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

PART E. ATTEST.

Pioneer Ridge

[Signature]

STATE OF IDAHO ss KOOTENAI COUNTY

ON THIS 25TH DAY OF APRIL, 1978, BEFORE ME PERSONALLY APPEARED GARY A. FRAME, KNOWN TO ME TO BE THE PERSON WHO EXECUTED THE ABOVE ENGINEER'S CERTIFICATE AND ACKNOWLEDGED TO ME THAT HE SIGNED THE SAME.

[Signature]

NOTARY PUBLIC IN AND FOR THE STATE OF IDAHO, RESIDING IN COEUR D'ALENE. MY COMMISSION EXPIRES Lifetime

OWNER'S CERTIFICATE

BE IT KNOWN THAT PIONEER RIDGE INVESTORS, A PARTNERSHIP, THE RECORD OWNER, HEREBY CERTIFIES THAT IT HAS CAUSED THE LAND IN THE ABOVE ENGINEERS CERTIFICATE TO BE SUBDIVIDED INTO LOTS, BLOCKS AND STREETS AS HEREON PLATTED, TO BE KNOWN AS PIONEER RIDGE, KOOTENAI COUNTY, IDAHO, AND DO HEREBY DEDICATE THE STREETS SHOWN TO THE PUBLIC FOREVER AND DO RESERVE A 10 FOOT WIDE UTILITIES AND DRAINAGE EASEMENT LYING ADJACENT TO EACH INTERIOR AND BACK LOT LINE AND SUCH OTHER EASEMENTS AS MAY BE SHOWN ON THE PLAT.

IN WITNESS WHEREOF WE HEREBY AFFIX OUR SIGNATURES THIS 25TH DAY OF APRIL, 1978.

[Signature]
JAMES F. DUDD, PARTNER

[Signature]
ROBERT T. SCHINI, PARTNER

KOOTENAI COUNTY SURVEYOR
I HEREBY CERTIFY THIS 2ND DAY OF MAY, 1978 THAT I HAVE EXAMINED THIS PLAT AND APPROVE SAME FOR FILING

[Signature]
KOOTENAI COUNTY SURVEYOR

KOOTENAI COUNTY TREASURER'S APPROVAL

I HEREBY CERTIFY THIS 2ND DAY OF May, 1978 THAT THE REQUIRED TAXES ON THE HEREIN PLATTED LAND HAVE BEEN PAID Taxes paid thru Dec. 31, 1977.

[Signature]
KOOTENAI COUNTY TREASURER

KOOTENAI COUNTY HEALTH OFFICER'S APPROVAL

THIS PLAT APPROVED BY THE HEALTH OFFICER OF KOOTENAI COUNTY, IDAHO THIS 6 DAY OF June, 1978, ON THE CONDITION THAT INDIVIDUAL LOT OWNERS SEWAGE DISPOSAL SYSTEMS BE APPROVED PRIOR TO CONSTRUCTION AND THE HOUSE CONNECTION BE INSTALLED TO THE DRY SEWER AT THE TIME OF CONSTRUCTION.

[Signature]
KOOTENAI COUNTY HEALTH OFFICER

KOOTENAI COUNTY RECORDER

I HEREBY CERTIFY THAT THIS PLAT WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF KOOTENAI COUNTY AT THE REQUEST OF _____ THIS _____ OF _____ 1978 AT _____ M., AND DULY RECORDED IN PLAT BOOK _____ PAGE _____.

BYLAWS OF
PIONEER RIDGE OWNERS ASSOCIATION, INC.

ARTICLE 1
PLAN OF OWNERSHIP

1.1 Name and Location. The name of this association ("Association") is PIONEER RIDGE OWNERS ASSOCIATION, INC. The principal office of the Association shall be in Kootenai County, Idaho.

1.2 Application to Project. The provisions of these Bylaws are applicable to that certain residential subdivision situated in the City of Post Falls, Kootenai County, Idaho. All present and future Owners, and their tenants, future tenants, and any other person who might occupy a Lot or use the facilities of the Property in any manner, are subject to the regulations set forth in these Bylaws, in the Articles of Incorporation for the Association, and in the Declaration of Covenants, Conditions and Restrictions for the Property ("Declaration") recorded or to be recorded in the office of the Kootenai County Recorder, and applicable to the Property.

1.3 Meaning of Terms. Unless otherwise specifically provided herein, the definitions contained in the Declaration are incorporated in these Bylaws by reference.

ARTICLE 2
MEMBERSHIP; MEETINGS AND VOTING RIGHTS

2.1 One Class of Members. The Association shall have one (1) class of voting membership established according to the Articles of Incorporation.

2.2 Voting Requirements. Except when otherwise expressly provided in the Declaration, the Articles or these Bylaws, any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote or written assent of the prescribed percentage of the total voting power of the Association. Except on matters specifically provided for in the Declaration, the Articles, or these Bylaws, the vote of a majority of a quorum present at any meeting (in person or by proxy) shall constitute the vote of the Members.

2.3 Quorum. The presence in person or by proxy of at least forty percent (40%) of the total voting power of the Association shall constitute a quorum. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

2.4 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and

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DANIEL J. ENGLISH
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filed with the Secretary before the appointed time of each meeting. All proxies shall be valid only for the meeting for which the proxies are given (including any reconvened meeting in the event of an adjournment), unless provided otherwise in the proxy (but in no event for a period exceeding eleven (11) months from date of execution). Every proxy shall be revocable and shall automatically cease upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of such Member.

2.5 Annual Meetings. Regular annual meetings of the Members of the Association shall be held on the second Saturday of each May.

2.6 Special Meetings. A special meeting of Members of the Association may be called by the President or by any two (2) members of the Board. A special meeting shall be called by the Board upon receipt of a written request therefor signed by Members representing not less than twenty-five (25%) of the total voting power of the Association.

2.7 Notice and Location of Meetings. At the direction of the President, the Secretary, or the officers or persons calling a meeting, written notice of regular and special meetings shall be given to all Members in the manner specified for notices under these Bylaws. Such notice shall specify the place, day, and hour of the business to be undertaken, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except in the case of an emergency, at least ten (10) days' notice (but not more than fifty (50) days' notice) of any meeting shall be provided prior to the meeting. Meetings of the Association shall be held within the Property, or at a convenient meeting place close to the Property. Notice shall also be delivered to any institutional lender filing a written request for notice with the Association, and any such lender shall be permitted to designate a representative to attend all such meetings.

2.8 Adjournment. In the absence of a quorum at a Members' meeting, a majority of those present in person or by proxy may adjourn the meeting to another time, but may not transact any other business. An adjournment for lack of a quorum shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. The quorum for such a reconvened meeting shall be thirty percent (30%) of the total voting power of the Association.

2.9 Action Without Meeting. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent, in writing, setting forth the action so taken, is signed by all the Members entitled to vote thereon. Such consent shall have the same force and effect as a unanimous vote.

2.10 Rules at Meetings. Except as otherwise provided in these Bylaws, the Articles or the Declaration, all meetings of the Members shall be governed by Roberts Revised Rules of Order.

ARTICLE 3
BOARD OF DIRECTORS

3.1 Number and Term of Directors. The Board shall consist of three (3) Directors, each of whom shall be an Owner of a Lot or an agent of a corporate Owner. Except for the initial Directors, who shall serve until the first meeting of the Association, the Directors shall serve concurrent two-year terms.

3.2 Election of Board of Directors.

3.2.1 Nomination. Nominations for election to the Board of Directors may be made from the floor at the annual meeting of the Association. Additionally, the Board may appoint a Nominating Committee, which shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. If the Board determines to appoint a Nominating Committee, the Committee shall be appointed at least ninety (90) days prior to each annual meeting of the Members, to serve until the close of such annual meeting, and shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.

3.2.2 Election of Directors. Elections of Board members shall be by secret written ballot. All elections in which two (2) or more positions on the Board are to be filled shall be conducted by cumulative voting.

3.3 Removal. An individual Director shall not be removed prior to the expiration of his or her term of office if the number of votes cast against his or her removal is at least equal to the number of votes which would be required to elect that Director in an election of the entire Board.

3.4 Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by the voting in of a replacement by the Members shall be filled by vote of the majority of the remaining Directors, and each person so elected shall be a Director for the remainder of the term of the Director he or she replaces; or until a successor is elected at a special meeting of the Members called for that purpose.

3.5 Regular Meetings. Regular meetings of the Board shall be conducted at least quarterly at a time and place within the Property, or at a convenient meeting place close to the Property, as may be fixed by the Board. Notice of the time and place of regular meetings shall be given to each Director, personally or by mail or telegraph, at least three (3) days prior to the day named for the meeting. One of the regular meetings shall be the

annual meeting, which shall be held within ten (10) days following the annual meeting of Members.

3.6 Special Meetings. A special meeting of the Board may be called by written notice signed by the President of the Association or by any two (2) Directors other than the President. Notice shall be provided to all Directors in the manner prescribed for notice of regular meetings, and shall include a description of the nature of any special business to be considered by the Board.

3.7 Waiver of Notice. Before or at any meeting of the Board, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice to that Director. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him or her of the time and place of the meeting, except where such attendance is for the limited and express purpose of objecting to the transaction of any business at the meeting because the meeting is not lawfully called or convened.

3.8 Quorum. The presence in person of a majority of the Directors at any meeting of the Board shall constitute a quorum. The vote of a majority of the quorum actually present at any meeting shall constitute the vote of the Board unless expressly provided to the contrary in these Bylaws, or in any future amendment thereto.

3.9 Action by Consent of Directors. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action.

3.10 Adjournment; Executive Session. The Board may, with the approval of a majority of a quorum of the Directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.11 Board Meetings Open to Members. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

ARTICLE 4 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

The Board shall have the powers and duties necessary for the administration of the affairs of the Association. Without limitation on the generality of the foregoing powers and duties, the

Board shall be vested with, and responsible for, the following powers and duties:

4.1 To select, appoint, supervise, and remove all officers, agents and employees of the Association; to prescribe such powers and duties for them as may be consistent with law, and with the Articles, the Declaration and these Bylaws; and to require from them security for faithful service when deemed advisable by the Board;

4.2 To enforce the applicable provisions of the Declaration, Articles, these Bylaws and other instruments relating to the ownership, management and control of the Property;

4.3 To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their tenants, guests and invitees thereon, and to establish procedures and penalties for the infraction thereof, subject to approval of the membership;

4.4 To pay all taxes and assessments which are, or could become, a lien on any Common Area or a portion thereof;

4.5 To contract for casualty, liability and other insurance on behalf of the Association as required or permitted in the Declaration;

4.6 To cause the Common Area to be maintained and to contract for goods and/or services for the Common Area or for the Association;

4.7 To delegate its powers to committees, officers or employees of the Association, or to a management company pursuant to a written contract, as expressly authorized by the Articles, Declaration and these Bylaws;

4.8 To keep, or cause to be kept, complete and accurate books and records of the receipts and expenditures of the Association, specifying and itemizing the maintenance and repair expenses incurred, and to prepare budgets and financial statements for the Association as required in these Bylaws in accordance with good accounting procedures;

4.9 To initiate and execute disciplinary proceedings against Members of the Association for violations of the provisions of the Articles, Declaration, these Bylaws and such rules as may be promulgated by the Board, in accordance with procedures set forth in these Bylaws;

4.10 To borrow money and incur indebtedness for purposes of the Association, and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or

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other evidences of debt and securities therefor, subject to the approval requirements of the Articles, these Bylaws, or the law;

4.11 To fix and collect Assessments according to the Declaration and these Bylaws, and, if deemed appropriate in the Board's discretion, to record a Notice of Assessment Lien and foreclose the lien against any Lot for which an Assessment is not paid within thirty (30) days after the due date, or bring an action at law against the Owner personally obligated to pay such Assessment;

4.12 To prepare and file annual tax returns with the federal government and to make such elections as may be necessary to reduce or eliminate the tax liability of the Association. Without limiting the generality of the foregoing, the Board may, on behalf of the Association, elect to be taxed under Section 528 of the Internal Revenue Code or any successor or similar statute conferring income tax benefits on property owners associations.

ARTICLE 5 OFFICERS

5.1 Enumeration and Term. The officers of this Association shall be a President, Vice-President, Secretary, and Treasurer, and such other officers as the Board may, from time to time, by resolution create. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

5.2 Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

5.3 Resignation and Removal. Any officer may be removed from office by a majority of the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.4 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

5.5 Multiple Offices. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.6 Duties. The duties of the officers are as follows:

5.6.1 President. The President shall preside at all meetings of the Association and the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks (unless the authority to sign checks in the ordinary course of Association business has been delegated to a management company) and promissory notes.

5.6.2 Vice-President. The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

5.6.3 Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, serve notice of meetings of the Board and of the Members, keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

5.6.4 Treasurer. The Treasurer shall receive and deposit, in appropriate bank accounts, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors pursuant to approval of vouchers, when appropriate; shall co-sign all checks and promissory notes of the Association; and shall keep proper books of account and prepare or have prepared financial statements and tax returns as required in these Bylaws. The duty of the Treasurer to receive and deposit funds and to sign checks in the ordinary course of Association business may be delegated to a management company as provided in these Bylaws.

ARTICLE 6
DISCIPLINE OF MEMBERS; SUSPENSION OF RIGHTS

The Association shall have no power to cause a forfeiture or abridgement of an Owner's right to the full use and enjoyment of its individually owned Lot on account of a failure by the Owner to comply with provisions of the Declaration, Articles, these Bylaws, or of duly enacted rules of operation for the Common Area and facilities, except where the loss or forfeiture is the result of the judgment of a court or a decision arising out of arbitration or on account of a foreclosure or sale under a power of sale for failure of the Owner to pay Assessments levied by the Association. Notwithstanding the foregoing, the Board shall have the power to impose monetary penalties, temporary suspensions of an Owner's rights as a Member of the Association or other appropriate discipline for failure to comply with the Declaration, Articles, these Bylaws or duly enacted rules; provided that the accused shall be given notice and the opportunity to be heard by

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the Board with respect to the alleged violations before a decision to impose discipline is reached. In the case in which monetary penalties are to be imposed, such penalties shall include actual attorney's fees and all costs in connection with the collection of such penalties.

ARTICLE 7
BUDGETS, FINANCIAL STATEMENTS, BOOKS AND RECORDS

7.1 Budgets and Financial Statements. Financial statements and pro forma operating budgets for the Association shall be regularly prepared (at least annually) and copies shall be distributed to each Member of the Association.

7.2 Fiscal Year. The fiscal year of the Association shall be as designated by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

7.3 Inspection of Association's Books and Records. The membership register, books of account, vouchers authorizing payments, minutes of meetings of the Members, of the Board, and of committees of the Board of the Association, and copies of the current Declaration, Articles, Bylaws and rules and regulations for the Property shall be made available for inspection and copying by any Member of the Association, by any holder, insurer, or guarantor of a first mortgage on any Lot, or by its duly appointed representative, at any reasonable time and for a purpose reasonably related to its interest as a Member, at the office of the Association or at such other place within or near the Property as the Board shall prescribe. Such inspection may take place on weekdays during normal business hours, following at least forty-eight (48) hours' written notice to the Board by the Member desiring to make the inspection. Any Member desiring copies of any document shall pay the reasonable cost of reproduction. Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

7.4 Statement of Account. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Lot Owner shall be furnished a statement of its account setting forth the amount of any unpaid Assessments or other charges due and owing from such Owner.

ARTICLE 8
AMENDMENT OF BYLAWS

These Bylaws may be amended at any time and in any manner by resolution approved by a majority of the Board of Directors, subject to repeal or change by action of a majority of the total voting power of the Members, provided any such amendment shall

not be inconsistent with the Articles, the Declaration, or the law.

ARTICLE 9
MISCELLANEOUS PROVISIONS

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9.1 Regulations. All Owners, tenants, and their employees, and any other person that might use the facilities of the Property in any manner, are subject to the regulations set forth in these Bylaws and in the Declaration and to all reasonable rules enacted pursuant to the Declaration. Acquisition, rental, or occupancy of any Lot shall constitute acceptance and ratification of the provisions of all such rules and regulations.

9.2 Compensation and Indemnity of Officers and Directors. No Director or officer shall receive any loan from the Association, or shall receive any compensation for services rendered for or on behalf of the Association, except reimbursement for actual sums spent on behalf of the Association, to the extent authorized by the Board. To the maximum extent permitted by the Idaho Non-profit Corporation Act, each Director and officer shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him or her by judgment or settlement in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being or having been a Director or officer of the Association, except in cases of fraud, gross negligence or bad faith of the Director or officer in the performance of his or her duties.

9.3 Committees. The Board may appoint a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose; provided, however, that the power and authority of any such committee shall be limited according to the Idaho Nonprofit Corporation Act.

9.4 Notices. Any notice permitted or required to be given by the Property Documents may be delivered either personally or by mail or as otherwise specifically provided in the Property Documents. If delivery is by mail, it shall be deemed to have been given seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, return receipt requested, addressed to each person at the current address given by such person to the Secretary of the Association or addressed to the Lot of such person if no address has been given to the Secretary; provided, however that notice of regular or special meetings of Members of the Board may be mailed without request for a return receipt.

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ADOPTION OF BYLAWS

We, the undersigned, being all of the Directors of PIONEER RIDGE OWNERS ASSOCIATION, do hereby assent to the within and foregoing Bylaws and hereby adopt the same as the Bylaws of said Association.

EXECUTED by the undersigned on NOVEMBER 10TH, 1992.

Mark E. Wiggins
MARK E. WIGGINS

R.C. Williams
R.C. WILLIAMS

Avon K. Anderson
AVON K. ANDERSON

I, the undersigned, the duly elected and acting Secretary of PIONEER RIDGE OWNERS ASSOCIATION, do hereby certify:

That the within and foregoing Bylaws were adopted as the Bylaws of said Association on NOVEMBER 10TH, 1992, and that the same do constitute the Bylaws of said Association.

EXECUTED by the undersigned on NOVEMBER 10TH, 1992.

Avon K. Anderson
Secretary

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AMENDMENT TO ARTICLE 2.3

MEMBERSHIP: MEETINGS AND VOTING RIGHTS

2.3 Quorum. The presence in person or proxy of any percent of the total voting power of the association shall constitute a quorum.

ADOPTION OF AMENDMENT TO BY-LAWS

We, the undersigned, being Board members of PIONEER RIDGE OWNERS ASSOCIATION, do hereby assent to the above amendment and adopt the same, as allowed by Article 8 of By-Laws.

Executed by the undersigned on March 23, 1998.

Charlie Sipp
CHARLIE SIPP

Arnold Keihn
ARNOLD KEIHN

Daryl Hagseth
DARYL HAGSETH

Robin Arries
ROBIN ARRIES

I, the undersigned, the duly elected and acting Secretary of PIONEER RIDGE OWNERS ASSOCIATION, do hereby certify.

That the within and foregoing Bylaw Amendment was adopted as part of the Bylaws of the said Association on March 23, 1998, and that the same do constitute Article 2.3 of the Bylaws of said Association.

EXECUTED by the undersigned on March 23, 1998.

Robin Arries
Secretary

Audrey Grove
12/2/2003



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We, the undersigned, being all of the Directors of PIONEER RIDGE OWNERS ASSOCIATION, do hereby assent to the within and foregoing Bylaws and hereby adopt the same as the Bylaws of said Association with Amendments to Article 2 Section 2.3 as allowed by Article 8 of Bylaws.

ADOPTION OF AMENDMENT TO BYLAWS

2.3 Quorum. The presence in person or proxy of any percent of the total voting power of the Association shall constitute a quorum.

EXECUTED by the undersigned on 8-24-98, 1998

Charlie Sipp
Charlie Sipp

Jerry Baltzell
Jerry Baltzell

Daryl Hagseth
Daryl Hagseth

Robin Arries
Robin Arries

I, the undersigned, the duly elected and acting Secretary of PIONEER RIDGE OWNERS ASSOCIATION, do hereby certify: The Officers of PIONEER RIDGE OWNERS ASSOCIATION.

That the within and foregoing Bylaw Amendment was adopted as part of the Bylaws of the said Association on 8-24-98, 1998, and that the same do constitutes Article 2.3 of the Bylaws said Association.

EXECUTED by the undersigned on 8-24-98, 1998.

Robin Arries
Secretary

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



Audrey Grove
Notary Public

Residing at Hayden
Commission expires 12/31/03

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BE IT KNOWN BY ALL THAT DESTINY DEVELOPMENT, INC., AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE FIRST ADDITION, A SUBDIVISION IN A PORTION OF THE SW 1/4 SECTION 27, T51N, R5W B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING ON THE NORTH LINE OF POLE LINE ROAD AT THE SOUTHWEST CORNER OF LOT 1, BLOCK 2, OF THE PLAT OF PIONEER RIDGE, AS PER PLAT RECORDED IN BOOK F, PAGE 23, KOOTENAI COUNTY, IDAHO; THENCE N.00°48'25"W., ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 118.54 FEET; THENCE N.08°39'29"E., ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 60.83 FEET; THENCE N.00°48'15"W. ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 110.00 FEET; THENCE S.89°11'45"W., ALONG THE SOUTH LINE OF SAID PLAT AND THE EXTENSION OF SAID SOUTH LINE, A DISTANCE OF 658.90 FEET; THENCE N.68°46'55"W., A DISTANCE OF 120.00 FEET; THENCE S.21°01'59"W. A DISTANCE OF 348.95 FEET, TO THE NORTH LINE OF POLE LINE ROAD; THENCE N.89°48'55"E., ALONG THE NORTH LINE OF POLE LINE ROAD, A DISTANCE OF 890.00 FEET, TO THE POINT OF BEGINNING. AREA=5.538 ACRES

BE IT FURTHER KNOWN THAT;

(A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE,


(B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS RESTRICTIONS CONTAINED IN DOCUMENT DATED _____ AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. _____

(C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS AND LIES PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT LYING 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJOINING LOTS IS RESERVED FOR PUBLIC PURPOSES.

(D) LOT 1, BLOCK 3 IS HEREBY RESERVED FOR THE PURPOSE OF A STORMWATER DRAINAGE EASEMENT AND IS DEDICATED TO THE CITY OF POST FALLS.

(E) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION AREA SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING BY ABUTTING HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE SLOPES NECESSARY TO MAINTAIN THE DRAINAGE STRUCTURES WILL REQUIRE GRADING PLAN APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.

(F) NO DIRECT ACCESS SHALL BE ALLOW FROM LOTS TO POLE LINE ROAD.



Mark Wiggins - PRESIDENT
MARK WIGGINS, PRESIDENT
DESTINY DEVELOPMENT, INC.

ACKNOWLEDGEMENT

STATE OF IDAHO)
COUNTY OF KOOTENAI)

ON THIS 8th DAY OF OCT., 1992, BEFORE ME, AVON KAY ANDERSON
A NOTARY PUBLIC IN AND FOR SAID, PERSONALLY APPEARED MARK WIGGINS KNOWN OR IDENTIFIED TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AS THE PRESIDENT OF DESTINY DEVELOPMENT, INC. AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME.

Avon Kay Anderson

OWNERS CERTIFICATE OF DEDICATION

BE IT KNOWN BY ALL THAT DESTINY DEVELOPMENT, INC., AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE SECOND ADDITION, A SUBDIVISION IN A PORTION OF THE SW 1/4 SECTION 27, T51N, R5W B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 4, BLOCK 3, OF THE PLAT OF PIONEER RIDGE FIRST ADDITION, AS PER PLAT RECORDED IN BOOK G, PAGE 14, KOOTENAI COUNTY, IDAHO; THENCE N.21°01'59"E., A DISTANCE OF 440.00 FEET; THENCE N.68°58'01"W., A DISTANCE OF 140.01 FEET; THENCE S.65°08'07"W., A DISTANCE OF 82.78 FEET; THENCE N.71°19'00"W., A DISTANCE OF 169.91 FEET; THENCE S.16°17'00"W., A DISTANCE OF 110.00 FEET; THENCE N.78°07'44"W., A DISTANCE OF 127.68 FEET; THENCE N.16°17'00"E., A DISTANCE OF 80.00 FEET; THENCE N.73°43'00"W., A DISTANCE OF 120.00 FEET; THENCE N.21°40'30"E., A DISTANCE OF 173.89 FEET; THENCE N.68°19'30"W., A DISTANCE OF 60.00 FEET; THENCE N.21°40'30"E., A DISTANCE OF 135.12 FEET; THENCE N.68°19'30"W., A DISTANCE OF 165.00 FEET; THENCE S.89°09'11"W., A DISTANCE OF 164.10 FEET, TO THE EAST LINE OF CHASE ROAD; THENCE N.00°50'49"W., ALONG THE EAST LINE OF CHASE ROAD, A DISTANCE OF 358.16 FEET; THENCE S.84°51'02"E., A DISTANCE OF 115.94 FEET; THENCE S.71°19'19"E., A DISTANCE OF 172.86 FEET; THENCE S.59°57'33"E., A DISTANCE OF 171.83 FEET; THENCE S.21°40'30"W., A DISTANCE OF 85.00 FEET; THENCE S.63°33'41"E., A DISTANCE OF 60.21 FEET, TO THE BEGINNING OF A CURVE TO THE RIGHT, THE CHORD OF WHICH BEARS N.66°40'30"E., A DISTANCE OF 28.28 FEET; THENCE ALONG SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 90°, AN ARC DISTANCE OF 31.42 FEET TO A POINT OF TANGENCY; THENCE S.68°19'30"E., A DISTANCE OF 110.00 FEET; THENCE S.21°40'30"W., A DISTANCE OF 130.00 FEET; THENCE S.67°12'44"E., A DISTANCE OF 150.00 FEET; THENCE S.73°39'20"E., A DISTANCE OF 150.00 FEET; THENCE N.66°12'18"E., A DISTANCE OF 80.00 FEET; THENCE S.06°13'31"W., A DISTANCE OF 80.00 FEET; THENCE N.89°11'21"E., A DISTANCE OF 129.88 FEET; THENCE N.75°10'20"E., A DISTANCE OF 61.91 FEET; THENCE N.89°11'45"E., A DISTANCE OF 119.94 FEET, TO THE WEST LINE OF THE PLAT OF PIONEER RIDGE, AS PER PLAT RECORDED IN BOOK F, PAGE 23, KOOTENAI COUNTY, IDAHO; THENCE S.00°48'15"E., ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 570.00 FEET; THENCE S.10°15'59"E., ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 60.83 FEET; THENCE S.00°48'15"E., ALONG THE WEST LINE OF SAID PLAT, A DISTANCE OF 110.00 FEET, TO THE NORTH LINE OF SAID PLAT OF PIONEER RIDGE FIRST ADDITION; THENCE S.89°11'45"W. ALONG THE NORTH LINE OF SAID PLAT A DISTANCE OF 373.90 FEET; THENCE N.68°46'55"W., ALONG THE NORTH LINE OF SAID PLAT, A DISTANCE OF 120.00 FEET, TO THE POINT OF BEGINNING. AREA=14.472 ACRES.

Pioneer Ridge 2nd

PIONEER RIDGE SECOND ADDITION

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP
RANGE 5 WEST, B.M., CITY OF POST FALLS, KOOTENAI COUNTY

MAY 1993

2nd Add

BE IT FURTHER KNOWN THAT:

(A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE,

(B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS RESTRICTIONS CONTAINED IN DOCUMENT DATED NOVEMBER 5TH 1992 AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. 1281704

(C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS AND LIES PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT LYING 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJOINING LOTS IS RESERVED FOR PUBLIC PURPOSES.

(D) LOT 5, BLOCK 7, IS DEDICATED TO THE PIONEER RIDGE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF A SANITARY SEWER/STORMWATER DRAINAGE EASEMENT. THE CITY OF POST FALLS IS HEREBY GRANTED AN EASEMENT FOR MAINTENANCE AND OPERATION OF THE SANITARY SEWER FACILITIES.

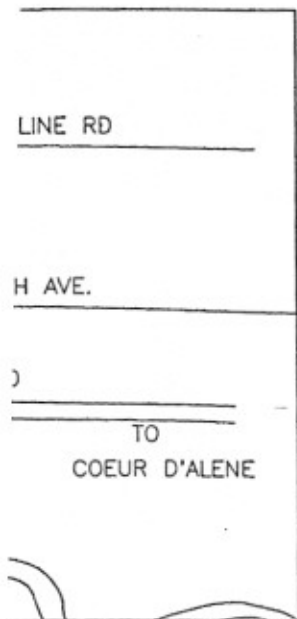
(E) LOT 3, BLOCK 4, IS DEDICATED TO THE PIONEER RIDGE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF A STORMWATER DRAINAGE EASEMENT. THE CITY OF POST FALLS IS GRANTED AN EASEMENT FOR MAINTENANCE PURPOSES, ABOVE AND BEYOND NORMAL AND ORDINARY MAINTENANCE. THE CITY OF POST FALLS IS NOT RESPONSIBLE FOR NORMAL AND ORDINARY MAINTENANCE OF LOT 3, BLOCK 4.

(F) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION AREA - SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING BY ABUTTING HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE SLOPES NECESSARY TO MAINTAIN THE DRAINAGE STRUCTURES WILL REQUIRE GRADING PLAN APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.

(G) NO DIRECT ACCESS SHALL BE ALLOW FROM LOTS TO CHASE ROAD.

(H) WATER SERVICE FOR THIS SUBDIVISION WILL BE PROVIDED BY EAST GREENACRES IRRIGATION DISTRICT.

(I) THE 10' STRIP ALONG CHASE ROAD IN SECTION 27, AS SHOWN HEREON, IS HEREBY DEDICATED TO KOOTENAI COUNTY HIGHWAY DISTRICT FOREVER.



DEDICATION

Recorded at the Request of:

LUKINS & ANNIS, P.S.
250 Northwest Blvd.
Suite 102
Coeur d'Alene, Idaho 83814

2nd
Add

COPY

Attention: EDWARD F. WROE

=====

DECLARATION OF ANNEXATION

**PIONEER RIDGE
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO**

This Declaration of Annexation is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the developer of a certain tract of land located in the City of Post Falls, Kootenai County, Idaho, commonly known as Pioneer Ridge, which development is governed by that certain Declaration of Covenants, Conditions, and Restrictions, dated November 5, 1992, and recorded November 5, 1992, as Document No. 1281704, official records of Kootenai County, Idaho (the "Declaration"), the definitions and terms of which Declaration are incorporated herein by this reference.

B. Declarant is the owner of the following property in the vicinity of the Pioneer Ridge project, but which has not yet subjected to the Declaration (the "Annexed Property"):

All land located within the Plat of Pioneer Ridge Second Addition, in the City of Post Falls, according to the Plat filed June 17, 1993, in Book "G" of Plats, Page 59, as Instrument No. 1308618, Records of Kootenai County, Idaho;

Excepting therefrom the dedicated roads.

C. Declarant desires to subject the Annexed Property to the Pioneer Ridge project, as provided in this Declaration of Annexation.

NOW, THEREFORE, Declarant declares as follows:

1. That, pursuant to the rights reserved to Declarant under Article 15 of the Declaration, the Annexed Property is hereby made subject to the Declaration, and shall for all

COPY

purposes be a part of the Pioneer Ridge Project, effective on the date of recordation of this Declaration of Annexation. The Annexed Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the declarations, limitations, covenants, conditions, restrictions, and easements set forth in the Declaration, all of which are for the purpose of enhancing and protecting the value and attractiveness of the entire Pioneer Ridge Project. All of the limitations, covenants, conditions, restrictions, and easements set forth in the Declaration shall constitute covenants and encumbrances which shall run with the Annexed Property for the benefit of the remainder of the Project, and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Annexed Property.

2. That Lot 3, Block 4, and Lot 5, Block 7, Pioneer Ridge Second Addition shall be deemed Common Area, to be owned, operated, and maintained by the Association for the benefit of all Owners and the Project.

3. Declarant hereby grants to all Owners of Lots in the Annexed Property all rights and easements in any Phases previously annexed to the Pioneer Ridge Project, which rights and easements are reserved to Declarant in the Declaration. Declarant also hereby reserves from all Owners of Lots in the Annexed Property, and grants to the Owners of Lots in previously Annexed Phases, all rights and easements which were reserved to Declarant under the Declaration.

4. Without limiting the generality of the foregoing, Declarant, for each Lot owned within the Annexed Property, hereby covenants, and each Owner of any Lot within the Annexed Property, by acceptance of a deed therefore, is hereby deemed to covenant and agree to pay to the Association regular monthly assessments or charges, and extraordinary and special assessments for capital improvements and unexpected expenses, all according to the Declaration.

The undersigned, being the Declarant herein, has executed this Declaration of Annexation on September 28, 1993.

DECLARANT

DESTINY DEVELOPMENT CORPORATION,
an Idaho corporation

By: Mark E. Wiggins
Mark E. Wiggins
President

COPY

STATE OF IDAHO)
 :ss.
County of KOOTENAI)

On this 28th day of September, 1993, before me,
AYON ANDERSON, a Notary Public in and for the State of
Idaho, personally appeared MARK E. WIGGINS, known or identified
to me to be the President of DESTINY DEVELOPMENT CORPORATION, an
Idaho corporation, the corporation that executed the instrument
or the person who executed the instrument on behalf of said
corporation, and acknowledged to me that such corporation
executed the same.

WITNESS my hand and official seal hereto affixed the day and
year first above written.

Ayon Kay Anderson
Notary Public for Idaho
Residing at Post Falls
Commission Expires 10-23-98

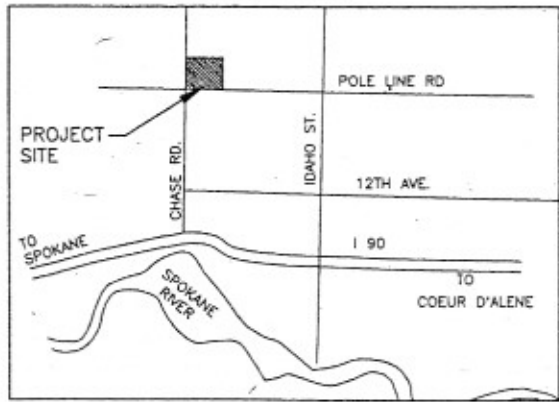
3rd Addition

PIONEER RIDGE THIRD ADDITION

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 27,
RANGE 5 WEST, B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO

MAY 1993

VICINITY MAP



BE IT FURTHER KNOWN THAT:

(A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE.

(B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS, RESTRICTIONS CONTAINED IN DOCUMENT DATED _____ AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. _____.

(C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS POLE LINE ROAD SHALL BE PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJACENT LOTS IS RESERVED FOR PUBLIC PURPOSES.

(D) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION BASIN SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING OR ALTERATION OF HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE DRAINAGE STRUCTURES WILL REQUIRE APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.

(E) NO DIRECT ACCESS SHALL BE ALLOW FROM LOTS TO CHASE ROAD OR POLE LINE ROAD.

(F) WATER SERVICE FOR THIS SUBMISSION WILL BE PROVIDED BY EAST KOOTENAI COUNTY GREENACRES IRRIGATION DISTRICT.

(G) THE 10' STRIP ALONG CHASE ROAD IN SECTION 27, AS SHOWN HEREON, IS HEREBY DEDICATED TO KOOTENAI COUNTY HIGHWAY DISTRICT FOREVER.

(H) THE DRAINAGE EASEMENT ON LOTS 3 & 4, BLOCK 1, ARE DEDICATED TO THE PIONEER RIDGE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF STORMWATER EASEMENT. THE CITY OF POST FALLS IS GRANTED AN EASEMENT FOR MAINTENANCE PURPOSES, ABOVE AND BEYOND THE BOUNDARIES AND ORDINARY MAINTENANCE OF LOTS 3 & 4.

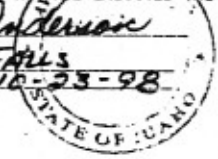
Mark Wiggins
 MARK WIGGINS, PRESIDENT
 DESTINY DEVELOPMENT, INC.

ACKNOWLEDGEMENT

STATE OF IDAHO)
 COUNTY OF KOOTENAI)

ON THIS 14 DAY OF FEB, 1994, BEFORE ME, Avon Kay Anderson, A NOTARY PUBLIC IN AND FOR SAID COUNTY, PERSONALLY APPEARED MARK WIGGINS OR IDENTIFIED TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED WITHIN INSTRUMENT AS THE PRESIDENT OF DESTINY DEVELOPMENT, INC. AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME.

Avon Kay Anderson
 NOTARY PUBLIC
 RESIDING IN Post Falls
 MY COMMISSION EXPIRES 10-23-98



OWNERS CERTIFICATE OF DEDICATION

BE IT KNOWN BY ALL THAT DESTINY DEVELOPMENT, INC., AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE THIRD ADDITION, A SUBDIVISION IN A PORTION OF THE SW 1/4 SECTION 27, T51N, R5W B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1, BLOCK 3, OF THE PLAT OF PIONEER RIDGE SECOND ADDITION, AS PER PLAT RECORDED IN BOOK G, PAGE 59, KOOTENAI COUNTY, IDAHO; THENCE ALONG THE BOUNDARY OF SAID PLAT OF PIONEER RIDGE SECOND ADDITION THE FOLLOWING 13 COURSES TO THE EAST LINE OF CHASE ROAD; THENCE N.21°01'59"E., A DISTANCE OF 440.00 FEET; THENCE N.68°58'01"W., A DISTANCE OF 140.01 FEET; THENCE S.65°08'07"W., A DISTANCE OF 82.78 FEET; THENCE N.71°19'00"W., A DISTANCE OF 169.91 FEET; THENCE S.16°17'00"W., A DISTANCE OF 110.00 FEET; THENCE N.78°07'44"W., A DISTANCE OF 127.68 FEET; THENCE N.16°17'00"E., A DISTANCE OF 80.00 FEET; THENCE N.73°43'00"W., A DISTANCE OF 120.00 FEET; THENCE N.21°40'30"E., A DISTANCE OF 173.89 FEET; THENCE N.68°19'30"W., A DISTANCE OF 60.00 FEET; THENCE N.21°40'30"E., A DISTANCE OF 135.12 FEET; THENCE N.68°19'30"W., A DISTANCE OF 165.00 FEET; THENCE S.89°09'11"W., A DISTANCE OF 164.10 FEET, TO THE EAST LINE OF CHASE ROAD; THENCE S.00°50'49"E., ALONG THE EAST LINE OF CHASE ROAD, A DISTANCE OF 1207.19 FEET, TO THE NORTH LINE OF POLE LINE ROAD; THENCE N.89°48'55"E., ALONG THE NORTH LINE OF POLE LINE ROAD, A DISTANCE OF 573.35 FEET.

PIONEER RIDGE THIRD

G-123

STATE OF IDAHO }
COUNTY OF KOOTENAI } 55
AT THE COUNTY CLERK'S OFFICE

NORTH IDAHO TITLE TRS.

MAY 30 2 34 PM '95

FOR DEPUTY
[Signature]
FEE \$ *[Signature]*

Recorded at the Request of:

LUKINS & ANNIS, P.S.
250 Northwest Blvd.
Suite 102
Coeur d'Alene, Idaho 83814

Attention: EDWARD F. WROE

1393403

DECLARATION OF ANNEXATION

PIONEER RIDGE
(THIRD ADDITION)
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

This Declaration of Annexation is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the developer of a certain tract of land located in the City of Post Falls, Kootenai County, Idaho, commonly known as Pioneer Ridge, which development is governed by that certain Declaration of Covenants, Conditions, and Restrictions, dated November 5, 1992, and recorded November 5, 1992, as Document No. 1281704, official records of Kootenai County, Idaho (the "Declaration"), the definitions and terms of which Declaration are incorporated herein by this reference.

B. Declarant is the owner of the following property in the vicinity of the Pioneer Ridge project, but which has not yet subjected to the Declaration (the "Annexed Property"):

All land located within the Plat of Pioneer Ridge Third Addition, in the City of Post Falls, according to the Plat filed March 11, 1994, in Book "G" of Plats, Pages 123 and 123 A, as Instrument No. 1344986, Records of Kootenai County, Idaho;

Excepting therefrom the dedicated roads.

1393403

C. Declarant desires to subject the Annexed Property to the Pioneer Ridge project, as provided in this Declaration of Annexation.

NOW, THEREFORE, Declarant declares as follows:

1. Pursuant to the rights reserved to Declarant under Article 15 of the Declaration, the Annexed Property is hereby made subject to the Declaration, and shall for all purposes be a part of the Pioneer Ridge Project, effective on the date of recordation of this Declaration of Annexation. The Annexed Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the declarations, limitations, covenants, conditions, restrictions, and easements set forth in the Declaration, all of which are for the purpose of enhancing and protecting the value and attractiveness of the entire Pioneer Ridge Project. All of the limitations, covenants, conditions, restrictions, and easements set forth in the Declaration shall constitute covenants and encumbrances which shall run with the Annexed Property for the benefit of the remainder of the Project, and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Annexed Property.

2. Declarant hereby grants to all Owners of Lots in the Annexed Property all rights and easements in any Phases previously annexed to the Pioneer Ridge Project, which rights and easements are reserved to Declarant in the Declaration. Declarant also hereby reserves from all Owners of Lots in the Annexed Property, and grants to the Owners of Lots in previously Annexed Phases, all rights and easements which were reserved to Declarant under the Declaration.

3. Declarant, in recording the above-referenced Plat, has dedicated a strip of land ten (10) feet in width along Chase Road, to the Kootenai County Highway District, which strip of land is therefor not strictly included within the Project. However, for so long as the Kootenai County Highway District (or its successor with respect to Chase Road) will permit it, the Association shall have the right, but not the obligation, to maintain landscaping within the subject strip of land as though such strip of land constituted Common Area.

4. Without limiting the generality of the foregoing, Declarant, for each Lot owned within the Annexed Property, hereby covenants, and each Owner of any Lot within the Annexed Property, by acceptance of a deed therefore, is hereby deemed to covenant and agree to pay to the Association regular monthly assessments or charges, and extraordinary and special assessments for capital

139J403

improvements and unexpected expenses, all according to the Declaration.

The undersigned, being the Declarant herein, has executed this Declaration of Annexation on _____, 1993.

DECLARANT

DESTINY DEVELOPMENT CORPORATION,
an Idaho corporation

By: Mark E. Wiggins
Mark E. Wiggins
President

STATE OF IDAHO)
County of Portneui) ss.

On this 19th day of March, 1995, before me, Kathryn Sabens, a Notary Public in and for the State of Idaho, personally appeared MARK E. WIGGINS, known or identified to me to be the President of DESTINY DEVELOPMENT CORPORATION, an Idaho corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Kathryn Sabens
Notary Public for Idaho
Residing at Cross d'Allee
Commission Expires 2-19-01

110122811042 1

BE IT FURTHER KNOWN THAT;
 (A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE,
 (B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS RESTRICTIONS CONTAINED IN DOCUMENT DATED _____ AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. _____
 (C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS AND LIES PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT LYING 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJOINING LOTS IS RESERVED FOR PUBLIC PURPOSES.
 (D) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION AREA SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING BY ABUTTING HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE SLOPES NECESSARY TO MAINTAIN THE DRAINAGE STRUCTURES WILL REQUIRE GRADING PLAN APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.
 (E) WATER SERVICE FOR THIS SUBMISION WILL BE PROVIDED BY EAST GREENACRES IRRIGATION DISTRICT.

Mark Wiggins: PRESIDENT
 MARK WIGGINS, PRESIDENT
 PACIFIC PROJECTS, INC.

ACKNOWLEDGEMENT

STATE OF IDAHO)
 COUNTY OF KOOTENAI)

ON THIS 9th DAY OF November 1995 BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF IDAHO, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED MARK WIGGINS, TO ME KNOWN TO BE THE PRESIDENT OF PACIFIC PROJECTS, INC. AND EXECUTED THE WITHIN AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED THE SAID INSTRUMENT TO BE THE FREE AND VOLUNTARY ACT AND DEED OF SAID INDIVIDUALS, FOR THE USES AND PURPOSES THEREIN MENTIONED, AND TO OATH STATED THAT THEY ARE AUTHORIZED TO EXECUTE THE SAID INSTRUMENT.

Dorothy Sabens
 NOTARY PUBLIC
 RESIDING IN Coeur d'Alene
 MY COMMISSION EXPIRES 2-13-01



OWNERS CERTIFICATE OF DEDICATION

BE IT KNOWN BY ALL THAT PACIFIC PROJECTS, INC., AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE FOURTH ADDITION, A SUBDIVISION IN A PORTION OF THE S.W. 1/4 OF SECTION 27, T.51N., R.5W., B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 7, BLOCK 2, PIONEER RIDGE SECOND ADDITION AS PER PLAT RECORD IN BOOK G OF PLATS, PAGE 59 THENCE ALONG THE NORTH BOUNDARY LINE OF SAID PIONEER RIDGE SECOND ADDITION THE FOLLOWING 14 COURSES:

1. S.89°11'45"W., 119.94 FEET;
 2. S.75°10'26"W., 30.49 FEET;
 3. S.74°45'39"W., 30.53 FEET;
 4. S.89°11'21"W., 130.79 FEET;
 5. N.06°13'31"E., 80.00 FEET;
 6. S.66°12'18"W., 80.00 FEET;
 7. N.73°39'20"W., 150.00 FEET;
 8. N.67°12'44"W., 150.00 FEET;
 9. N.21°40'30"E., 130.00 FEET;
 10. N.68°19'30"W., 110.00 FEET, TO THE BEGINNING OF A CURVE TO THE LEFT THE RADIUS OF WHICH BEARS S.21°40'30"W., 20.00 FEET;
 11. ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 90° AN ARC DISTANCE OF 31.42 FEET;
 12. N.63°33'41"W., 60.21 FEET;
 13. N.21°40'30"E., 85.00 FEET;
 14. N.59°57'33"W., 171.83 FEET;
THENCE N.37°14'24"E., 320.71 FEET;
THENCE N.49°39'08"E., 304.53 FEET;
THENCE S.40°49'30"E., 135.00 FEET;
THENCE S.11°11'08"E., 69.03 FEET;
THENCE S.37°48'15"E., 112.59 FEET;
THENCE N.52°11'45"E., 585.00 FEET;
THENCE S.45°06'29"E., 128.06 FEET;
THENCE S.07°52'14"E., 238.95 FEET TO AN ANGLE POINT IN THE NORTH LINE OF THE PLAT OF PIONEER RIDGE AS PER PLAT RECORDED IN BOOK F. OF PLATS, PAGE 23; THENCE ALONG THE NORTH AND WEST BOUNDARY LINE OF SAID PIONEER RIDGE THE FOLLOWING 5 COURSES:
 1. S.89°48'52"W., 55.86 FEET;
 2. S.52°11'45"W., 355.75 FEET;
 3. S.37°45'15"E., 170.00 FEET;
 4. S.52°11'45"W., 58.50 FEET;
 5. S.00°48'15"E., 307.00 FEET, TO THE POINT OF BEGINNING.
- AREA = 15.11 ACRES

Recorded at the Request of:

LUKINS & ANNIS, P.S.
250 Northwest Blvd.
Suite 102
Coeur d'Alene, Idaho 83814

Attention: EDWARD F. WROE

STATE OF IDAHO }
COUNTY OF KOOTENAI } ss
AT THE COUNTY CLERK'S OFFICE

NORTH IDAHO TITLE INS.

Nov 17 3 01 PM '95

DATE: 11/17/95
J. Semenk
FEE: \$9.00

2964ks

DECLARATION OF ANNEXATION

1423008

PIONEER RIDGE
(FOURTH ADDITION)
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

This Declaration of Annexation is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the developer of a certain tract of land located in the City of Post Falls, Kootenai County, Idaho, commonly known as Pioneer Ridge, which development is governed by that certain Declaration of Covenants, Conditions, and Restrictions, dated November 5, 1992, and recorded November 5, 1992, as Document No. 1281704, official records of Kootenai County, Idaho (the "Declaration"), the definitions and terms of which Declaration are incorporated herein by this reference.

B. Declarant is the owner of the following property in the vicinity of the Pioneer Ridge project, but which has not yet been subjected to the Declaration (the "Annexed Property"):

All land located within the Plat of Pioneer Ridge Fourth Addition, in the City of Post Falls, according to the Plat filed 11-13-95, 1995, in Book "G" of Plats, Pages 312 1/2 4, as Instrument No. 1471027, Records of Kootenai County, Idaho;

Excepting therefrom the dedicated roads.

C. Declarant desires to subject the Annexed Property to the Pioneer Ridge project, as provided in this Declaration of Annexation.

NOW, THEREFORE, Declarant declares as follows:

1423008

1. Pursuant to the rights reserved to Declarant under Article 15 of the Declaration, the Annexed Property is hereby made subject to the Declaration, and shall for all purposes be a part of the Pioneer Ridge Project, effective on the date of recordation of this Declaration of Annexation. The Annexed Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the declarations, limitations, covenants, conditions, restrictions, and easements set forth in the Declaration, all of which are for the purpose of enhancing and protecting the value and attractiveness of the entire Pioneer Ridge Project. All of the limitations, covenants, conditions, restrictions, and easements set forth in the Declaration shall constitute covenants and encumbrances which shall run with the Annexed Property for the benefit of the remainder of the Project, and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Annexed Property.

2. Declarant hereby grants to all Owners of Lots in the Annexed Property all rights and easements in any Phases previously annexed to the Pioneer Ridge Project, which rights and easements are reserved to Declarant in the Declaration. Declarant also hereby reserves from all Owners of Lots in the Annexed Property, and grants to the Owners of Lots in previously Annexed Phases, all rights and easements which were reserved to Declarant under the Declaration.

3. Without limiting the generality of the foregoing, Declarant, for each Lot owned within the Annexed Property, hereby covenants, and each Owner of any Lot within the Annexed Property, by acceptance of a deed therefore, is hereby deemed to covenant and agree to pay to the Association regular monthly assessments or charges, and extraordinary and special assessments for capital improvements and unexpected expenses, all according to the Declaration.

4. Notwithstanding the general nature of the annexation reflected by this instrument, the Declarant hereby makes the following modifications of the Declaration, applicable to the Annexed Property only, in order to reflect the different character of the Annexed Property, as permitted under Paragraph 15.2 of the Declaration:

a. The minimum home size, set forth in Paragraph 4.4(a) of the Declaration, shall be 950 square feet for each Lot in the Annexed Property;

1423008

b. While Article 4 of the Declaration allows the Board, in its discretion, to appoint an Architectural Control Committee for the entire Pioneer Ridge Project, the architectural control functions for the Annexed Property shall be administered by a separate Architectural Control Committee, whose members shall be appointed by the Board from the Owners of Lots within the Annexed Property. The creation of the separate Committee shall be mandatory, upon the request of the Owner of any Lot within the Annexed Property. Such separate Committee shall be bound by the terms of the Declaration (as modified herein), but shall have the authority to issue separate Architectural Guidelines applicable only to the Annexed Property.

The undersigned, being the Declarant herein, has executed this Declaration of Annexation on NOVEMBER 17TH, 1995.

DECLARANT

DESTINY DEVELOPMENT CORPORATION,
an Idaho corporation

By: Mark E. Wiggins - PRES
Mark E. Wiggins
President

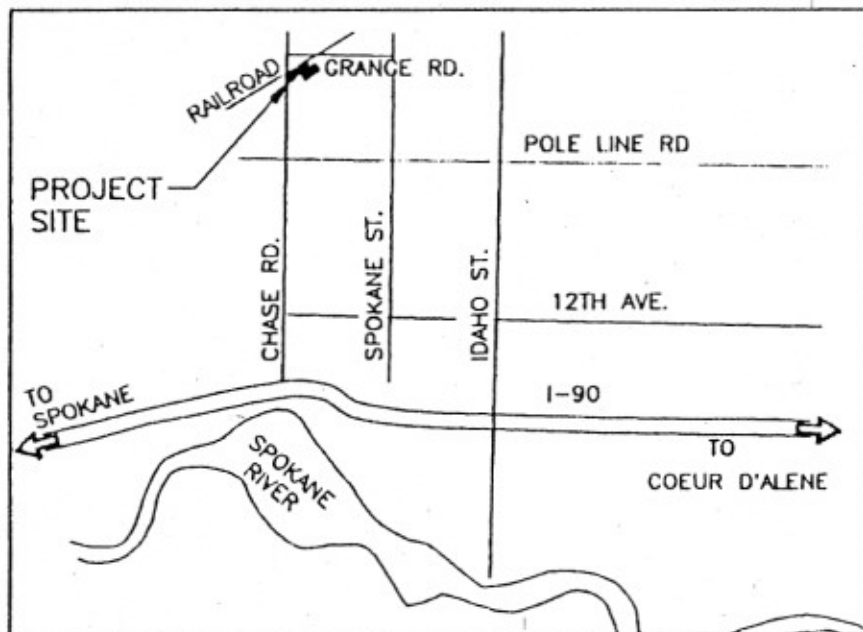
STATE OF IDAHO)
) :ss.
County of Cartersville

On this 17th day of November, 1995, before me, Kathryn Sabens, a Notary Public in and for the State of Idaho, personally appeared MARK E. WIGGINS, known or identified to me to be the President of DESTINY DEVELOPMENT CORPORATION, an Idaho corporation, the corporation that executed the foregoing instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Kathryn Sabens
Notary Public for Idaho
Residing at Grand Avenue
Commission Expires 2-13-01



N.T.S.

OWNER'S CERTIFICATE OF DEDICATION

BE IT KNOWN BY ALL THAT DESTINY DEVELOPMENT CORPORATION, AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE FIFTH ADDITION, A SUBDIVISION IN A PORTION OF THE S.W. 1/4 OF SECTION 27, T.51N., R.5W., B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF PIONEER RIDGE SECOND ADDITION AS PER PLAT RECORDED IN BOOK "G" OF PLATS, PAGE 59, KOOTENAI COUNTY, IDAHO, THENCE N.00°50'59"W., ALONG THE EAST RIGHT OF WAY LINE OF CHASE ROAD, 256.98 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE SPOKANE INTERNATIONAL RAILROAD; THENCE N.54°48'14"E., ALONG SAID SOUTHERLY RIGHT OF WAY LINE, 1014.35 FEET; THENCE S.35°11'44"E., 140.00 FEET; THENCE S.10°21'10"E., 66.12 FEET; THENCE S.35°11'46"E., 102.72 FEET; THENCE N.54°48'14"E., 205.41 FEET; THENCE S.37°48'15"E., 104.66 FEET; THENCE S.54°26'53"E., 62.62 FEET; THENCE S.40°44'28"E., 120.16 FEET, TO THE NORTHERLY BOUNDARY OF PIONEER RIDGE FOURTH ADDITION; AS PER PLAT RECORDED IN BOOK "G" OF PLATS, PAGE 312, KOOTENAI COUNTY, IDAHO; THENCE ALONG SAID NORTHERLY BOUNDARY THE FOLLOWING 6 COURSES:

1. S.52°11'45"W., 585.00 FEET;
2. N.37°48'15"W., 112.59 FEET;
3. N.11°11'08"W., 89.03 FEET;
4. N.40°49'30"W., 135.00 FEET;
5. S.49°39'08"W., 304.53 FEET;
6. S.37°14'24"W., 320.17 FEET, TO THE NORTHERLY BOUNDARY OF SAID PIONEER RIDGE SECOND ADDITION: THENCE ALONG SAID NORTHERLY BOUNDARY THE FOLLOWING 2 COURSES:

PIONEER RIDGE FIFTH ADDITION

N OF THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 51
NGE 5 WEST, B.M., CITY OF POST FALLS, KOOTENAI COUNTY, I

BE IT FURTHER KNOWN THAT;

(A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE.

(B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS RESTRICTIONS CONTAINED IN DOCUMENT DATED _____

AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. _____

(C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS AND LIES PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT LYING 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJOINING LOTS IS RESERVED FOR PUBLIC PURPOSES.

(D) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION AREA SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING BY ABUTTING HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE SLOPES NECESSARY TO MAINTAIN THE DRAINAGE STRUCTURES WILL REQUIRE GRADING PLAN APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.

(E) LOT 6, BLOCK 3, IS DEDICATED TO THE PIONEER RIDGE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF A STORMWATER DRAINAGE EASEMENT. THE CITY OF POST FALLS IS GRANTED AN EASEMENT FOR MAINTENANCE PURPOSES, ABOVE AND BEYOND NORMAL AND ORDINARY MAINTENANCE. THE CITY OF POST FALLS IS NOT RESPONSIBLE FOR NORMAL AND ORDINARY MAINTENANCE OF LOT 6, BLOCK 3.

(F) WATER SERVICE FOR THIS SUBDIVISION WILL BE PROVIDED BY EAST GREENACRES IRRIGATION DISTRICT.

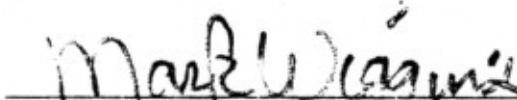
(G) NO DIRECT ACCESS SHALL BE ALLOWED FROM LOTS TO CHASE ROAD.

(H) THE 10' STRIP ALONG CHASE ROAD IN SECTION 27, AS SHOWN HEREON, IS HEREBY DEDICATED TO KOOTENAI COUNTY HIGHWAY DISTRICT FOREVER.

(I) A GENERAL SITE GRADING PLAN HAS BEEN DEVELOPED FOR LOTS 1-7, BLOCKS 1 AND 2. DEVELOPMENT OF THESE LOTS MAY REQUIRE PROFESSIONAL ENGINEERED PLANS FOR FOUNDATIONS AND SITE GRADING, AT THE CITY OF POST FALLS DISCRETION, PRIOR TO THE ISSUANCE OF BUILDING PERMITS.

(J) A SIX FOOT HIGH EFFECTIVE BARRIER FENCE SHALL BE CONSTRUCTED ON ALL LOTS ADJACENT TO THE RAILROAD PROPERTY PRIOR TO ISSUANCE OF BUILDING PERMITS.

(K) FILL PLACED FOR CONSTRUCTION OF INTERNAL AND ADJACENT ROADS SHALL NOT BE MODIFIED WITHOUT PRIOR APPROVAL OF THE CITY ENGINEER.



MARK WIGGINS, PRESIDENT
STATE OF IDAHO)
COUNTY OF KOOTENAI)

DESTINY DEVELOPMENT CORPORATION

Recorded at the Request of:

LUKINS & ANNIS, P.S.
250 Northwest Blvd.
Suite 102
Coeur d'Alene, Idaho 83814

Attention: EDWARD F. WROE

COPY

STATE OF IDAHO }
COUNTY OF KOOTENAI } ss

AT THE REQUEST OF Destiny Development

SEP 30 2 28 PM '96

DANIEL J. ENGLISH
D. English
DEPUTY
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DECLARATION OF ANNEXATION

PIONEER RIDGE
(FIFTH ADDITION)
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

This Declaration of Annexation is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the developer of a certain tract of land located in the City of Post Falls, Kootenai County, Idaho, commonly known as Pioneer Ridge, which development is governed by that certain Declaration of Covenants, Conditions, and Restrictions, dated November 5, 1992, and recorded November 5, 1992, as Document No. 1281704, official records of Kootenai County, Idaho (the "Declaration"), the definitions and terms of which Declaration are incorporated herein by this reference.

B. Declarant is the owner of the following property in the vicinity of the Pioneer Ridge project, but which has not yet been subjected to the Declaration (the "Annexed Property"):

All land located within the Plat of Pioneer Ridge Fifth Addition, in the City of Post Falls, according to the Plat filed ~~September 26~~ SEPTEMBER 26 TH 1996 ^{7/26/96}, in Book "G" of Plats, Pages 409 AND 409-A, as Instrument No. _____, Records of Kootenai County, Idaho;

Excepting therefrom the dedicated roads.

C. Declarant desires to subject the Annexed Property to the Pioneer Ridge project, as provided in this Declaration of Annexation.

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COPY

NOW, THEREFORE, Declarant declares as follows:

1. Pursuant to the rights reserved to Declarant under Article 15 of the Declaration, the Annexed Property is hereby made subject to the Declaration, and shall for all purposes be a part of the Pioneer Ridge Project, effective on the date of recordation of this Declaration of Annexation. The Annexed Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the declarations, limitations, covenants, conditions, restrictions, and easements set forth in the Declaration, all of which are for the purpose of enhancing and protecting the value and attractiveness of the entire Pioneer Ridge Project. All of the limitations, covenants, conditions, restrictions, and easements set forth in the Declaration shall constitute covenants and encumbrances which shall run with the Annexed Property for the benefit of the remainder of the Project, and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Annexed Property.

2. Declarant hereby grants to all Owners of Lots in the Annexed Property all rights and easements in any Phases previously annexed to the Pioneer Ridge Project, which rights and easements are reserved to Declarant in the Declaration. Declarant also hereby reserves from all Owners of Lots in the Annexed Property, and grants to the Owners of Lots in previously Annexed Phases, all rights and easements which were reserved to Declarant under the Declaration.

3. Without limiting the generality of the foregoing, Declarant, for each Lot owned within the Annexed Property, hereby covenants, and each Owner of any Lot within the Annexed Property, by acceptance of a deed therefore, is hereby deemed to covenant and agree to pay to the Association regular monthly assessments or charges, and extraordinary and special assessments for capital improvements and unexpected expenses, all according to the Declaration.

4. Notwithstanding the general nature of the annexation reflected by this instrument, the Declarant hereby makes the following modifications of the Declaration, applicable to the Annexed Property only, in order to reflect the different character of the Annexed Property, as permitted under Paragraph 15.2 of the Declaration:

- a. The minimum home size, set forth in Paragraph 4.4(a) of the Declaration, shall be 950 square feet for each Lot in the Annexed Property;

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b. While Article 4 of the Declaration allows the Board, in its discretion, to appoint an Architectural Control Committee for the entire Pioneer Ridge Project, the architectural control functions for the Annexed Property shall be administered by a separate Architectural Control Committee, whose members shall be appointed by the Board from the Owners of Lots within the Annexed Property. The creation of the separate Committee shall be mandatory, upon the request of the Owner of any Lot within the Annexed Property. Such separate Committee shall be bound by the terms of the Declaration (as modified herein), but shall have the authority to issue separate Architectural Guidelines applicable only to the Annexed Property.

The undersigned, being the Declarant herein, has executed this Declaration of Annexation on ~~August~~ ^{26TH} ~~26TH~~ ^{SEPTEMBER}, 1996. MW 9/26/96

DECLARANT

DESTINY DEVELOPMENT CORPORATION,
an Idaho corporation

By: Mark E. Wiggins
Mark E. Wiggins
President

STATE OF IDAHO)
) :ss.
County of Kootenai)

On this ^{26TH} ~~26TH~~ ^{SEPTEMBER} day of ~~August~~, 1996, before me, Cornie Swall, a Notary Public in and for the State of Idaho, personally appeared MARK E. WIGGINS, known or identified to me to be the President of DESTINY DEVELOPMENT CORPORATION, an Idaho corporation, the corporation that executed the foregoing instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Cornie Swall
Notary Public for Idaho
Residing at Bour D'Alene, Idaho
Commission Expires 11-03-200

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PIONEER RIDGE SIXTH ADDITION

OF THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 51 NORTH
E 5 WEST, B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO

BE IT FURTHER KNOWN THAT;

(A) THE ROADWAYS AS PLATTED HEREIN ARE DEDICATED TO THE CITY OF POST FALLS FOR PUBLIC USE,

(B) THE OWNERS OF LOTS WITHIN THIS PLAT ARE SUBJECT TO COVENANTS RESTRICTIONS CONTAINED IN DOCUMENT DATED _____

AND RECORDED IN MISCELLANEOUS INSTRUMENT NO. _____

(C) A 10.00 FEET WIDE EASEMENT WITHIN EACH LOT WHICH ADJOINS AND LIES PARALLEL TO EACH EXTERIOR LINE AND A 10.00 FEET WIDE EASEMENT LYING 5.00 FEET EITHER SIDE OF ANY COMMON BOUNDARY LINE BETWEEN ADJOINING LOTS IS RESERVED FOR PUBLIC PURPOSES.

(D) ALL LOTS ABUTTING A GRASSY SWALE OR STORM WATER RETENTION AREA SHALL NOT, IN THE OPINION OF THE CITY ENGINEER, CHANGE OR AFFECT THE STRUCTURAL INTEGRITY OF THESE DRAINAGE STRUCTURES AS THEY EXIST AT THE TIME OF ACCEPTANCE BY THE CITY OF POST FALLS. ANY REGRADING BY ABUTTING HOMEOWNERS THAT WILL AFFECT OR ALTER THE ELEVATIONS OR SIDE SLOPES NECESSARY TO MAINTAIN THE DRAINAGE STRUCTURES WILL REQUIRE GRADING PLAN APPROVAL BY THE CITY ENGINEER AND PUBLIC WORKS DEPARTMENT.

(E) LOT 7, BLOCK 4, IS DEDICATED TO THE PIONEER RIDGE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF A STORMWATER DRAINAGE EASEMENT. THE CITY OF POST FALLS IS GRANTED AN EASEMENT FOR MAINTENANCE PURPOSES, ABOVE AND BEYOND NORMAL AND ORDINARY MAINTENANCE. THE CITY OF POST FALLS IS NOT RESPONSIBLE FOR NORMAL AND ORDINARY MAINTENANCE OF LOT 7, BLOCK 4.

(F) WATER SERVICE FOR THIS SUBDIVISION WILL BE PROVIDED BY EAST GREENACRES IRRIGATION DISTRICT.

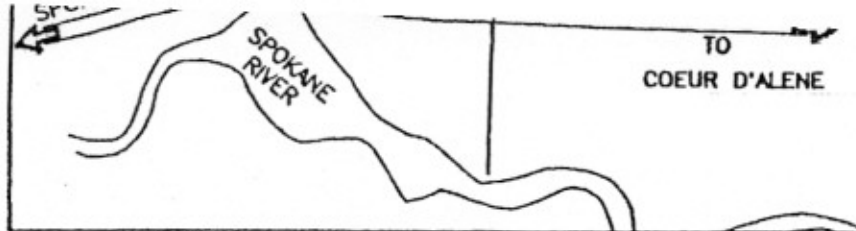
(G) NO DIRECT ACCESS SHALL BE ALLOWED FROM LOTS TO GRANGE ROAD.

(H) A GENERAL SITE GRADING PLAN HAS BEEN DEVELOPED FOR LOTS 1-8, BLOCK 4; LOTS 9 AND 10, BLOCK 2; LOTS 8, 9, 10, AND 11, BLOCK 1; LOTS 1, 2 AND 3, BLOCK 3. "DEVELOPMENT OF THESE LOTS MAY REQUIRE PROFESSIONAL ENGINEERED PLANS FOR FOUNDATIONS AND SITE GRADING, AT THE CITY OF POST FALLS DISCRETION, PRIOR TO THE ISSUANCE OF BUILDING PERMITS."

(I) A SIX FOOT HIGH EFFECTIVE BARRIER FENCE SHALL BE CONSTRUCTED ON ALL LOTS ADJACENT TO THE RAILROAD PROPERTY PRIOR TO ISSUANCE OF BUILDING PERMITS.

(J) FILL PLACED FOR CONSTRUCTION OF INTERNAL AND ADJACENT ROADS SHALL NOT BE MODIFIED WITHOUT PRIOR APPROVAL OF THE CITY ENGINEER.

Mark Waini



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OWNER'S CERTIFICATE OF DEDICATION

BE IT KNOWN BY ALL THAT DESTINY DEVELOPMENT CORPORATION, AN IDAHO CORPORATION, HEREBY CERTIFIES THAT THEY HAVE CAUSED THE LAND AS SHOWN HEREON TO BE LAID OFF INTO BLOCKS, LOTS, AND STREETS TO BE KNOWN AS PIONEER RIDGE SIXTH ADDITION, A SUBDIVISION IN A PORTION OF THE S.W. 1/4 OF SECTION 27, T.51N., R.5W., B.M., CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO AND FURTHER DESCRIBED AS FOLLOWS:

MARK
STATE
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BEGINNING AT THE NORTHEASTERLY CORNER OF LOT 1, BLOCK 3, PIONEER RIDGE FIFTH ADDITION AS PER PLAT RECORDED IN BOOK - OF PLATS, PAGE - KOOTENAI COUNTY, IDAHO; THENCE N.54°48'14"E., ALONG THE SOUTHERLY RIGHT OF WAY LINE OF THE SPOKANE INTERNATIONAL RAILROAD, 322.83 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF GRANGE ROAD; THENCE N.89°35'20"E., ALONG SAID SOUTHERLY RIGHT OF WAY LINE, 631.19 FEET TO THE EAST LINE OF THE WEST 28 2/3 RODS, OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 27; THENCE S.00°48'15"E., ALONG SAID EAST LINE, 900.98 FEET TO THE NORTHEASTERLY CORNER OF PIONEER RIDGE; AS PER PLAT RECORDED IN BOOK "F" OF PLATS, PAGE 23, KOOTENAI COUNTY, IDAHO; THENCE ALONG THE BOUNDARY OF PIONEER RIDGE THE FOLLOWING 4 COURSES:

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1. S.89°11'45"W., 125.90 FEET;
2. N.65°03'22"W., 60.00 FEET, TO THE BEGINNING OF A CURVE TO THE LEFT THE RADIUS OF WHICH BEARS N.65°03'22"W., 150.50 FEET;
3. ALONG SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 27°15'07", AN ARC LENGTH OF 71.58 FEET; (CHORD BRG. S.38°34'11"W.)
4. N.37° 48'15"W., 75.90 FEET, TO THE BOUNDARY OF PIONEER RIDGE FOURTH ADDITION; AS PER PLAT RECORDED IN BOOK "G" OF PLATS, PAGE 312, KOOTENAI COUNTY, IDAHO; THENCE, ALONG THE BOUNDARY OF PIONEER RIDGE FOURTH ADDITION, THE FOLLOWING 2 COURSES:

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1. N.07°52'14"W., 238.95 FEET;
2. N.45°06'29"W., 128.08 FEET, TO THE BOUNDARY OF PIONEER RIDGE FIFTH ADDITION; THENCE, ALONG THE BOUNDARY OF PIONEER RIDGE FIFTH ADDITION, THE FOLLOWING 7 COURSES:

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MY!

1. N.40°44'28"W., 120.16 FEET;
2. N.54°26'53"W., 62.62 FEET;
3. N.37°48'15"W., 104.66 FEET
4. S.54°48'14"W., 205.41 FEET;
5. N.35°11'48"W., 102.72 FEET;
6. N.10°21'10"W., 66.12 FEET;
7. N.35° 11'44"W., 140.00 FEET, TO THE POINT OF BEGINNING.

AREA = 11.25 ACRES

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SUI
A S

Recorded at the Request of:

LUKINS & ANNIS, P.S.
250 Northwest Blvd.
Suite 102
Coeur d'Alene, Idaho 83814

Attention: EDWARD F. WROE

1508254

STATE OF IDAHO
COUNTY OF KOOTENAI } SS
AT THE REQUEST OF
Stanley Wiggins
Oct 7 12 10 PM '97
DANIEL J. ENGLISH
DE
DEPUTY
FEES

DECLARATION OF ANNEXATION

PIONEER RIDGE
(SIXTH ADDITION)
CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

This Declaration of Annexation is made on the date hereinafter set forth, by DESTINY DEVELOPMENT CORPORATION, an Idaho corporation ("Declarant"), with reference to the following facts:

A. Declarant is the developer of a certain tract of land located in the City of Post Falls, Kootenai County, Idaho, commonly known as Pioneer Ridge, which development is governed by that certain Declaration of Covenants, Conditions, and Restrictions, dated November 5, 1992, and recorded November 5, 1992, as Document No. 1281704, official records of Kootenai County, Idaho (the "Declaration"), the definitions and terms of which Declaration are incorporated herein by this reference.

B. Declarant is the owner of the following property in the vicinity of the Pioneer Ridge project, but which has not yet been subjected to the Declaration (the "Annexed Property"):

All land located within the Plat of PIONEER RIDGE SIXTH ADDITION, in the City of Post Falls, according to the Plat filed September 19, 1997, in Book "G" of Plats, Pages 486 et seq., as Instrument No. 1506034, Records of Kootenai County, Idaho;

Excepting therefrom the dedicated roads.

C. Declarant desires to subject the Annexed Property to the Pioneer Ridge project, as provided in this Declaration of Annexation.

NOW, THEREFORE, Declarant declares as follows:

1. Pursuant to the rights reserved to Declarant under Article 15 of the Declaration, the Annexed Property is hereby made subject to the Declaration, and shall for all purposes be a part of the Pioneer Ridge Project, effective on the date of recordation of this Declaration of Annexation. The Annexed Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the declarations, limitations, covenants, conditions, restrictions, and easements set forth in the Declaration, all of which are for the purpose of enhancing and protecting the value and attractiveness of the entire Pioneer Ridge Project. All of the limitations, covenants, conditions, restrictions, and easements set forth in the Declaration shall constitute covenants and encumbrances which shall run with the Annexed Property for the benefit of the remainder of the Project, and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Annexed Property.

2. Declarant hereby grants to all Owners of Lots in the Annexed Property all rights and easements in any Phases previously annexed to the Pioneer Ridge Project, which rights and easements are reserved to Declarant in the Declaration. Declarant also hereby reserves from all Owners of Lots in the Annexed Property, and grants to the Owners of Lots in previously Annexed Phases, all rights and easements which were reserved to Declarant under the Declaration.

3. Without limiting the generality of the foregoing, Declarant, for each Lot owned within the Annexed Property, hereby covenants, and each Owner of any Lot within the Annexed Property by acceptance of a deed therefore, is hereby deemed to covenant and agree to pay to the Association regular monthly assessments or charges, and extraordinary and special assessments for capital improvements and unexpected expenses, all according to the Declaration.

4. Notwithstanding the general nature of the annexation reflected by this instrument, the Declarant hereby makes the following modifications of the Declaration, applicable to the Annexed Property only, in order to reflect the different character of the Annexed Property, as permitted under Paragraph 15.2 of the Declaration:

a. The minimum home size, set forth in Paragraph 4.4(a) of the Declaration, shall be 950 square feet for each Lot in the Annexed Property;

b. While Article 4 of the Declaration allows the Board, in its discretion, to appoint an Architectural Control Committee for the entire Pioneer Ridge Project, the architectural control functions for the Annexed Property shall be administered by a separate Architectural Control Committee, whose members shall be appointed by the Board from the Owners of Lots within the Annexed Property. The creation of the separate Committee shall be mandatory, upon the request of the Owner of any Lot within the Annexed Property. Such separate Committee shall be bound by the terms of the Declaration (as modified herein), but shall have the authority to issue separate Architectural Guidelines applicable only to the Annexed Property.

The undersigned, being the Declarant herein, has executed this Declaration of Annexation on ~~August~~ 7, ~~1997~~ OCTOBER 1997.

DECLARANT

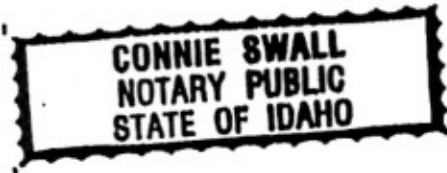
DESTINY DEVELOPMENT CORPORATION,
an Idaho corporation

By: Mark E. Wiggins
Mark E. Wiggins
President

STATE OF IDAHO)
) :SS.
County of Kootenai)

On this 7TH day of October, 1997, before me, CONNIE SWALL, a Notary Public in and for the State of Idaho, personally appeared MARK E. WIGGINS, known or identified to me to be the President of DESTINY DEVELOPMENT CORPORATION, an Idaho corporation, the corporation that executed the foregoing instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day a year first above written.



Connie Swall
Notary Public for Idaho
Residing at IDAHO
Commission Expires 11-03-02