

DECLARATIONS OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
CANVASBACK

This is a Declaration of Covenants, Conditions and Restrictions regulating and controlling the use and development of real property, made effective the **[21st day of June, 2022]** by Marc Helman and Todd Helman, Managers of Terrace Capital LLC, Declarants.

1. Purpose. Declarants are the owners of certain real property located in Teton County, Idaho, which property is more particularly described as Section 1, Township 5 N, Range 45 E.B.M., containing 19 acres and which is hereinafter referred to as "the Property". The Declarant is adopting the following Covenants, Conditions and Restrictions to preserve and maintain the natural character and value of the Property for the benefit of all owners of the Property or any part thereof.
2. Declaration. Declarant hereby declares that the Property shall be owned, sold, conveyed, encumbered, leased, used, occupied and developed subject to the following covenants, conditions and Restrictions, which are sometimes referred to hereinafter as the "Covenants". The covenants shall run with the Property and any lot there of, and shall be binding upon all parties having or acquiring any legal or equitable interest of any part of this Property, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.
3. Definitions. The following terms and phrases used in these documents shall be defined as:
 - A. Common Area - shall include the common road and shared access of the Property.
 - B. Common Services - shall mean the roadway maintenance, snow removal services, fees and maintenance for on site or off site fire protection, utility maintenance and repair services for the Common Road and Shared Access Road and the utility lines located in the rights of ways of such roads. Utility lines shall include all electric, telephone, irrigation, and any other utilities as they become available. Additional common services shall include periodic payments to irrigation companies for the shares owned by Canvasback Subdivision in said corporation to ensure water irrigation rights, and maintenance of subdivision boundaries, and landscaping.
 - C. Committee - shall mean the Management Committee responsible for the administration and enforcement of the Covenants, Conditions, and Restrictions.
 - D. Declarant- shall mean Marc Helman and Todd Helman, Managers for Terrace Capital LLC.
 - E. Design Group - shall mean a committee to consider and act upon such proposals for plans submitted to it from time to time.
 - F. Development- shall mean any alteration of the natural land surface, and all buildings, structures or other site improvements placed on the land to accommodate the use of a lot.
 - G. Lot - shall mean and refer to any plot of land shown upon any recorded subdivision map of Canvasback Subdivision, with the exception of common area.
 - H. Owner - shall mean the recorded owners of a lot.
 - I. Principal Residence - shall mean the single-family residential structure, constructed on any lot of the Property, which is the principal use of such lot, and to which other authorized structures on such lot are necessary.
4. Association Membership. Every owner of a lot within Canvasback Subdivision shall be a member of the association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.
5. Voting Rights. The association shall have one class of voting membership. Members shall be all lot owners and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.
6. Meetings. The committee shall call and conduct an annual meeting of lot owners, and shall meet from time to time as necessary to administer and enforce these covenants. Written notice of any meeting shall be sent to all members not less than 30 days or more than 60 days in advance of the meeting. The presence of members or the proxies entitled to cast sixty-six and

two-thirds percent of all votes shall constitute a quorum. A quorum must be present to continue any meeting. The owners through the purchase of their lots agree to serve on the Committee. The Committee shall adopt such rules for the conduct of its business as are appropriate, including designation of officers and procedure or annual meetings of lot owners, Design Group and Committee.

7. Committee. The Committee, until any of the lots are sold, shall consist of Marc Helman and Todd Helman. Upon the sale of any of the lots, the owners shall hold a special meeting to elect a group as their Committee. The then existing Committee shall function until a new committee is voted in and assumes their respective positions. Upon the creation of a new Committee staggered terms shall also be started. One term shall be for one year, one term for two years and one for three years. Vacancies in the Committee caused by death, resignation or inability to act shall be filled by the Committee members for the remaining term. All Committee members shall be owners of lots within the Canvasback Subdivision. The Committee shall consist of three (3) members. The Committee shall be elected by a majority vote of the owners of the lots within the Property. The owners through the purchase of their lots agree to serve on the Committee for no more than two (2) consecutive terms. After initial term of office the standard term shall be three years unless vacated earlier.

The landscaping maintenance of areas held in common by the lot owners will be done by the developer until such time as a Homeowners' Association is formed which will then maintain those areas.

8. Design Group. The Design group shall consist of three persons. The initial Design Group shall have staggered terms of one, two, and three years. Thereafter any person appointed by the Committee shall hold office for three years unless vacated earlier.
9. Building Permit. No building, fence or other improvement, shall be constructed, erected or maintained, on any lot or tract, nor shall any addition thereto, or alteration therein, be made until the ideas, plans, specification, and such other information relating to such improvements as the Design Group may require, shall have been submitted to and approved in writing by the Design Group. In passing upon such plans and specification, the Design Group shall consider the suitability of the improvements, the materials of which it is being constructed, the colors to be used and the site upon which it is being constructed, the nature of the adjacent and neighboring improvements, the quality of the material to be used in any proposed improvements and the effect of any proposed improvement. It is the objective of the Design Group that no improvement is so similar, or dissimilar to others in the neighborhood that values, monetary, or esthetic, will be impaired.
 - A. The Design Group - shall review the plans and specification, within fourteen (14) days from the submission thereof, and determine if the proposed use or development conforms to the requirements of these covenants. The Design Group may approve plans and specifications subject to any conditions or modifications which the Design Group determines to be necessary in order to ensure the conformity with the requirements of these covenants. The Design Group shall retain one set of plans and specifications.
10. Development and Land Use Restrictions. All development and use shall conform to the following requirements.
 - A. Provisions in addition to County land use regulations - Conformity with any and all applicable land use regulations of Teton County shall be required, in addition to the requirements of these covenants. In case of any conflict, the more stringent requirements shall govern.
 - B. Residential Use -All lots and tracts are hereby restricted in use for residential purpose on, and neither the premises, nor any improvements thereon, shall be used for any commercial, industrial, public, illegal or immoral purposes and no nuisance shall be maintained or permitted to exist thereon. Home offices are allowed if they do not create any amount of

traffic that would be considered burdensome by a reasonable and prudent neighbor. No parking shall be allowed at any time on the common roads within the Subdivision due to fire protection and snow removal.

- C. Authorized structures - No building or structure shall be constructed, placed or maintained on any lot except a single-family owned residence, garage facilities, associated out buildings, stable and corral facilities not to exceed a total of four buildings or structures on any one lot. All structures to be similar in design and materials.
- D. Construction - Only new construction shall be permitted. All buildings shall be western in character, design and architecture. No non-approved used materials, no prefabricated and no modular structures of any kind shall be permitted for the main residential building, unless permitted by the Design Group. No A-frame or Yurt structures shall be allowed. Unless otherwise permitted by the Design Group no garage, stable, corral or other outbuildings shall be prefabricated or constructed from used materials. The roofs of all structures shall be constructed of shake; asphalt shingles, non-reflecting metallic roof coverings or such materials as may be approved by the Design Group. Exterior colors shall be subdued and in the earth tone range. Color samples or pieces of all exterior materials and roofing materials to be used, shall be submitted to the Design Group for approval. All exterior construction on the primary residence shall be completed within one year from the commencement date of construction unless the Design Group and Committee approved an extension for good cause. All construction and alteration shall comply with current County and State Building and Safety Codes.
- E. Height Limitations, Setbacks, and Floor Area Requirements – No building shall be greater than **thirty feet** in height. Building height shall be measured from existing grade to highest point of the roof structure, but shall not include chimneys or vents. All structures shall be set back at least thirty feet from the front lot line, 30 feet from the side of lot line, and 40 feet from back lot line, 50 feet from the creek. The minimum floor area at or above ground level of all single family residence shall not be less than 2200 square feet, exclusive of exterior parking spaces, garages, carports, porches and decks. Each principle residential structure shall have as a minimum an attached or detached 2 car garage.
- F. Variances - The Committee for Design Review may allow reasonable variances and adjustments of the foregoing Covenants, Conditions and Restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the covenants contained herein, or to grant variances in regard to the requirements contained in
- G. Height Limitations, Setbacks, Floor Area Requirements, for the purpose of enhancing views, utilizing a lot to better advantage, and enhancing -the placement of improvements on the property, provided this may be done in conformity with the intent and purpose thereof, and also provided in every instance that such grants or adjustments shall not be materially detrimental or injurious to other property or improvements in the neighborhood. Notwithstanding the foregoing provision, no variance shall be allowed which has the effect of creating additional lots.
- H. Any variances or adjustments of these conditions, covenants, and restrictions granted by the Committee for Design Review, or any acquiescence or failure to enforce any violation of the conditions and restrictions herein, shall not be deemed to be a waiver of any of the conditions and restrictions in any other instance.
- I. Utilities - Electrical and telephone lines have been installed underground to each lot. Connections within the Property to underground utility lines shall be completed at the lot owners' expense and shall be underground.
- J. Temporary Structure Prohibited-No temporary structures such as trailers, tents, shacks or other similar buildings shall be permitted on any lot, except during construction as authorized by the Design Group, and shall be removed promptly when construction of residence has been completed. No boat, travel trailer, recreational vehicle, motor home, camper or similar vehicle shall be allowed or stored on any lot unless it is appropriately screened. No travel trailers, boats, tents, temporary structures or like improvements shall be used as residence in the Subdivision at any time.
- K. Maintenance - Each lot and all improvements thereon shall be maintained in clean, safe and

sightly condition. Boats, motors, tractors, vehicles other than automobiles and pickups, campers when off the truck, snow removal equipment, and garden or maintenance equipment or parts thereof shall be kept within an enclosed or appropriately screened structure at all times except when in use. Refuse, garbage and trash shall be kept at all times in a covered container, and any such container shall be kept within an enclosed structure or appropriately screened from view. Service areas, storage piles, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view. No lumber, grass, shrub or tree clippings or plant waste, metals bulk materials, or scraps or refuse or trash shall be kept, stored or allowed accumulate on any lot. Lots shall be mowed regularly. Noxious weeds must be kept under control at all times. Failure of any lot owner to control weeds on his lot, properly contain garbage or reasonably mow his lawn shall result in the Committee correcting the situation and assessing the lot owner for the expense incurred by the Committee.

- L. Noxious or offensive activities - No noxious or offensive activity shall be earned out upon any lot, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other owners in the enjoyment of their lots, or in their enjoyment of the common areas. In determining whether there has been a violation of this paragraph recognition must be given to the premise that owners, by virtue of their interest and participation in this Subdivision, are entitled to the reasonable enjoyment of the natural benefits and surrounds of said Subdivision. Without limiting the foregoing, no light shall be emitted from any lot which is unreasonably bright or causes unreasonable glare for any adjacent lot owner. Downward-directed, low-wattage, dark sky lighting, in conformance with the Teton County, Idaho, Dark Sky Lighting Ordinance 9-4-12, is required. No unreasonably loud or annoying noises or noxious or offensive odors shall be emitted beyond the lot lines of any lot.
- M. Water System -Each structure designed for occupancy or use by human beings, shall be connected to a private water supply system at the owners' expense. Such water system shall conform to the standards applicable for the area, including, without being limited to, the Idaho State Department of Environmental Quality and the Department of Wildlife Resources.
- N. Waste Disposal - Each structure designed for occupancy or used by human beings, shall be connected to a private, individual waste disposal system at the owners' expense. Such waste disposal system shall conform to the standards applicable for the area, including without being limited to, the District 7 Health Department. No outdoor toilets shall be permitted, except during construction. It must be of storage type and be serviced and cleaned on an as needed basis.
- O. Excavation and Mining- No excavation of stone, sand, gravel, or earth, shall be made on any lot, except for such excavation as may be necessary in the connection with the erection of any approved improvement thereon. No oil drilling, oil development operation, quarrying, or mining operations of any kind shall be permitted on any lot.
- P. Livestock Pets - No livestock or pets shall be kept or maintained on any lot except as provided herein.
 - 1. Animals - Dogs, cats and other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose. Said animals shall not cause a nuisance to neighboring lot owners or harass or endanger wild life or livestock. Any domestic pet that becomes a nuisance to neighbors in the subdivision or is deemed vicious by the Design Group shall be subject to having the animal removed from the subdivision by the Design Group. Any costs associated with the removal of the animal shall become a lien on the owner's property. No animals of any kind shall be raised, bred or kept for any commercial purposes.
 - 2. Not more than 2 horses shall be permitted. Horses shall be kept and maintained within approved stable and corral facilities at all times. Corrals and stables must be kept cleaned and maintained at all times.
- O. Wildlife Protection - No activity shall be allowed on any lot which disturbs or harasses wildlife. No hunting shall be allowed on any lot.

- P. Snowmobiles and Motorcycles - In no way shall these vehicles be used in such a manner as to infringe on the rights of others within the Subdivision. It is the right of the Committee to review and adjust this rule as problems arise.
- Q. Fencing-Fences shall be treated as improvements and be subject to prior written approval of the Design Group. Side and rear yard fences shall be of design acceptable to the Design Group. Should a lot owner not adequately maintain their lot boundary fences and after proper and adequate notice, as to needed maintenance, the Committee shall take necessary action in order to protect property, property values, and pets and livestock.
- R. Easements - The easements shown on the plat of the Property are hereby reserved for the purpose of installing and maintaining utility facilities, for such other purposes incidental to the development of the Property.
- S. Irrigation Lines - Irrigation lines will feed off a main line from the Teton West Irrigation Company line. This main line will have a main turn off that will be controlled by the Committee. Owners will be responsible for controlling the flow of water to their own property. It is of utmost concern that all owners use the water wisely as the intent is to conserve the water at all times.
3. Duties of Committee. The Committee shall contract for snow removal and periodic maintenance services on the Common Road, shared access road, irrigation lines and equipment, make periodic payments to irrigation companies for irrigation water costs, and shall contract and pay for services required to enforce these covenants. The Committee shall prepare an annual budget estimate for membership approval and submit annual statements to each lot owner based upon its estimate. Billing for common services shall be paid by lot owners within thirty days for the billing date. Each lot owner will be responsible for and billed for their respective share of the cost of the contract services as previously listed in the paragraph herein. In the event that the estimate of the Committee is less than the actual common service costs, the Committee shall send billings to each lot owner, with an estimate for common services for the remainder of the year based upon the actual expenses incurred by the Committee. Additional billings shall be paid by lot owners within thirty days of the billing date.
- a. Special Assessments - On the approval of two-thirds of the lot owners the Committee shall have authority to establish special assessments to meet emergency or unusual conditions that have arisen. Special assessments shall be payable within thirty days of the billing date. Any assessment not paid within thirty days after the due date shall bear interest from the due date at the rate of ten percent per annum. The Committee may bring an action at law against the owner personally obligated to pay the same, and/or place a lien on the lots in order to enforce payment after ninety days from the billing date. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien.
- b. Limitation of Liability-Neither the Committee or any member thereof shall be liable to any party for any action or inaction with respect to any provision of these covenants, provided that such Committee or member thereof has acted in good faith.
4. Violations; Enforcements; Liens; Costs. The limitations and requirements for land use and development set forth in these Covenants shall be enforceable by the Committee or any owner of a lot within the Property, or its successor in interest as owner of the real property. Every owner of a lot within the Property hereby consents to the entry of an injunction against him or her or his or her tenants or guests, to terminate and restrain any violation of these Covenants. Any lot owner who uses or allows his or her lot to be used or developed in violation of these Covenants further agrees to pay all costs incurred by the Committee or other lot owners in enforcing these Covenants, including reasonable attorney's fees and court costs. The Committee shall have a lien against each lot and the improvements thereon to secure the payment of any billing for common services, special assessments, or penalty due to the Committee from the owner of such property which is not paid within the time provided by these Covenants, plus interest due from the date of demand for payment at the rate often

percent per annum. The Committee is authorized to record a notice of lien in the office of County Clerk of Teton County, Idaho, which shall include a description of the property and the name of the owner thereof and the basis for the amount of the lien. A copy of the notice of the lien as filed in the County Clerk's office shall be sent to the owner by certified or registered mail. Any such lien may be foreclosed in the manner provided for foreclosures of mortgages by the statutes of the State of Idaho. In addition to the principal amount of the lien plus interest, the Committee shall be entitled to the payment of all costs incurred in the establishment or enforcement of any lien, including filing costs and attorney's fees and court costs.

5. Amendment. These Covenants may be amended by the written consent of two-thirds of lot owners within the Property.
6. Duration of the Covenants. All of the Covenants, Conditions and Restrictions set forth herein shall continue and remain in full force and effect at all times against the Property and the owners and purchasers or any portion thereof, subject to the right of amendment as set forth in Article 13 thereof. If required by law these Covenants shall be deemed to automatically renew themselves at twenty-year intervals, unless two-thirds of the lot owners agree otherwise in writing.
7. Severability. Any decision by a Court of competent jurisdiction invalidating any part or paragraph of these Covenants shall be limited to the part or paragraph affected by the decision of the Court, and the remaining paragraphs and the Covenants, Conditions and Restrictions therein shall remain in full force and effect.
8. Acceptance of Covenants. Every owner or purchaser of a lot within the Property shall be bound by and subject to all of the provisions of this declaration, and every lot owner or purchaser through his or her purchase or ownership expressly accepts and consents to the operation and enforcement of all of the provisions of this declaration.
9. Subdividing of lots. Lots may not be further subdivided.
10. Agricultural Rights. All potential lot owners are put on notice that there are existing agricultural operations within the subdivision and they are protected by Idaho's Right-to-Farm Act. Noise, odors and movements of farm machinery are recognized by lot owners as inherent activities accompanying fanning and ranching operations, according to the Right-to-Farm Act-Idaho Code Chapter 45, Sections 22-4501, 22-4502, 22-4503 and 22-4504.

The current Right to Farm Act: "It is the intent of the Legislature to reduce the loss to the state of its agricultural resources by limiting the circumstances under which agricultural operations may be deemed to be a nuisance. The legislature also finds that the right to farm is a natural right and is recognized as a permitted use throughout the State of Idaho. "Agricultural Operation" includes, without limitation, any facility for the growing, raising or production of agricultural, horticultural and viticultural crops and vegetable products of the soil, poultry and poultry products, livestock, field grains, seeds, hay, apiary and dairy products, and the producing for commercial purposes of livestock or agricultural commodities. No agricultural operation or an appurtenance to it shall be or become a nuisance, private or public, by any changed conditions in or about the surrounding nonagricultural activities after the same as been in operation for more than one year, when the operation was not a nuisance at the time the operation began; provided that the provisions of this section shall not apply whenever a nuisance results from the improper or negligent operation of any agricultural operation or an appurtenance to it."

In witness whereof, Declarant has executed this declaration effective the day and year first set forth above.

Terrace Capital LLC

By _____

Marc Helman, Manager

STATE OF IDAHO)

) ss

COUNTY OF TETON)

The foregoing instrument was acknowledged before me this ____ day of _____, 202022
by _____

MY COMMISSION EXPIRES:
