

**CONDOMINIUM DECLARATION
FOR
GLENDALE INDUSTRIAL
CONDOMINIUMS**

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EXHIBITS

- EXHIBIT A — Legal Description of the Property
- EXHIBIT B — Plat of Glendale Industrial Condominiums
- EXHIBIT C — Articles of Incorporation
- EXHIBIT D — Proportionate Interest in Common Area
- EXHIBIT E — Project Site Plan

CONDOMINIUM DECLARATION

FOR

GLENDALE INDUSTRIAL CONDOMINIUMS

THIS CONDOMINIUM DECLARATION FOR GLENDALE INDUSTRIAL CONDOMINIUMS (this “**Declaration**”) is made effective as of _____, 202__ (the “**Effective Date**”), by Glendale Industrial LLC, an Idaho limited liability company (“**Declarant**”). Capitalized terms not otherwise defined in the text of this Declaration are defined in Section 3.

SECTION 1 RECITALS

1.1 Property Covered. Declarant is the owner of that certain real property located in Blaine County, Idaho (the “**County**”), legally described on Exhibit A attached hereto and incorporated herein by this reference (the “**Phase I Property**”), shown as on the final plat for Glendale Industrial Condominiums Phase I, recorded in the official records of Blaine County, Idaho, on _____, 202__, as Instrument No. _____, Book ____ of Plats at Pages ____ through ____, an accurate pre-recorded copy of which is attached hereto as Exhibit B and incorporated herein by this reference (the “**Phase I Plat**”). For the avoidance of doubt, for purposes of the Condominium Act and this Declaration, this Declaration does not cover or encumber any part of Phases II through IV, as depicted on Exhibit E attached hereto and incorporated herein (the “**Project Site Plan**”), unless and until such Phases or portions thereof are annexed into the Project and made subject to this Declaration pursuant to and in accordance with Section 20.

1.2 Use. Declarant will initially develop the Phase I Property with four (4) Self-Storage Buildings, as identified on and in accordance with the Phase I Plat, and otherwise in accordance this Declaration, and the development approvals now or hereinafter obtained from the County and other governing authorities.

1.3 Phases. Declarant intends to (but has no obligation to) annex additional property into the Property (each a “**Phase**,” including the Phase I Property) and to develop the Project with additional Self-Storage Buildings and with Flex Industrial Buildings, pursuant to and in accordance with Section 20. A complete description of the Buildings and every Unit thereof are provided on the Plats.

1.4 Purpose. The purpose of this Declaration is to provide for condominium ownership of the Project pursuant to Condominium Act, designate Common Area and Limited Common Area, create the Association as the management body to administer the Project pursuant to the Condominium Act, and to set forth the restrictions, covenants, limitations, easements, conditions, and equitable servitudes that apply to and are unique to the Project and this condominium ownership regime (collectively, the “**Restrictions**”).

SECTION 2 DECLARATION

Declarant hereby declares that the Project and every Unit and portion thereof is and shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved in accordance with and subject to the provisions of this Declaration, each and all of which are hereby declared to be in furtherance of a general plan: (a) for the creation, maintenance, and sale of an ownership in fee simple of separate interests in Units and for co-ownership with others, as tenants-in-common, of Common Area and Limited Common Area, all pursuant to the Condominium Act; and (b) to protect, enhance, and preserve the value, amenities, desirability, and attractiveness of the Project and to ensure a well-integrated, high quality residential condominium development. This Declaration shall: (i) run with the land and shall be binding upon any Person having or acquiring any right, title, or interest in the Project and every Unit and portion

thereof; (ii) inure to the benefit of the Project and every Unit and portion thereof; and (iii) inure to the benefit of and be binding upon Declarant and each Owner having or holding any right, title, or interest in any Unit or portion of the Project, and their successors, heirs, personal representatives, and assigns.

SECTION 3 ADDITIONAL DEFINITIONS

“**Applicable Laws**” means all applicable federal, state, and local laws, rules, regulations, ordinances, and orders relating to the use, occupancy, and/or ownership of the Project or any portion thereof.

“**Articles**” mean the Articles of Incorporation of the Association, a true, correct, and certified copy of which is attached hereto as Exhibit C and incorporated herein by this reference, as the same may be amended from time to time.

“**Assessments**” mean the Regular Assessments, Special Assessments, Transfer Assessments, and Limited Assessments, together with any late payment charges, interest, administrative fees, and costs (including without limitation attorneys’ fees) incurred in collecting the same.

“**Association**” means Glendale Industrial Condominium Owners Association, Inc. an Idaho nonprofit corporation, its successors and assigns.

“**Association Rules**” means the rules and regulations relating to the Project that may be adopted, amended, or repealed from time to time by the Board, as more particularly described in Section 9.7.3 hereof.

“**Building**” means any Self-Storage Building or Flex Industrial Building, and any two (2) or more of which (as the context may require) may be referred to herein as the “**Buildings**.”

“**Board**” means the board of directors of the Association.

“**Bylaws**” mean the bylaws of the Association, as the same maybe amended from time to time.

“**Club House**” means the building graphically depicted as the “Club House” on a future Supplement.

“**Club House Parking**” means all parking spaces located within the Club House Area.

“**Club House Area**” means the area graphically depicted as the “Club House Area” on a future Supplement, together with all Improvements thereon, including, without limitation, the Club House and Club House Parking.

“**Common Area**” means: (a) all portions of the Project other than the Units, including all Limited Common Area; (b) all leases, licenses, use rights, or agreement rights for amenities or facilities owned or held by or for the benefit of the Association from time-to-time; and (c) any personal property owned or held by or for the benefit of the Association from time to time. Common Area may be established from time to time by Declarant or the Association on any portion of the Project by describing such area any Plat, by granting or reserving it in a deed or other instrument, or by designating it as such in this Declaration or in any Supplement. In addition, Declarant or the Association may acquire any Common Area it deems necessary and/or beneficial to the Project.

“**Condominium**” means a separate ownership interest in a Unit together with an undivided tenant-in-common interest in the Common Area (expressed as percentages of the entire ownership interest in the Common Area), as set forth on Exhibit D attached hereto and incorporated herein by this reference.

“**Condominium Act**” means the Condominium Property Act of the State of Idaho, Idaho Code Section 55-1501, *et seq.*, as may be amended from time to time.

“**Condominium Documents**” means this Declaration, the Plat, the Articles, the Bylaws, the Associate Rules, the Management Agreement, and any other procedures, rules, regulations, or policies adopted under such documents by the Board, as the same may be amended and supplemented from time to time.

“**Declaration**” has the meaning ascribed to it in the preamble, as the same may be amended and supplemented from time to time.

“**Flex Industrial Building**” means any Building within which Flex Industrial Units are located, and any two (2) or more of which (as the context may require) may be referred to herein as “**Flex Industrial Buildings.**”

“**Flex Industrial Owner**” means an Owner that owns a Flex Industrial Unit, together with its successors, heirs, personal representatives, and assigns, and any two (2) or more of which (as the context may require) may be referred to herein as “**Flex Industrial Owners.**”

“**Flex Industrial Parking**” means any parking spaces designed as such by Declarant in this Declaration, any Supplement, or any Plat.

“**Flex Industrial Unit**” means any Unit designated as such by Declarant in this Declaration, any Supplement, or any Plat, and any two (2) or more of which (as the context may require) may be referred to herein as “**Flex Industrial Units.**”

“**Lessee**” means any Person leasing all or any part of a Condominium from any Owner.

“**Limited Assessment**” means: (a) a charge against a particular Owner for an expense directly attributable to such Owner, equal to the cost incurred or estimated to be incurred by the Association in connection with: (i) correcting damage that arises from the acts or omissions of such Owner; (ii) an Owner’s breach of this Agreement, including the Owner’s failure to keep its Condominium in the condition required by this Declaration; or (b) a charge against one or more Owners, but less than all Owners, for the purpose of paying costs and expenses for goods or services provided by the Association to such Owner or Owners where such goods and services do not benefit all Owners, in each event including interest thereon as provided in this Declaration. Limited Assessments are further described in Section 10.5 herein.

“**Limited Common Area**” means those portions of the Common Area designated for the exclusive use of an Owner or Owners to the exclusion, limitation, or restriction of other Owners. Limited Common Area may be established from time to time by Declarant or the Association on any portion of the Project by describing such area on the Plat, by granting or reserving it in a deed or other document or instrument, or by designating it as such in this Declaration. The term Common Area as used in this Declaration shall include Limited Common Area. Declarant hereby designates: (a) the Club House Area as Limited Common Area for the exclusive benefit and use of Self-Storage Owners and their Lessees, to the exclusion of the Flex Industrial Owners and their Lessees, as more fully set forth in Section 7.16; and (b) the Flex Industrial Parking as Limited Common Area for the exclusive benefit and use of the Flex Industrial Parking Users (as defined in Section 8.6), to the exclusion of the Self-Storage Owners and their Lessees, as more fully set forth in Section 8.6.

“**Management Agreement**” means any agreement and all amendments thereto entered into by the Association and the Management Company, providing for the management, maintenance, and operation of the Project, including, without limitation the Common Area, by the Management Company.

“Management Company” means the Person hired by the Association, if any, to manage the Project on the terms and conditions set forth in a Management Agreement.

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

“Mortgagee” means any Person or any successor to the interest of such Person named as the mortgagee, trust beneficiary, or creditor pursuant to any Mortgage under which the interest of an Owner’s interest in its Condominium, or successor to the interest of such Owner, is encumbered.

“Owner” means the record owner, whether one or more Persons, holding fee simple title to a Condominium, together with its successors, heirs, personal representatives, and assigns, excluding Mortgagees, unless and until such Mortgagee has acquired fee simple title pursuant to foreclosure or other proceedings or obtained a deed in lieu thereof.

“Person” means an individual, corporation, trust, estate, partnership, limited liability company, association, joint venture, government, government subdivision or agency, and any other legal entity.

“Plat” means any subdivision or condominium plat covering any portion of the Property (whether now or hereinafter existing), as recorded in the official records of the County, including the Phase I Plat, together with all amendments and supplements to such Plats.

“Project” means Property, together with the Buildings and every other improvement or structure thereon, and every easement or right appurtenant thereto.

“Property” means the Phase I Property, together with any additional property made subject to this Declaration via a Supplemental Declaration in accordance with Section 20.

“Regular Assessment” means an assessment by the Association to provide for the payment of all actual or estimated expenses growing out of or connected with the Project as a whole, as more particularly described in Section 10.3 herein.

“Special Assessment” means that portion of the costs of the capital improvements, replacements, equipment purchases and replacements, or shortages in Regular Assessments which are authorized to be paid to the Association pursuant to the provisions of this Declaration as more particularly described in Section 10.4 herein.

“Self-Storage Building” means any Building within which Self-Storage Units are located, and any two (2) or more of which (as the context may require) may be referred to herein as **“Self-Storage Buildings.”**

“Self-Storage Owner” means an Owner that owns a Self-Storage Unit, together with its successors, heirs, personal representatives, and assigns, and any two (2) or more of which (as the context may require) may be referred to herein as **“Self-Storage Owners.”**

“Self-Storage Unit” means any Unit designated as such by Declarant in this Declaration, any Supplement, or any Plat, and any two (2) or more of which (as the context may require) may be referred to herein as **“Self-Storage Units.”** Declarant hereby designates Units A-1 through A-9, D-1 through D-16, E-1 through E-16, and I-1 through I-10, as identified on the Phase I Plat, as Self-Storage Units.

“Supplement” means a supplement to this Declaration recorded by Declarant, pursuant to which: (a) additional lands are made part of the Project and subject to this Declaration and the Association; or (b)

any property owned by Declarant is de-annexed from the Project and removed from the purview of this Declaration and the Association, in each event in accordance with the terms of Section 20.

“**Transfer Assessment**” has the meaning set forth in Section 10.6 herein.

“**Unit**” means the separate ownership interest component of a Condominium, as bounded by the unfinished interior surfaces of the perimeter: (a) walls; (b) floors; (c) ceilings; and (d) doors (including door frames and door trim) of each Unit as shown the Plat, together with the airspace so encompassed. The Unit includes all of the following within the said boundaries of each Unit shown on the Plat: (i) all finishes and coverings on the interior surfaces of said perimeter walls, floors, ceilings, windows, and doors, including without limitation paneling, wood, tile, paint, paper, carpeting, and texturing; (ii) all fixtures, improvements, hardware, and appliances; and (iii) all heating and refrigerating elements or related equipment, utility lines and outlets, electrical fixtures, pipes, and all other related equipment required to provide heating, air-conditioning, electrical, and utility services located within and serving only the Unit. The following are not part of a Unit: (A) bearing walls; (B) structural columns; (C) floors; (D) roofs; (E) foundations; and (F) pipes, conduits, wires and other utility installations that serve more than one Unit, except the outlets thereof when located within the Unit, provided, however, that a Unit shall not include any of the structural components of the Building or utility or service lines located within a Unit that serve more than one Unit. As used herein, the term Unit includes both the Flex Industrial Units and the Self-Storage Units, and excludes the Club House.

SECTION 4 NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

4.1 Estates of an Owner of a Condominium. The Project is hereby divided into Condominiums, each consisting of a separate interest in a Unit and an undivided tenant-in-common interest in the Common Area. The percentage of ownership interest in the Common Area which is to be allocated to each Condominium as a whole for purposes of Assessments, tax assessment under Section 55-1514 of the Condominium Act, and liability as provided by Section 55-1515 of the Condominium Act, is set forth on the attached Exhibit D.

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

4.3 No Further Division. No Owner (excluding Declarant) may divide, adjust, combine, or further condominiumize such Owner’s Unit without the prior written approval of the Board, the County, and all other governing authorities whose approval is required, and all such divisions, adjustments, combinations, and further condominiumizations must comply with any condominium project amendment requirements of the County, and otherwise comply with all Applicable Laws.

4.4 Inseparability of Condominiums. No part of a Condominium, or of the legal rights comprising ownership of a such Condominium may be separated from any other part thereof during the period of Condominium ownership prescribed herein, so that each Unit and the undivided interest in the Common Area appurtenant to such Unit shall always be conveyed, devised, encumbered, transferred, and otherwise affected only as a complete Condominium and shall not be transferred in any way resulting in the division of the Condominium. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of the Condominium or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Condominium together with all appurtenant rights created by law or this Declaration.

4.5 Partition of Common Area Not Permitted. The Common Area shall be owned in common by all of the Owners of Units, and no Owner may bring any action for partition thereof.

4.6 Taxes and Assessments. Each Owner shall execute such instruments and take such actions as may reasonably be specified by the Association to obtain separate real property tax assessments of the interest of each Owner in each Condominium. If any taxes of special districts or other assessments may, in the opinion of the Association, nevertheless, be a lien on the Property or any part thereof, the Association shall pay the same and assess the same to the responsible Owner or Owners as a Limited Assessment. Each Owner shall pay, prior to delinquency, the taxes and assessments assessed against such Owner's Condominium, or interest therein, and such Owner's interest in the Common Area, or any part of any or all of the foregoing. The Association reserves the right to protest any tax valuations or assessments by any taxing government agency and to pay for any costs associated with such protests. Each Owner agrees to reimburse the Association for any costs associated with such protests as related to that Owner's Unit.

4.7 Owner's Rights with Respect to Interiors. Each Owner shall have the exclusive right to maintain, finish, refinish, and decorate the interior surfaces of the walls, floors, ceilings, and doors (including door frames and door trim) forming and within the interior boundaries of the Owner's Unit, subject to the terms and conditions of the Condominium Documents, including without limitation Section 7 of this Declaration.

SECTION 5 EASEMENTS

5.1 Easements for Encroachments. If any part of the Common Area encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Area or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered encumbrances on the Common Area or the Units. Encroachments referred to herein mean encroachments caused by settling, rising or shifting of the earth under the Buildings, or by changes in position caused by repair or reconstruction of the Common Area or Unit, as applicable, or any part thereof. Notwithstanding the foregoing, no Owner shall be entitled to intentionally encroach on the Common Area without the prior written approval of the Board, or on any other Unit without the prior written consent of the other Unit Owner.

5.2 Easements of Access for Repair, Maintenance, and Emergencies. Portions of the Common Area and/or easement areas granted pursuant to this Declaration or any other Condominium Document, are or may be located within the Units or may be conveniently accessible only through the Units. The Owners have the irrevocable right, to be exercised by the Association as their agent, of access to each Unit and to all Common Area from time to time during such reasonable hours as may be necessary and established by the Board for the construction, installation, inspection, operation, maintenance, repair or replacement of any of the Common Area located therein or accessible therefrom, or the construction, installation, inspection, operation, maintenance, repair or replacement of any improvements and facilities located within the Common Area, or for making repairs, maintenance and emergencies therein necessary to prevent damage to the Common Area or to another Unit or Units or to correct a violation of any covenant, condition or restriction of the Declaration when, after reasonable efforts by the Association, the Owner fails to do so. The Association shall also have such right of access independent of any agency relationship. Damage to the interior of any part of a Unit or Units resulting from the construction, installation, inspection, operation, maintenance, repair, emergency repair or replacement of any of the Common Area or as a result of emergency repairs within another Unit at the insistence of the Association or of Owners shall be an expense of all of the Owners; provided, however, that if such damage is the result of the negligence of an Owner or such Owner's Lessees, invitees, or licensees, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the Unit shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Association as an Assessment pursuant to Section 10 herein.

5.3 Owner's Right to Ingress, Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area necessary for access to that Owner's Condominium, and shall have the right to the horizontal and lateral support of such Owner's Condominium, and such rights shall be appurtenant to and pass with the title to each Condominium. In exercising the rights granted in this Section, each Owner agrees to use reasonable efforts to avoid interference with the access to other Condominiums.

5.4 Association's Right to Use of Common Area. The Association shall have the right to make such use of the Common Area as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration or other Condominium Documents, including the right to grant utility easements, alter the Common Areas, and to construct and maintain maintenance and storage facilities in the Common Area for use by the Association.

5.5 Declarant's Right Incident to Construction. Declarant and Persons it shall select shall have the express and unconditional right to ingress and egress over, upon and across the Project, including Common Area and all Units, the right to store materials thereon and to make other use thereof as may be reasonably necessary or incident to completion of development and construction of the Buildings and Units shown on the Plat or any amendment thereto and the completion of all Units for use and occupancy; provided, however, that no such rights shall be exercised by Declarant in such a way as to unreasonably interfere with the occupancy, use, enjoyment, or access to an Owner's Condominium by that Owner or such Owner's Lessees, invitees, or licensees.

5.6 Recorded Easements. The Property, and all portions thereof, shall be subject to all easements shown on any recorded Plat affecting the Property, or any portion thereof, and to any other easements of record or of use, now existing or hereafter created, including without limitation any storm drainage easements, street light easements, sanitary sewer easements, or any other public utility easement shown on the Plat.

5.7 Easements for Annual Inspection. Any Person authorized by the Board shall have the right of access to all Units on an annual basis for the purpose of inspecting such Units for compliance with the terms and conditions of the Condominium Documents.

5.8 Easements Deemed Created. All conveyances of Condominiums hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to Sections 5.1 through 5.8, even though no specific reference to such easements or to those Sections appear in any such conveyance.

SECTION 6 DESCRIPTION OF CONDOMINIUM

Every contract for the sale of a Condominium and every other instrument affecting title to such Condominium shall describe that Condominium by the Unit shown on the applicable Plat with appropriate reference to the applicable Plat (i.e., choosing the correct bracketed item in the description below) and to this Declaration, as each appears on the records of the County, in the following manner:

Unit ___ as shown on the final plat of Glendale Industrial Condominiums [Phase I] [Phase II] [Phase III] [Phase IV], recorded in the official records of Blaine County, Idaho, on _____, 202__, as Instrument No. _____, Book ___ of Plats at Pages ___ through ___, as the same may be amended or supplemented from time to time, and as further defined in the Condominium Declaration for Glendale Industrial Condominiums, recorded in the official records of Blaine County, Idaho, as the same may be amended or supplement from time to time.

Such description shall be construed to describe the separate ownership interest in the identified Unit, together with undivided tenant-in-common interest in the Common Area appurtenant thereto, and to incorporate all rights incident to ownership of a Condominium interest and all the limitations on such ownership as described in the Condominium Documents or any amendments or supplements thereto, whether or not so specified in the instrument.

SECTION 7 USES AND REGULATION OF USES – SELF-STORAGE UNITS

7.1 Storage Purposes. The Self-Storage Units shall be used solely for the passive activity of storing personal property in accordance with the terms of this Declaration and Applicable Law. No portion of a Self-Storage Unit shall be used at any time for any wholesale or retail activity; provided, however, an Owner may lease its Self-Storage Unit to a third party to be used by the third party for the passive activity of storing personal property. It is the explicit purpose of the Project that the Self-Storage Units shall be used and maintained as a first-class storage facility for the mutual benefit of each of the Owners.

7.2 Permissible Uses. The following are deemed permissible uses of Self-Storage Units to the extent performed in conjunction with the passive activity of storage and not otherwise prohibited by Applicable Law:

7.2.1 Maintenance. An Owner or its Lessee engaging in routine maintenance (but not fabrication or commercial servicing) on such Person's personal boat, automobile, truck, recreational vehicle, other vehicle and/or other equipment which is stored within the Self-Storage Unit; provided, however, that no such routine maintenance may be engaged in for business purposes or otherwise for pecuniary benefit. No such routine maintenance shall be conducted outside the Self-Storage Unit and all waste generated by such routine maintenance, including but not limited to gasoline, oil, other petroleum products and byproducts, anti-freeze, petroleum cleaning products, cleaning rags and containers, shall be fully removed from the Self-Storage Unit and the Project at the end of each and every routine maintenance session.

7.2.2 Inventory Turnover and Assessment. Any Owner or its Lessee may utilize the Self-Storage Unit for the storage of any permissible item of inventory and/or supplies used in a lawful trade or business, may add to or withdraw from storage such inventory and/or supplies, or any part thereof, as and when required, and may take count of such inventory and/or supplies at all such times as deemed necessary by such Owner or Lessee.

7.2.3 Business and Personal Records. An Owner or its Lessee may utilize the Self-Storage Unit for the storage of any business and personal records, and any Owner or its Lessee may conduct such reviews of such records as deemed necessary by such Owner or Lessee.

7.3 Prohibited Uses. The following uses are expressly prohibited:

7.3.1 Commercial, Retail or Wholesale Outlet. No Owner or Lessee shall use any Self-Storage Unit as a commercial, retail, or wholesale outlet for the sale of goods or services to any third party, and no Owner or Lessee may permit potential customers of such goods or services to enter the Project for such purpose. Notwithstanding the foregoing, nothing herein shall prohibit the owner of an item of personal property held for personal use, such as a boat, automobile, truck, recreational vehicle or other personal vehicle from showing such item for sale while in storage in a Self-Storage Unit on a casual basis only.

7.3.2 Manufacture or Assembly. No Owner or Lessee shall utilize any Self-Storage Unit as a place of manufacture or assembly of any item or combination of items, however characterized or conceived, for sale or resale to third parties.

7.3.3 No Business Activities. No Owner or Lessee shall utilize any Self-Storage Unit as a place of business, whether primary or secondary, for the conducting of repair or maintenance activities and/or services of any sort, however characterized or conceived, for pecuniary benefit. Such restriction expressly precludes the operation of a transfer or storage business, among other business activities.

7.3.4 Noxious Activity. No Owner or Lessee shall use any Self-Storage Unit so as to cause an unacceptable level of noise, vibration, odor, dust, fumes, garbage or other waste, the precise levels of which shall be determined by the Board, and which may be more restrictive than levels established by any Applicable Law.

7.3.5 Hazardous Substances. No Owner or Lessee shall cause or permit any Hazardous Substance (as defined below) to be used, stored, generated, released, handled or disposed of on or in any Self-Storage Unit in violation of Applicable Law, or otherwise in violation of any rules relating to the same as adopted by the Board from time to time, which rules may be more restrictive than those established by any Applicable Law; provided, however, that any fuels or other liquids contained within any boat, mobile home, motor home, automobile, truck, recreational vehicle, other vehicle and/or other equipment which is stored within a Self-Storage Unit shall be deemed permitted even if so defined, so long as such fuels or other liquids are necessary for the operation thereof and are lawfully contained within such item of personal property for such purpose. As used herein, the term “**Hazardous Substance**” shall include all flammable materials, explosives, radioactive materials, hazardous wastes, toxic substances or other hazardous materials, including without limitation, substances defined as “hazardous substances,” “hazardous materials,” “hazardous wastes” or “toxic substances” in any Applicable Law or in any guideline pertaining to health, industrial hygiene or the environment, whether now or hereinafter promulgated.

7.3.6 High Piled Combustible Storage. No Owner or Lessee shall store combustible materials in violation of Applicable Law or otherwise in violation of any rules relating to the same as adopted by the Board from time to time, which rules may be more restrictive than those established by any Applicable Law. Without limiting the generality of, and subject to, the foregoing, no Owner or Lessee shall store combustible materials in closely packed piles or on pallets or on racks or on shelves where the top of that high piled storage is greater than twelve (12) feet in total height, and if the high piled combustible materials also include certain high-hazard commodities, such as rubber tires, Group A plastics, flammable liquids, idle pallets and similar products, then that high piled storage use shall be limited to six (6) feet of total high piled height.

7.3.7 Certain Equipment. No Owner or Lessee shall use any Self-Storage Unit, or permit another to use such Self-Storage Unit, for the operation of power tools, spray-painting equipment, table saws, lathes, compressors, welding equipment, or kilns.

7.3.8 Residential Use. No Owner or Lessee shall use any Self-Storage Unit, or permit another to use such Self-Storage Unit, for residential purposes, permanent or temporary, which restriction shall prohibit any Self-Storage Unit from being used for overnight camping, sleeping, or other residential living.

7.3.9 Animals. No Owner or any Lessee shall use any Self-Storage Unit to shelter any animal, whether or not that animal is a pet, and whether or not such shelter is permanent or temporary. “Shelter” shall mean any event where an animal is left in a Self-Storage Unit unattended for any period of time.

7.3.10 Leash Regulation. Animals belonging to an Owner, Lessee, or their guests must be kept on a leash and under the control of the animal’s owner. All animal owners must pick up animal waste and dispose of the same, either by depositing the same in the outdoor Common Area trash container or by removing the same from the Project.

7.4 Self-Storage Unit Rental. The Owner of a Self-Storage Unit, including the Declarant, a mortgagee in possession, or any successor in interest thereto, may lease or rent a Self-Storage Unit for a term of not less than thirty (30) days, subject to the limitation that any such lease or rental agreement shall be in writing and by its terms shall provide that such lease or rental agreement and the Lessee thereunder are subject, in all respects, to the Condominium Documents. Any such lease or rental agreement shall provide that any failure by the Lessee to comply with the terms contained in said documents shall be a default under the terms of said lease or rental agreement and shall be a basis for termination thereof. The Association shall approve the form of all lease and rental agreements to ensure compliance with the provisions hereof. Each Owner shall notify the Association in writing within five (5) business days following the execution of any lease or rental agreement covering a Self-Storage Unit, of the identity, telephone numbers and addresses of each Lessee and of the duration of the lease/rental agreement. The Owner of a Self-Storage Unit so leased or rented shall at all times be responsible for and liable to the Association and other Owners for all acts and omissions of its Lessee, including but not limited to fines and Assessments levied against the Self-Storage Unit and its Owner based on the Lessee's use violations of the Condominium Documents.

7.5 Vehicle Parking. Parking or storing any motor vehicle at any location within the Property, outside of the boundaries of a Self-Storage Unit or a designated parking space, is strictly prohibited. No motor vehicle shall obstruct in any fashion the free passage of vehicles and/or pedestrians to and from every other Unit. Self-Storage Owners, and their Lessee's and guests, may park their motor vehicles within their respective Self-Storage Units at any time without limitation. Any motor vehicle parked at any location within the Property other than inside a Self-Storage Unit shall be operable. No motor vehicle shall be stored in the Common Area. A motor vehicle (including a boat, motorcycle, snowmobile and all forms of recreational equipment) is "stored" when it is parked at any location within the Property, outside the boundaries of a Self-Storage Unit, for more than two (2) consecutive hours, unless it is parked directly in front of that Self-Storage Owner's respective Self-Storage Unit, for allowed Self-Storage Unit uses, and in a manner that does not otherwise limit or prohibit other Storage Owners' access to their respective Units and to general ingress and egress to, from, and about the Property.

7.5.1 The Board may require the immediate removal of any inoperable or improperly stored vehicle left outside of a Self-Storage Unit and/or any other item of personal property improperly stored within the Property, whether or not contained within a Self-Storage Unit. If the same is not removed by the responsible Self-Storage Owner, the Board may cause removal thereof at the risk and expense of the Self-Storage Owner thereof.

7.6 Driving Areas and Walkways. Driving areas, walkways and corridors within the Common Area shall be used exclusively for normal transit, other than during the process of entering or leaving a Self-Storage Unit, and no obstructions shall be placed within the Common Area except by express written consent of the Board.

7.7 Exterior Appearance; Signage. No Self-Storage Unit Owner shall be permitted to alter, in any fashion, the Common Area, including the exterior finish of the exterior surfaces of the walls surrounding a Self-Storage Unit, and exterior surfaces of the doors, which are part of the Common Area. No signage shall be affixed to or allowed on the exterior of any Self-Storage Unit.

7.8 Trash Collection. All trash and trash collection from a Self-Storage Unit shall be the responsibility of the Self-Storage Owner, and no trash shall be permitted to be stored inside or outside of the Self-Storage Unit(s). There is a common trash collection bin that shall be provided for by the Declarant or by the Association, and each Self-Storage Owner shall be solely responsible for his or its trash produced by the Self-Storage Owner from permitted uses within the Self-Storage Unit, which shall be promptly removed by the Self-Storage Owner.

7.9 Self-Storage Units for Sale or Lease and Realtor Signage. All “Unit For Sale or Lease” signage placement requests shall be approved, prior to placement on the Property, by the Board. The Board shall designate the landscaping areas for “Unit for Sale or Lease” sign placement locations. Each Self-Storage Owner may request One (1) sign per “Unit For Sale or Lease” to be placed in the designated area within the Common Area. Approved “Unit For Sale or Lease” signs shall not exceed 2’(W) by 4’6”(H) and shall be constructed of a metal material in a workmanship like manner, and be in good physical and aesthetic condition. The approved signage shall demonstrate “Unit For Sale or Lease”. The use of mobile signs or portable signs; balloons, flags, wiggle flags or kite style signs, inflatable signs, signs which produce odor, sound, smoke, flame or other emissions, signs which imitate or simulate official signs, or which use yellow or red blinking or intermittent lights resembling danger or warning signals; signs with lights; roof signs and billboards are prohibited. The approved “Unit For Sale or Lease” signage shall be removed by the Self-Storage Owner within 72 hours after the sale or the consummation, cancellation or termination thereof. Liability for damage and/or destruction of the Common Area by the signage, installation, or removal shall be the sole responsibility of the Self-Storage Owner. Reasonable efforts shall be made by the Board to notify a Self-Storage Owner of a sign that fails to comply with the terms contained herein prior to the removal of the signage. The Board reserves the right to have any unauthorized or non-conforming signage removed, without notification, at the Self-Storage Owner’s sole and separate cost. It shall be the Self-Storage Owner’s sole responsibility to ensure that, prior to placement, that all approved “Unit For Sale or Lease” signage conforms to Applicable Law.

7.10 Maintenance of Interiors and Limited Common Area. Each Owner shall keep such Owner’s Self-Storage Unit, including, without limitation, interior walls, floors, ceilings, doors, and permanent fixtures and appurtenances thereto, in a clean, sanitary, and attractive condition, and good state of operating condition and repair and shall keep the related devices exclusively serving the Owner’s Self-Storage Unit in a good state of operating condition and repair and free from any odor and/or mold. Each Owner shall keep the Limited Common Area designated for the exclusive use of such Owner, if any, in a clean, sanitary, and attractive condition, and good state of operating condition and repair, including removal of snow and ice on Limited Common Area; provided, however, the Association shall be responsible for maintaining the Club House Area in accordance with Section 12.4. Each Owner shall notify the Association of any unsafe condition existing in, on, or around the Common Area. In addition, nothing unsightly, in the reasonable opinion of the Board, shall be kept on any exterior Common Area.

7.11 Prohibition of Damage and Certain Activities.

7.11.1 No damage to, or waste of, the Common Area or any part thereof shall be committed by any Owner or such Owner’s Lessees, invitees, or licensees, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by such Owner or such Owner’s Lessees, invitees, or licensees.

7.11.2 No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Project or any portion thereof, except in such containers and other areas designated for such purpose by Declarant or the Board, and no odor shall be permitted to arise from any portion of the Project so as to render, in the reasonable opinion of the Board, the Project or any portion thereof unsanitary, offensive, or detrimental to the Project, or to any other property in the vicinity of the Project. No fires and no obstructions of pedestrian walkways shall be permitted to exist at the Project. No noise, no unsightliness, and no other nuisance shall be permitted to exist or operate upon any portion of the Project in violation of Applicable Law or so as to be, in the reasonable opinion of the Board, offensive or detrimental to the Project or to its Owners or to other property in the vicinity Project. Without limiting the generality of any of the foregoing, no Owner shall use or install or permit to be used or installed any whistles, bells or other sound devices, or flashing lights or search lights within the Project without the Board’s approval.

7.11.3 Owners shall not use or suffer or permit any Person or Persons to use any Condominium or any part thereof for any use or purpose in violation of Applicable Law.

7.11.4 Owners shall not use or suffer or permit any Person or Persons to use any Condominium or any portion thereof, for any use or purpose in violation of any of the terms and conditions of this Declaration or other Condominium Documents.

7.11.5 Owners shall not do or permit anything to be done in or about any Self-Storage Unit or in the Common area, nor bring or keep anything therein, which will in any way result in the cancellation of or increase in the rate of the insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Board or which would be in violation of Applicable Law. Any Owner taking or permitting any such action, which has been approved by the Board and results in an increased rate of insurance on the Project or any part thereof, shall be solely responsible for the payment of the resulting difference in such increased premium.

7.11.6 Owners shall not do or permit anything to be done in or about the Self-Storage Unit or Common Area which will in any way obstruct or interfere with the rights of other Owners or Lessees in the Buildings, create undue noise and disruption, or injure or annoy them or use or allow the Self-Storage Unit to be used for an unlawful or objectionable purpose, nor shall Owner cause, maintain or permit any nuisance in, on, or about the Buildings.

7.12 No Hazardous Activities. No activities shall be conducted on the Project, which are or might be unsafe or hazardous to any Person or property including, without limitation, any fires and/or the discharge of firearms.

7.13 Energy Devices, Outside. No energy production devices or generators of any kind (including without limitation solar energy devices and windmills), shall be constructed or maintained on or in any portion of the Common Area without the prior written approval of the Board. In the event that the addition or use of such a device is approved by the Board, it (and any related equipment) must be installed and/or screened in the manner approved by the Board.

7.14 Construction and Structural Alterations. It is the concurrent responsibility of the Association and each Self-Storage Owner to ensure the continuing structural integrity of each of the Buildings. The construction characteristics of the Buildings do not permit the addition of loads, except as are specifically engineered and approved in accordance with the provisions of the Uniform Building Code. It is also anticipated, however, that individual Self-Storage Owners may elect, at the Self-Storage Owner's sole and separate cost, to erect storage lofts within their Self-Storage Units. Accordingly, it shall be permissible for a Self-Storage Owner to make alterations to the interior of such Owner's Self-Storage Unit that do not adversely affect the continuing structural integrity of any of the Buildings; provided, however, that such alterations shall be absolutely subject to the limitation that no alteration shall be allowed which causes an adverse effect upon the Common Area or the structural integrity of any portion of any Building. Accordingly, the Board shall provide to each Owner specifications concerning permissible interior alterations to Self-Storage Units, and no such alterations shall be made except which are in compliance with such specifications. Each Self-Storage Owner is required to notify the Board of all improvements by the Self-Storage Owner to such Owner's Self-Storage Unit which cost in excess of \$5,000.00. Furthermore, any Self-Storage Owner who makes or permits alterations to such Owner's Self-Storage Unit shall be liable for any damage caused as a consequence thereof to the Building, any other Unit or to any Common Area.

7.15 No Smoking. The Board may from time to time designate certain outdoor areas of the Project as "Permitted Smoking Areas," in which event smoking shall be allowed only in such designated areas. Neither Declarant nor the Association guarantees a smoke free environment at the Project or any portion thereof.

7.16 Club House Area. Notwithstanding anything to the contrary in this Declaration, the Club House Area, including, without limitation, the Club House and Club House Parking, are hereby designated as Limited Common Area for the exclusive use and benefit of the Self-Storage Owners and their respective Lessees (collectively, the “**Club House Users**”), to the exclusion of the Flex Industrial Owners and their Lessees. The Club House Users have the exclusive right, in common with each other, to use the Club House and Club House Parking on a first come, first served basis; provided, however, no vehicle owned or operated by any Club House User may be parked in Club House Parking for more than eighteen (18) consecutive hours. The Board may require the immediate removal from the Club House Area any vehicle that is: (a) parked in excess of eighteen (18) consecutive hours; or (b) inoperable. If the Board reasonably determines that the Club House and/or Club House Parking are being overused or used in an unreasonable manner or a manner not contemplated by the spirit and intent of this Declaration, it shall have the right to make written rules regarding the use thereof, which shall be binding on all Club House Users upon the Association providing a copy of such rules to the Self-Storage Owners.

7.17 Right to Enjoy and Use Self-Storage Units. Each Owner shall be entitled to use and enjoy the Owner’s Self-Storage Unit for its intended purpose and nothing herein is intended to impose or grant the authority to impose any restrictions, limitations or prohibitions which would deprive an Owner of the reasonable use and enjoyment of the Owner’s Unit. Notwithstanding the foregoing, no Owner shall be entitled to use the Owner’s Self-Storage Unit for any uses not allowed under the County Code of the County or otherwise limited by this Declaration or any other Condominium Documents.

SECTION 8 USES AND REGULATION OF USES – FLEX INDUSTRIAL UNITS

8.1 Permitted Use. Subject to the limitations set forth in Section 8.2, the Flex Industrial Units may be used for any use then-permitted by Applicable Law and then-current zoning regulations, including uses that are a “conditional” use under the then-current zoning regulations.

8.2 Prohibited Uses. Notwithstanding the generality of Section 8.1, no Flex Industrial Unit may be used for any of the following purposes:

8.2.1 Any dumping, disposing, incineration, or reduction of garbage (or than disposing of garbage in trash containers located near the Mixed Used Units as may be designated by the Board from time to time);

8.2.2 Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;

8.2.3 Any cemetery, mortuaries, funeral homes or similar service establishments;

8.2.4 Any adult book or adult video stores or establishments selling or exhibiting pornographic materials or drug-related paraphernalia, or any other use of a sexually-oriented or “adult” nature;

8.2.5 Any operation which involves fires, explosions, or other damaging or dangerous hazard, including the storage, display or sale of explosives or fireworks;

8.2.6 Any operation which involves refining, smelting, or mining; or

8.2.7 For any residential purposes, permanent or temporary, which restriction shall prohibit any Flex Industrial Unit from being used for overnight camping, sleeping, or other residential living.

8.3 Common Area Usage. No Flex Industrial Owner may use the Common Area for selling or goods, services, or merchandise; provided, however, if approved by the Board, a Flex Industrial Unit that is operated as a restaurant may sell food and beverages within such portion of the Common area as is approved in writing by the Board.

8.4 Additional Restrictions. In addition to the other restrictions set forth in this Article, the restrictions set forth in Sections 7.3.4 through 7.3.6, 7.3.8 through 7.3.10, 7.7, 7.8, 7.10, 7.11, 7.12, 7.13, 7.15, 7.17 applicable to the Flex Industrial Units and the Owners thereof to the same extent they are applicable to the Self-Storage Units and the Owners thereof. Except as expressly set forth in the preceding sentence, the terms of Section 7 do not apply to the Flex Industrial Units or the Owners thereof. For the avoidance of doubt, the Flex Industrial Units and their Lessee's are not entitled to use the Club House Area, as more fully set forth in Section 7.16.

8.5 Leasing. If a Flex Industrial Unit is leased, then any such lease or rental agreement shall provide that any failure by the Lessee to comply with the terms contained in the Condominium Documents shall be a default under the terms of said lease or rental agreement and shall be a basis for termination thereof. Each Owner shall notify the Association in writing within five (5) business days following the execution of any lease or rental agreement covering a Flex Industrial Unit, and such notice shall identify the identity, telephone numbers and addresses of each Lessee and of the duration of the lease/rental agreement. The Owner of a Flex Industrial Unit so leased or rented shall at all times be responsible for and liable to the Association and other Owners for all acts and omissions of its Lessee, including but not limited to fines and Assessments levied against the Self-Storage Unit and its Owner based on the Lessee's use violations of the Condominium Documents.

8.6 Parking. Notwithstanding anything to the contrary in this Declaration, the Flex Industrial Parking is hereby designated as Limited Common Area for the exclusive use and benefit of the Flex Industrial Owners and their respective Lessees, and the employees, agents, guests, and customers of such Owners and Lessees (collectively, the "**Flex Industrial Parking Users**"), to the exclusion of the Self-Storage Owners and their Lessees. The Flex Industrial Parking Users have the exclusive right, in common with each other, to use the Flex Industrial Parking on a first come, first served basis; provided, however, no vehicle owned or operated by any Flex Industrial Parking User may be parked in Flex Industrial Parking for more than eighteen (18) consecutive hours. The Board may require the immediate removal from the Flex Industrial Parking any vehicle that is: (a) parked in excess of eighteen (18) consecutive hours; or (b) inoperable. If the Board reasonably determines that the Flex Industrial Parking is being overused or used in an unreasonable manner or a manner not contemplated by the spirit and intent of this Declaration, it shall have the right to make written rules regarding the use thereof, which shall be binding on all Flex Industrial Parking Users upon the Association providing a copy of such rules to the Flex Industrial Owners.

SECTION 9 GLENDALE INDUSTRIAL CONDOMINIUM OWNERS ASSOCIATION

9.1 Creation and Designation of Association. Declarant has incorporated the Association as a nonprofit corporation under the laws of the State of Idaho, and Declarant hereby designates the Association as the "management body" of the Project in accordance with the Condominium Act. The Association is charged with the duties and vested with the powers prescribed by law and set forth in its Articles, Bylaws, this Declaration (as it relates to the Association's management of the Project), and the other Condominium Documents, as each may be amended and/or supplemented from time to time according to their respective terms. Neither the Articles nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to conflict with this Declaration.

9.2 Membership and Voting. "**Member**" means each Person holding a membership in the Association, including Declarant. Every Owner of a Unit is a Member of the Association and has one (1) membership for each Unit in the Project owned by such Owner. If the Owner of a Unit shall be more than

one (1) Person, all such Persons shall have a membership in the Association and be deemed Members, but the voting rights in the Association attributable to that Unit may not be split and shall be exercised by one (1) representative selected by such Persons as they, among themselves, may determine. In the event such Persons are unable to agree among themselves on any matter put to a vote as to how the vote shall be cast, such Persons shall not be entitled to vote on the matter in question. If only one such Person casts a vote, it will thereafter be conclusively presumed for all purposes that such Person was acting with the authority and consent of all other co-Owners of such Unit. To this end, only one (1) vote is allocated to each Unit, regardless of the number of Persons that hold an ownership interest in such Unit. Memberships in the Association shall be appurtenant to the Unit owned by such Owner. The memberships in the Association shall not be transferred, pledged, assigned or alienated in any way except upon the transfer of Owner's title to a Unit and then only to the transferee of such title. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books of the Association. The Association shall have two (2) classes of membership as follows:

9.2.1 Class A Members. “**Class A Members**” shall be the Owners of the Units, excluding the Declarant until the Class B Member Termination Date (as defined below). Prior to the Class B Member Termination Date, Class A Members are not entitled to vote. At all meetings of the Members of the Association after the Class B Member Termination Date, each Member will be entitled to one (1) vote for each Lot owned by such Member (subject to the restrictions in Section 9.1 relating to co-Owners).

9.2.2 Class B Member. The “**Class B Member**” is Declarant, who is the sole voting Member of the Association entitled to vote the collective voting power of the Association for the period commencing on the Effective Date and expiring on the Class B Member Termination Date (such period the “**Initial Development Period**”). The Class B Member shall cease to exist as the Class B Member upon the earlier to occur of the following: (a) the date that is three (3) months after Declarant has conveyed one-hundred percent (100%) of the Units to third parties; or (b) the date on which Declarant terminates its rights as Class B Member by delivery of notice thereof to the Association and recording a copy of the same in the official records of the County (as applicable, the “**Class B Member Termination Date**”). Provided, however, after the Class B Member Termination Date, Declarant shall continue to exist: (i) as a Class A Member if Declarant owns any Units; and (ii) as a beneficiary of this Declaration.

9.3 Member Meetings. The Association shall hold an annual meeting of the Members and periodic special meetings of the Members as set forth in the Bylaws. Subject to the terms of Section 9.2, each Member will be entitled to one (1) vote as a Member in the Association for each Unit owned by such Member.

9.4 Proxies. A membership in the Association shall be appurtenant to and inseparable from the Condominium owned by such Member. A membership in the Association shall not be assigned, transferred, pledged, or alienated in any way except: (a) that an Owner may give a proxy pursuant to the Bylaws; and (b) upon the transfer of title to the Condominium and then only to the transferee of title to said Condominium. Any attempt to make a prohibited transfer of a membership shall be void and shall not be reflected on the books of the Association. Provided, however, that the rights of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium or to any Person that has assumed by contract, or otherwise, liability for paying Assessments of any Owner.

9.5 Board of Directors. The business and affairs of the Association will be managed and controlled by the Board of Directors (the “**Board**”). The Board will consist of an odd number of directors numbering at least three (3), and will initially consist of three (3) directors. Upon the affirmative vote of Members representing more than fifty percent (50%) of the total voting power of the Association, the number of directors may be increased or decreased, as applicable under the circumstances, provided that in all events the number of directors shall be an odd number consisting of not less than three (3). Directors need not be Owners. During the Initial Development Period, Declarant has the exclusive right to appoint,

remove, and replace directors at any time and from time-to-time in Declarant's sole discretion, and to otherwise fill vacancies on the Board as they arise. After the Initial Development Period, the Owners have the right to elect and remove directors as provided in the Bylaws. After the Initial Development Period, any vacancy on the Board shall be filled by a plurality of the votes cast by the remaining Directors through a special election at any meeting of the Board.

9.6 Delegation of Authority. The Board may at any time and from time-to-time delegate all or any portion of its powers and duties to committees, officers, employees, or to any Person to act as manager, including the Management Company.

9.7 Powers of the Association. The Association shall have all the powers of a nonprofit corporation incorporated under the laws of the State of Idaho and all of the powers and duties set forth in the Condominium Documents, including the power to perform any and all acts which may be necessary to, proper for, or incidental to the foregoing powers. The powers of the Association include, by way of illustration and not limitation:

9.7.1 Assessments. The power and authority to levy Assessments on the Owners of Condominiums and to enforce payment of such Assessments, including the power and authority to establish and fund via Assessments such operating and capital reserves as the Board deems necessary or prudent.

9.7.2 Right of Enforcement. The power and authority at any time and from time-to-time, on its own behalf or on behalf of any consenting Owners, to take any action, including any legal action, to prevent, restrain, enjoin, enforce, or remedy any breach or threatened breach of the Condominium Documents. The power of enforcement includes:

9.7.2.1 The right to remove, alter, rebuild, or restore any improvements constructed, reconstructed, refinished, added, altered, or maintained in violation of the Condominium Documents. If such improvements are located in a Unit, the Board must first provide the Owner thereof with a notice specifying the default and a reasonable period (no less than ten (10) days and not to exceed thirty (30) days) to cure, and the Owner of the improvements must immediately reimburse the Association for all expenses incurred with such removal.

9.7.2.2 The right to enforce the obligations of the Owners to pay each and every Assessment or charge provided for in the Condominium Documents.

9.7.2.3 The right to perform any duty or obligation of an Owner under the Condominium Documents if such duty or obligation is not timely performed by such Owner. In such event, the defaulting Owner must immediately reimburse the Association for all costs reasonably incurred by the Association in performing such duty or obligation. Except in the event of an emergency, the Association must provide the defaulting Owner with a notice specifying the default and a reasonable period (no less than ten (10) days and not to exceed thirty (30) days) to cure prior to exercising its power and authority hereunder.

9.7.2.4 The right to authorize variances from the requirements of this Declaration when required by applicable law or when needed to prevent the requirements would impose an undue hardship on an Owner that would be inequitable for such Owner to bear. The granting of a variance does not waive any element of the Declaration for any purpose except as to the particular Condominium and the particular provision covered by the variance. Approval of a variance does not affect the Owner's obligation to comply with the other elements of this Declaration or Applicable Law.

9.7.3 Association Rules. The power and authority to adopt, amend, and repeal the Association Rules as the Board deems reasonable and appropriate to govern the Project, including rules and

regulations regarding: (a) the use of the Common Area; (b) procedures in the conduct of business and affairs of the Association; (c) use of the Club House Area; and (d) use of the Flex Industrial Parking. Except when inconsistent with this Declaration, the Association Rules have the same force and effect as if they were set forth in and were made a part of this Declaration. A copy of the Association Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner.

9.7.4 Emergency Powers. The power and authority to enter upon any Unit as necessary in connection with any maintenance or construction for which it is responsible, or when necessitated by violation of the Declaration or other Condominium Documents, or in the event of any emergency involving potential danger to life or property and the power to take corrective action. Such entry shall be made with as little inconvenience to the Owners as practicable and any damage caused thereby shall be repaired by the Association, except as otherwise provided herein.

9.7.5 Common Area. The power and authority to manage, operate, maintain, repair, and replace the Common Area for the benefit of the Project and the Owners, and the power and authority to construct, install, maintain, repair, replace, and operate any improvements in the Common Area, any public right-of-way serving the Project or any other location deemed by the Board to benefit the Project, including any fences, signs or other improvements at Project entrances or otherwise in the vicinity of the Project, and any berms, retaining walls, fences, and other amenities within or abutting any Common Area.

9.7.6 Licenses, Easements and Rights-of-Way. The power to grant and convey to any third party such licenses, easements and rights-of-way in, on or under the Common Area as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment of the Project, and/or for the preservation of health, safety, convenience and welfare of the Owners. The foregoing power includes, without limitation, the power to grant and convey to such third parties licenses, easements, and rights-of-way for the purpose of constructing, erecting, operating, or maintaining any of the following:

9.7.6.1 Lines, cables, wires, conduits, or other devices for the transmission of electricity, heating, power, telephone, television and data, other utility services and, meters and other facilities associated with the foregoing;

9.7.6.2 Sewers, storm drains, water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes; and

9.7.6.3 Cross parking easements, sidewalk abutments, drive lanes, parking areas, curb cuts, landscaping abutting common areas, public and private streets or land conveyed for any public or quasi-public purpose.

9.7.7 Property for Common Use. The power and authority to acquire and hold for the use and benefit of all of the Owners, or for the benefit of only the Owners, tangible and intangible personal property and real property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interest in the Common Area as set forth in Exhibit D.

9.7.8 Amenity Agreements. The power and authority to enter into any lease, license, use, or other agreement as the Board deems proper or convenient to secure the use of off-site amenities or facilities for the benefit of the Project.

9.7.9 Inspection. The power and authority to enter a Unit for the purpose of conducting regular maintenance inspections.

9.7.10 Taxes. The power and authority to pay all real and personal property taxes and assessments (if any) levied against the Common Area, the Association, and any other property owned by the Association. In addition, the Association must pay all taxes, including income, revenue, corporate, or other taxes (if any) levied against the Association.

9.7.11 Entitlement Obligations. The power and authority to fulfill any duties imposed by any governmental or other quasi-governmental agencies as part of the entitlements for the development of Project, including any requirements or obligations identified in such entitlements as the responsibility of community association or homeowners' association or management body, such as plat notes, development agreements, or conditions of approval.

9.7.12 Financing. The power and authority to enter into any agreements necessary or convenient to allow Owners to take full advantage of, or secure the full availability of, any financing programs offered.

9.7.13 Estoppel Certificates. The power and authority to execute a written statement stating: (a) whether or not, to the knowledge of the Association, a particular Owner or Owner's Condominium is in default of this Declaration or other Condominium Documents; (b) the dates to which any Assessments have been paid by a particular Owner; and (c) such other matters as the Board deems reasonable. Any such certificate may be relied upon by a bona-fide prospective purchaser or Mortgagee of such Owner's Condominium, but only to the extent such prospective purchaser or Mortgagee has no knowledge to the contrary. The Association may charge a reasonable fee for such statements.

9.7.14 Improvements in Public Right-of-Way. The power and authority to enter into license and easement agreements with any governmental authority (or assume the duties and obligations under any such license agreement entered into by Declarant) to install, maintain, improve, irrigate, trim, repair, and replace improvements and landscaping in the public rights-of-way (including sidewalk easements and planter strips).

9.7.15 Implied Rights. Notwithstanding the foregoing, the Association may exercise any other right or privilege given to it expressly by this Declaration or by Applicable Law, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Such rights shall include without limitation the right to acquire water meters for each Unit.

9.7.16 The Power to Levy Fines. The power and authority to assess monetary fines for violations of the Condominium Documents ("**Violation**") in accordance with this Section 9.7.16. Once assessed, each fine shall constitute a Limited Assessment and will be a lien against the Unit owned or occupied by the Owner determined to be in violation of the Condominium Documents.

9.7.16.1 Fine Conditions. The Association will not impose a fine on an Owner under Section 9.7.16 unless: (a) the Board votes to impose the fine at any regular or special meeting of the Board or the Association (a "**Fine Meeting**"); (b) such Owner is provided at least thirty (30) days advance written notice of the Fine Meeting (the "**Fine Notice**"); and (c) such Owner is given a reasonable opportunity to respond to the Violation during the Fine Meeting (collectively, the "**Fine Conditions**"). Provided further, the Association will not impose a fine on an Owner under Section 9.7.16.2 if the Owner Fully Resolves the Violation prior to the Fine Meeting. Each Owner agrees that the term "**Fully Resolves the Violation**" means that the Owner fully cures the Violation prior to the Fine Meeting and does not commit the same or similar Violation between the date of the Fine Notice and the date of the Fine Meeting. Each Owner further agrees that the term "begins resolving the violation" as set forth for in Idaho Code § 55-3206, means, for purposes of this Declaration and Idaho Code § 55-3206, that the Owner Fully Resolves the Violation, and each Owner is estopped from claiming any definition to the contrary. The Board may

hold the Fine Meeting even if the Owner Fully Resolves the Violation for the purpose of triggering the Association's right to fine the Owner for subsequent Violations of the same or similar nature as described below.

9.7.16.2 Initial Fine Procedure. If the Fine Conditions have been satisfied, the Association may assess a fine against the Owner if: (a) the Owner does not Fully Resolve the Violation by the time the Fine Meeting is held; or (b) even if the Owner does Fully Resolve the Violation by the time the Fine Meeting is held, the Owner the commits a Violation of the same or similar nature within one (1) year after the Fine Meeting. The initial fine under this Section 9.7.16.2 shall be \$500.00, unless the Board in its discretion agrees to fine the Owner a lesser amount.

9.7.16.3 Additional Fines. If a fine has been assessed against an Owner under Section 9.7.16.2, then the Association may assess subsequent fines against the Owner without further Fine Meeting, Fine Notice, or other notice, meeting, or procedure: (a) for each thirty (30) day period after the Fine Meeting during which the Owner permits a continuing Violation to exist; and (b) for each time the Owner commits a Violation within one (1) year after the last day on which the Board assesses a fine against the Owner under either Section 9.7.16.2 or this Section 9.7.16.3, where such subsequent Violation is of the same or similar nature as the Violation for which the previous fine was issued during the prior year. Each fine under this Section 9.7.16.3 shall be \$500.00 more than the most recent fine assessed under Section 9.7.16.2 or this Section 9.7.16.3, as applicable, unless the Board in its discretion agrees to fine the Owner a lesser amount.

9.8 Duties of the Association. In addition to the power delegated to it by the Condominium Documents, the Association or its agents shall have the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:

9.8.1 Operation and Maintenance of Common Area. Operate, maintain and otherwise manage or provide for the operation, maintenance and management of the Common Area and all improvements thereon, including parking areas, drive lanes, common seepage beds, the exterior of the Buildings, and the Club House Area, including the repair and replacement of property damaged or destroyed by casualty loss and all other property acquired by the Association, and shall maintain the same in a good, clean, attractive and sanitary condition, order and repair.

9.8.2 Taxes and Assessments. Pay all real and personal property taxes and assessments separately levied against the Common Area, the Association, or property owned by the Association and all such taxes shall be paid or a bond insuring payment posted prior to the sale or the disposition of any property to satisfy the payment of such taxes. In addition, the Association shall pay all other taxes, federal, state or local, including income or corporate taxes levied against the Association in the event that the Association is denied the status of a tax exempt corporation.

9.8.3 Water and Other Utilities. Acquire, provide and/or pay for water, storm drainage system maintenance, sewer, electric systems, garbage, disposal, refuse and rubbish collection and other necessary services for the Common Area and Units, except to the extent separately billed or separately metered, as may be determined by the Board from time to time in its discretion.

9.8.4 Insurance. Obtain, from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the policies of insurance described in Section 14 hereof.

9.8.5 Maintenance of Exteriors and Improvements. Maintain and repair the exterior surfaces of the Buildings and improvements in the Project. The exterior maintenance shall include: painting, staining, repairing, restaining, replacing and caring for all exterior surfaces including roofs and exterior portions of doors as necessary to maintain them in good condition.

9.8.6 Inspection and Maintenance Guidelines. The Board shall adopt inspection and maintenance guidelines for the periodic inspection and maintenance of the Common Area, including, without limitation, the sewer system and drainage facilities. The Board periodically, and at least once every two (2) years, shall review and update the inspection and maintenance guidelines. The Board shall take all appropriate steps to implement and comply with the inspection and maintenance guidelines and shall keep records of such implementation and compliance.

9.8.7 Drainage Facilities. Operate and maintain the storm drainage area, as depicted on the Plat. Notwithstanding anything to the contrary, no buildings or other similar improvements shall be constructed within the storm drainage area that would materially interfere with the Property's drainage system.

9.8.8 Maintenance of Records and Right of Inspection. The Association shall keep such records of its business and affairs as is customary for community or homeowner associations, including a membership register, accounting records, financial statements, operating budgets, balance sheets, and minutes of meetings of the Board and committees. Such records shall be available at the Association's regular offices for inspection and copying by any Owner at such Owner's expense. The Board may establish reasonable rules with respect to: (a) notice to be given to the custodians of the records by persons desiring to make the inspection; (b) hours and days of the week when such an inspection may be made; and (c) payment of the cost of reproducing copies of documents requested pursuant to this Section 9.8.8. The Association's obligations hereunder may be fulfilled by making the records available to an Owner electronically, including delivery by electronic mail or the posting of such records on a website.

9.9 Immunity and Indemnification. Each Owner understands and agrees that Declarant, the Association, and the members, managers, directors, officers, agents, employees, and committee members of any of them (each individually a "**Released Party**") shall be immune from personal liability to such Owner, and such Owner hereby knowingly and voluntarily waives and releases each Released Party, for such Released Party's actions or failure to act with respect to the Condominium Documents to the extent that such acts or failures to act do not constitute gross negligence or willful misconduct on the part of such Released Party. The Association shall indemnify, defend, and hold each Released Party harmless from any action, expense, loss or damage caused by or resulting from such Released Party's actions or failure to act with respect to the Condominium Documents; provided, however, the Association shall not be obligated to indemnify, defend, and hold harmless any Released Party for their own gross negligence or willful misconduct.

9.10 Waiver of Consequential Damages. The Declarant and Association shall not be liable to any Owner for, and each Owner releases the Declarant and Association from, any form of indirect, special, punitive, exemplary, incidental, consequential, or similar costs, expenses, damages, or losses.

SECTION 10 ASSESSMENTS

10.1 Covenant to Pay Assessments. By acceptance of a deed to any Condominium, each Owner covenants and agrees to pay when due (without deduction, setoff, abatement of counterclaim of any kind whatsoever) all Assessments or charges made against such Owner or such Owner's Condominium pursuant to the Condominium Documents. Assessments against a Condominium shall be a continuing lien on such Condominium until paid, whether or not ownership of such Condominium is transferred. Assessments against a Condominium are also the personal obligation of the Owner of the Condominium when the Assessment becomes due and payable. Such personal obligation shall remain with such Owner regardless of whether such Owner remains the owner of the Condominium. Delinquent Assessments related to a Condominium shall not pass to such Owner's successors in title unless expressly assumed by them. Such Assessments and charges, together with interest, costs and reasonable attorneys' fees, which may be incurred in collecting the same, shall be a charge on the Condominium and shall be a continuing lien upon

the Condominium against which each such Assessment or charge is made. The due date, manner and method of payment shall be as set forth in this Declaration or as established by the Board from time to time.

10.2 Rate of Assessment. Except as otherwise provided herein, all Owners shall be responsible for Regular Assessments and Special Assessments levied by the Association in proportion to their percentage ownership interest in the Common Area, as set forth on Exhibit D. Owners shall be responsible for Limited Assessments levied by the Association, as set forth in Section 10.5.

10.3 Regular Assessments.

10.3.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by the Association, including attorneys' fees and other professional fees, for the conduct of its affairs as provided in this Declaration (including without limitation Section 9 hereof) and other Condominium Documents, including without limitation the costs and expenses of construction, improvement, protection, maintenance, repair, management and operation of the Common Area and furnishing utility services, including water, sewer, gas, trash and electricity and other common services to the Common Area, and each Condominium (if not separately metered), insurance, and any deficit remaining from previous periods (collectively the "**Expenses**"). "Expenses" shall also include and an amount to fund adequate reserves for repairs, replacement, maintenance, and improvement of those elements of the Common Area, or other property of the Association that must be replaced and maintained on a regular basis, and for extraordinary operating expenses, contingent risks or liabilities (such as indemnification and defense expenses), capital repairs, capital replacements, and any other expenses for which the Board, in its reasonable opinion, deems prudent to fund a reserve. If not already separately metered, the Board reserves the right to separately meter utility services provided to each Condominium, and in such event the Owner of the Condominium shall be fully responsible for the costs of providing utilities for the Owner's individual use.

10.3.2 Computation of Allocation for Regular Assessments. Unless otherwise determined by the Board, the Association shall compute and forecast the amount of its Expenses and Regular Assessments on an annual basis. The computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of the Association, unless a change in the Members or other circumstance makes its impracticable to compute the Regular Assessments in that timeframe. In such event, the Owners shall be immediately notified upon completion of such computation. Notwithstanding the foregoing, the computation of Regular Assessments shall be completed in good faith and shall be valid upon completion. The computation of the Regular Assessments for the period from the recordation of this Declaration until the beginning of the next fiscal year shall be reduced by an amount which fairly reflects the fact that such period was less than one year. The Board shall have the exclusive right to approve any Assessment under this Section 10.

Except as provided herein, Regular Assessments shall be levied by the Association against Condominiums in proportion to their percentage ownerships in the Common Area as set forth on Exhibit D. Certain Expenses which exist only for the benefit of or only to serve a single Condominium or group of Condominiums (but not all Condominiums) shall only be levied against the Owners thereof as a Limited Assessment in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D.

10.4 Special Assessments. In the event that the Board shall determine that the Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of the Association for any reason, including, without limitation, costs of construction, reconstruction, unexpected repairs or replacement of improvements upon the Common Area, attorneys' fees and/or litigation costs, other professional fees, or for any other reason, the Board shall determine the approximate amount necessary to defray such Expenses and levy a Special Assessment for such amount. The Board shall, in its discretion,

determine the schedule under which such Special Assessment will be paid. If such Special Assessment shall affect more than one Condominium or group of Condominiums (but not all Condominiums), the Owners of the affected Condominiums shall pay those costs associated solely with their Condominiums as a Limited Assessment in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D.

10.5 Limited Assessments. Notwithstanding the above provisions with respect to Regular Assessments and Special Assessments, the Association may levy a Limited Assessment against an Owner: (a) for any fines in accordance with Section 9.7.16, and for fees or charges levied against the Owner under the Condominium Documents; (b) to reimburse the Association for any costs incurred to bring the Owner's Condominium or any improvements therein into compliance with the Condominium Documents; (c) to reimburse the Association for any damages caused by an Owner or such Owner's Lessee, or their respective invitees, or licensees to any Common Area or improvements or other property owned or maintained by the Association; (d) for the cost of providing any goods or services under the Condominium Documents that benefit such Owner or Owner's Condominium (such as goods or services provided with respect to Limited Common Area), but less than all Owners or all Owners' Condominiums; and (e) for any other reason for which a Limited Assessment may be assessed pursuant to the terms of this Declarations, including under Sections 10.5.1 and 10.5.2. If such Limited Assessment shall affect more than one Condominium, but not all Condominiums, the Owners of the effected Condominiums shall pay those costs associated solely with their Condominiums in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D, as among each other, while all Owners shall share such costs associated with the Common Area in proportion to their percentage ownership interest set forth on Exhibit D, as applicable.

10.5.1 Limited Assessments - Club House Area. Notwithstanding the above provisions with respect to Regular Assessments and Special Assessments, all costs and expenses incurred or to be incurred by the Association in connection with the Club House Area shall be assessed as Limited Assessments to the Self-Storage Owners in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D.

10.5.2 Limited Assessments - Self-Storage Buildings. Notwithstanding the above provisions with respect to Regular Assessments and Special Assessments, all costs and expenses incurred or to be incurred by the Association in connection with improving or replacing any Self-Storage Building or component thereof, or correcting any damage thereto not caused by an Owner or its Lessee, shall be assessed as Limited Assessments to the Self-Storage Owners in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D.

10.5.3 Limited Assessments - Flex Industrial Buildings. all costs and expenses incurred or to be incurred by the Association in connection with improving or replacing any Flex Industrial Building or component thereof, or correcting any damage thereto not caused by an Owner or its Lessee, shall be assessed as Limited Assessments to the Flex Industrial Owners in proportion to their percentage ownerships in the Common Area, as among each other, as set forth on Exhibit D.

10.6 Transfer Assessments. Upon the transfer of fee simple title to a Unit from Declarant to an Owner, and upon each subsequent transfer of such Unit thereafter, the transferee will pay a transfer assessment to the Association (the "**Transfer Assessment**"). The amount of the Transfer Assessment shall initially be set annually by the Board. Each Transfer Assessment will be paid at the escrow closing of such Lot for the benefit of the Association, or if no such escrow closing, directly to the Association. The Transfer Assessments are to be used to pay for Expenses and are not to be used for any purpose prohibited by law. Transfer Assessments are not to be considered prepayment of any other type of Assessments, are in addition to the Owner's continuing obligation to pay all other types of Assessments, and are not refundable.

10.7 Notice and Assessment Due Date. Unless the Board establishes a different schedule for the payment of Regular Assessments, annual installments of the Regular Assessments shall be paid on or before the 1st of February each year. The Board shall, in its reasonable discretion, determine the schedule under which Assessments (other than Regular Assessments) will be paid. If not paid within five (5) days after the due date, a one-time late charge equal to ten percent (10%) of the Regular Assessment shall be charged to the Owner. Each Assessment, other than a Regular Assessment, shall become delinquent if not paid within ten (10) days after the date of notice thereof to the Owner. If all or any part of an Assessment is not paid within five (5) days after its due date, then: (a) the delinquent Owner shall pay to the Association a late payment charge equal to ten percent (10%) of the delinquent amount; and (ii) interest shall accrue on the delinquent amount at the rate of eighteen percent (18%) per annum until paid in full. In the event an Owner's payment is returned for any reason, such Owner shall pay to the Association an administrative fee in an amount set by the Board and thereafter the Association shall have the right to require future Assessments due from such Owner to be paid in the form of a cashier's check, certified check, or other form of immediately collectible funds acceptable to the Association in the Board's discretion.

SECTION 11 ENFORCEMENT OF ASSESSMENTS; LIENS

11.1 Right to Enforce. The Association has the right to collect and enforce its Assessments, including any late charges and/or interest accrued thereon pursuant to the provisions hereof. Each Owner shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration, including any late charges and/or interest accrued thereon, and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Declaration, each Owner agrees to pay (and agrees that the lien may include) reasonable attorneys' fees and costs, including the costs and expenses for any lien releases, in addition to any other relief or remedy obtained against such Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board may exercise the power of foreclosure and sale pursuant to this Section to enforce the liens created pursuant to this Section. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

11.2 Assessment Liens. There is hereby created a claim of lien with power of sale on each and every Condominium to secure payment of any and all Assessments levied against such Condominium pursuant to this Declaration together with interest thereon at the maximum rate permitted by law and all costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorneys' fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Condominium upon recordation of claim of lien with the County recorder, which claim of lien shall be the "notice of assessment" described in the Act. Each delinquency shall constitute a separate basis for a claim of lien, but any number of defaults may be included within a single claim of lien. Such claim of lien may be foreclosed in any manner permitted by Applicable Law. Upon payment of such lien in full, the Association shall prepare and record a release of such claim of lien.

11.3 Method of Foreclosure; Appointment of Trustee. To the extent permitted by law, such lien may be foreclosed by appropriate action in court or by sale by the Association, its attorney or other Person authorized to make the sale. Such sale shall be conducted in accordance with the provisions of the Idaho Code applicable to the exercise of powers of sale in deeds of trust or any other manner permitted by Applicable Law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any title company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

11.4 Required Notice. No action may be brought to foreclose the claim of lien provided for herein, whether judicially, by power of sale, or otherwise, until the expiration of thirty (30) days after a copy of such notice of claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner described in such notice of assessment, and to the Person in possession of such Condominium(s).

11.5 Subordination. Upon recordation of a claim of lien for delinquent Assessments in accordance with Applicable Law, such lien shall be prior and superior to all other liens or claims created subsequent to the recordation of the claim of lien except for: (a) liens which, by law, would be superior thereto; and (b) the lien of a first priority Mortgage given and made in good faith and for value that is of record as an encumbrance against such Condominium prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in this Section 11.5, the sale or transfer of any Condominium shall not affect the lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.

11.6 Declarant Exemption. Declarant is exempt from Assessments as set forth in Section 19.4.

SECTION 12 RIGHTS TO COMMON AREAS

12.1 Use of Common Area. Every Owner shall have a nonexclusive right and easement to use the Common Area (excluding any Limited Common Area) and an exclusive or semi-exclusive right to use Limited Common Area designated for exclusive or semi-exclusive use by the Owner, which shall be appurtenant to and shall pass with the title to every Condominium, subject to the following provisions:

12.1.1 Assessments. The rights of the Association to levy Assessments as provided herein and the payment by an Owner of all such Assessments;

12.1.2 Voting. The right of the Association to suspend the voting rights and rights to use of, or interest in Common Area by an Owner for any period during which any Assessments or charges against such Owner's Condominium remains unpaid;

12.1.3 Dedication or Transfer. The right of the Association to dedicate or transfer all or any part of Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No dedication or transfer shall be effective unless an instrument verifying is executed and recorded by the Association verifying that such dedication or transfer has been approved by: (i) the affirmative vote of Members representing more than fifty percent (50%) of the total voting power of the Association, and (ii) fifty-one percent (51%) or more of all Mortgagees; and

12.1.4 Association Rules. The right of the Association to establish and enforce such Association Rules as the Association deems proper regarding the Project and use of Common Area.

12.2 Delegation of Right to Use. Any Owner may delegate in accordance with the respective Condominium Documents, such Owner's reasonable right to the use and enjoyment of the Common Area to such Owner's Lessees, invitees, or licensees.

12.3 Damages. To the extent permitted by law, each Owner shall be liable for expenses for corrective action necessitated by violation of the Declaration or Association Rules or for any damage to such Common Area which may be sustained by reason of such Owner's Lessees, invitees, or licensees. In the case of joint ownership of a Condominium, the liability of such Owners shall be joint and several. The

cost of corrective action shall be assessed as an Assessment against the Condominium and may be collected as provided herein for the collection of other Assessments.

12.4 Association's Responsibility. The Association is responsible for operating, maintaining, repairing, and replacing the Common Area (including the Club House Area), all improvements thereon, and all other improvements owned, managed, or maintained by the Association, so as to keep the same in good operating condition and repair, subject to and in accordance with the terms of this Declaration. Such obligation includes, without limitation, monitoring and mitigating weeds located within the Common Area.

SECTION 13 MECHANIC'S LIEN RIGHTS

No labor performed or services or materials furnished with the consent of or at the request of an Owner or such Owner's agent, contractor or subcontractor shall be the basis for the filing of a lien against the Condominium of any other Owner or against any part thereof, or against any other property of any other Owner, unless such other Owner has expressly consented to or requested in writing the performance of such labor or furnishing of such materials or services. Such express written consent shall be deemed to have been given by the Owner of any Condominium in the case of emergency corrective action undertaken by the Association. Labor performed or services or materials furnished for the Property if duly authorized by the Association shall be deemed to be performed or furnished with the express consent of each Owner. Any Owner may remove his/her Condominium from a lien against two or more Condominiums or any part thereof by payment of sums secured by such lien which is attributable to such Owner's Condominium.

SECTION 14 INSURANCE

14.1 Types of Insurance. The Association shall obtain and keep in full force and effect at all times such bonds and insurance as may be required by Applicable Law and such further insurance as the Board deems necessary or prudent, including casualty insurance for any property or improvements owned or maintained by the Association, public liability insurance related to the Association's operations and the use of the Common Area, directors and officers liability coverage. Unless otherwise authorized by the Board, the Association shall procure at least the following insurance policies to the extent such policies are available on commercially reasonable terms:

14.1.1 Casualty Insurance. The Association shall obtain and maintain a "bare walls" insurance on the Buildings and other property owned by the Association in such amounts as shall provide for full replacement thereof, including, but not limited to, those costs associated with rebuilding, design, any required permits, legal fees, and any other fees associated with the replacement of the Buildings, in the event of damage or destruction from the casualty against which such insurance is obtained. Such insurance shall include fire and extended coverage, vandalism and mischief, and such other risks and hazards against which the Board deems appropriate to provide insurance protection. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as the Board, in its reasonable opinion, deems consistent with good business practice. The Association's policy of casualty insurance does not insure individual Units or the betterments or improvements made thereto (including without limitation cabinets, countertops, sinks, floor coverings, paint, attached fixtures, utility systems serving only the Unit, and the like) or the personal property or other contents thereof, all of which shall be insured by the Unit Owner pursuant to Section 14.4 hereof.

14.1.2 Commercial General Liability Insurance. The Association shall maintain a policy of commercial general liability insurance covering the activities of the Association, its Board, employees, and agents and have a combined single limit of not less than \$2,000,000 per person and per occurrence and property damage liability insurance with a limit of not less than \$2,000,000 per accident or occurrence.

14.1.3 Directors' and Officers' Liability Insurance. Full coverage directors' and officers' liability insurance with a limit of at least Two Hundred Fifty Thousand Dollars (\$250,000) for the directors and officers of the Association. In addition, the Association shall cause the Management Company to purchase, in such amounts and in such form as the Board shall deem appropriate, coverage against liability on account of the Management Company's dishonesty of employees, officers and directors; destruction or disappearance of money or securities; and forgery.

14.1.4 Other. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, including errors and omissions insurance for the actions of the Board, as it shall deem appropriate with respect to the Buildings, including any personal property of the Association located thereon.

14.2 Form. Casualty insurance on the Project shall be carried in a form or forms naming the Association as the insured as trustee for the Owners, which policy or policies shall specify the interest of each Owner (Owner's name, Unit number, and the appurtenant undivided interest in the Common Area) and which policy or policies shall provide a standard loss payable clause providing for payment of insurance proceeds to the Association as trustee for the Owners and for the respective first Mortgagees which from time to time shall give notice to the Association of such Mortgages, such proceeds to be used in accordance with this Declaration. Each policy shall also provide that it cannot be canceled by either the insured or the insurance company until after thirty (30) days' prior written notice is first given to each Owner and to each first Mortgagee requesting such notice. The Association shall furnish to each Owner and to Declarant a true copy of such policy together with a certificate identifying the interest of the Owner. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or noncompliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

The commercial general liability policy shall name Declarant, the Management Company, and the Association as the insured, with the Association as trustee for the Owners, and shall protect each Owner against liability for acts of the Association in connection with the ownership, operation, maintenance, or other use of the Buildings.

14.3 Insurance Proceeds. The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Section and as provided in Section 15 hereof. In the event: (a) Members representing eighty percent (80%) or more of the total voting power of the Association; and (b) more than fifty percent (50%) of all first priority Mortgagees elect not to rebuild the Project, the insurance proceeds shall be distributed to the Owners based on the ownership percentage of each Owner at the time of the casualty.

14.4 Owner's Own Insurance. Each Owner shall obtain and maintain at its own expense, insurance providing coverage in the event of damage or destruction to the Owner's Unit, regardless of the cause of such damage or destruction, and covering such other risks as Owner may deem appropriate. The foregoing insurance shall be in such amounts as shall provide for full replacement of the Owner's Unit, including all betterments and improvements made to thereto. Each Owner shall also obtain and maintain at its own expense, a policy of insurance covering all personal property located in the Owners Unit in an amount equal to the full replacement value thereof. Each Owner shall also obtain and maintain at its own expense liability insurance covering all occurrences commonly insured against death, bodily injury, and property damage, with a per limit occurrence of not less than \$1,000,000.00 and an annual aggregate limit

of not less than \$2,000,000.00, arising out of or in connection with the use, ownership, or maintenance of the Owner's Unit. All policies carried by each Owner pursuant to this Section 14.4 shall: (a) name the Association and the Declarant as additional insureds with rights to enforce; (b) be without contribution with respect to any insurance maintained by the Association or Declarant; and (c) provide that the insurer waives any and all rights of subrogation as against the Association, the Declarant, each other Owner.

14.5 Mutual Waiver of Subrogation Rights. Whenever: (a) any loss, cost, damage, or expense resulting from fire, explosion, or any other casualty or occurrence is incurred by either by the Declarant, Association, or Owner, or anyone claiming by, though, or under the Declarant, Association, or Owner in connection with the Project; and (b) the Declarant, Association, or such Owner is then covered or required to be covered under this Declaration to be so insured in whole or in part by insurance with respect to such loss, costs, damage, or expense, then the party so insured (or so required) hereby releases the other parties from any liability said other parties may have on account of such loss, costs, damage, or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any Person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage. Declarant, the Association, and each Owner shall obtain and furnish evidence to the other Party of the waiver by its insurance carrier(s) of any right of subrogation.

SECTION 15 CASUALTY, DAMAGE OR DESTRUCTION

15.1 Affects Title. Title to each Condominium is hereby made subject to the terms and conditions hereof, which bind the Declarant and all subsequent Owners, whether or not it is expressed in the deed by which any Owner acquires a Condominium.

15.2 Association As Agent. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney-in-fact in their name, place and stead for the purpose of dealing with their Condominium upon the Condominium's damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute such appointment.

15.3 General Authority of Association. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in succeeding Sections means restoring the Condominiums, including the site improvements, equipment and facilities therein, to substantially the same condition in which it existed prior to damage, with each Unit and the Common Area having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless: (a) Members representing eighty percent (80%) or more of the total voting power of the Association; and (b) more than fifty percent (50%) of all first priority Mortgagees agree not to rebuild in accordance with the provisions set forth hereinafter.

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

15.5 Repair or Reconstruction. As soon as practicable after receiving these estimates, the Association shall diligently pursue to completion the repair or construction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney-in-fact for the Owners, and no consent or other action by any Owner shall be

necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans and specifications of the Project or may be in accordance with any other plans and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than five percent (5%) from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications without the written consent of all affected Owners, and the location of the Units shall be substantially the same as prior to damage or destruction.

15.6 Funds for Reconstruction. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association, pursuant to Section 10.4 hereof, may levy in advance a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such Special Assessments shall be allocated and collected as provided in that Section. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

15.7 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and the amounts received from the assessments provided in Section 15.6 constitute a fund for the payment of costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for the cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners requiring repair and/or reconstruction of such Owner's Unit in proportion to the contributions by such Owner pursuant to the assessments by the Association under Section 15.6 of this Declaration.

15.8 Decision not to Rebuild. If eighty percent (80%) or more of the Owners and more than fifty percent (50%) of the first priority Mortgagees agree not to rebuild, the Project shall be sold. All insurance proceeds and all sale proceeds shall be apportioned among the Owners in the same proportions as their share of the Common Area as provided in Exhibit D; and such apportioned proceeds shall be paid into separate accounts, each such account representing one (1) Condominium. Each such account shall remain in the name of the Association, and shall be further identified by the Condominium designation and the name of the Owner. From each separate account the Association, as attorney in fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to Mortgagees and other lienors in the order of priority of their Mortgages and other liens, and the balance remaining to each respective Owner.

SECTION 16 CONDEMNATION

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

16.2 Proceeds. All compensation, damages, and other proceeds therefrom, the sum of which is hereinafter called the "**Condemnation Award**," shall be payable to the Association.

16.3 Complete Taking. In the event that all of the Units are taken or condemned or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership regime pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners in the same proportions as their share of the Common Area as provided in Exhibit D, provided that if a standard different from the value of the Condominiums as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

On the basis of the principle set forth in the last preceding paragraph, the Association shall, as soon as practicable, determine the share of the Condemnation Award to which each Owner is entitled and pay such amounts as soon as practicable.

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

16.4.1 Allocation to Common Area. The total amount allocated to taking of or injury to the Common Area shall be apportioned among the Owners in the same proportions as their share of the Common Area as provided in Exhibit D;

16.4.2 Allocation to Condominiums. The total amount allocated to severance damages shall be apportioned to those Condominiums which were taken or condemned as follows: (a) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements an Owner has made within the Owner's own Unit shall be apportioned to the particular Unit involved; and (b) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board, in its reasonable opinion, determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable.

16.5 Reorganization. In the event a partial taking results in the taking of a complete Unit, then, upon the distribution of such Owner's apportioned proceeds, the Owner thereof automatically shall cease to be a member of the Association. Thereafter the Association shall re-allocate the ownership, voting rights and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such re-allocation to the remaining Owners for approval and amendment of this Declaration as provided in Section 22.1 hereof.

16.6 Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 15 above.

SECTION 17 DISCLAIMERS, WAIVERS, AND ACKNOWLEDGMENTS

17.1 Disclaimer and Waiver of Warranties Without limiting any other provision in this Declaration, by acceptance of deed to a Condominium, each Owner shall conclusively be deemed to understand, and to have acknowledged and agreed to, all of the following:

17.1.1 That Declarant hereby disclaims any and all warranties, express and implied, including without limitation the implied warranty of habitability and the implied warranty of fitness for a particular purpose, and by acceptance of a deed to a Condominium, each Owner waives and releases Declarant with respect to any such warranties;

17.1.2 That the Project is or may be located within or nearby certain airplane flight patterns, and/or subject to levels of airplane traffic noise; and that Declarant hereby specifically disclaims any and all representations and warranties, express and implied, arising from or relating to airplane flight patterns, and/or airplane traffic noise; and each Owner hereby waives and releases Declarant from any and all claims arising from or relating to airplane flight patterns or airplane traffic noise;

17.1.3 That the Project is or may be located adjacent to or nearby roadways and subject to levels of traffic thereon, and to noise, dust, and other nuisances arising from such roadways and levels of traffic; that Declarant hereby specifically disclaims any and all representations and warranties, express and implied, arising from or related to such roadways and levels of traffic thereon, and to noise, dust, and other nuisances arising from such roadways and levels of traffic; and each Owner hereby waives and releases Declarant from any and all claims arising from or related to roadways and levels of traffic thereon, and to noise, dust, and other nuisances arising from such roadways and levels of traffic;

17.1.4 That construction and installation of improvements by Declarant or other Owners, or third parties, may involve the operation of noisy equipment, generate dust, and may impair or eliminate the view, if any, of or from any Unit and/or Common Areas; and each Owner hereby waives and releases Declarant from any and all claims arising from or relating to such construction and installation, view impairment or elimination including but not limited to, any claims for nuisance or health hazards;

17.1.5 That construction is an industry inherently subject to variations and imperfections, and items that do not materially affect safety or structural integrity shall be deemed “**Expected Minor Flaws**” (including, but not limited to: reasonable wear, tear or deterioration; shrinkage, swelling, expansion or settlement; squeaking, peeling, chipping, cracking, or fading; touch-up painting; minor flaws or corrective work; and like items) and not constructional defects; and that and each Owner hereby waives and releases Declarant from any and all claims arising from or relating to such Expected Minor Flaws; and

17.1.6 That creation of the Project shall not create any presumption, or duty whatsoever of Declarant with regard to security or protection of Person or property within or adjacent to the Project; and each Owner hereby waives and releases Declarant from any and all claims arising from or related to such security or protection, or lack thereof.

SECTION 18 RESOLUTION OF DISPUTES

18.1 Agreement to Avoid Litigation. Declarant, the Association and the Owners agree that it is in their best interests to provide a fair, impartial, and expeditious procedure for the resolution of disputes related to the Condominium Documents instead of costly, lengthy, and unpredictable litigation. Accordingly, Declarant, the Association (including its Board, officers, and committee members), each Owner and any party claiming a right or interest under the Condominium Documents (each, a “**Bound Party**”) agree to encourage the efficient resolution of disputes within the Project without the emotional and financial costs of litigation. Each Bound Party therefore covenants and agrees that all claims, grievances, or disputes arising out of or relating to the interpretation, application, or enforcement of the Condominium Documents or the rights, obligations, or duties of any Bound Party under the Condominium Documents (“**Claims**”) shall be subject to the provisions of Section 18.3 unless exempt under Section 18.2. All Claims shall be subject to resolution pursuant to this Section 18 as a condition precedent to the institution or continuation of any legal or equitable proceeding; provided, however, any Bound Party may proceed in accordance with applicable law to comply with any notice or filing deadlines prior to resolution of the Claim

18.2 Exemptions. None of the following Claims shall be subject to this Section 18 unless all Bound Parties thereto agree in writing to submit such Claim to the dispute resolution procedures set forth in this Section 18:

18.2.1 Any Claim by the Association against any Bound Party to enforce the obligation to pay any Assessment to the Association under the Condominium Documents;

18.2.2 Any Claim by Declarant or the Association to obtain injunction or equitable relief to enforce any provision of the Condominium Documents;

18.2.3 Any Claim between Owners where the Declarant or the Association are not a party thereto, which Claim would constitute a cause of action independent of the Condominium Documents;

18.2.4 Any Claim in which any indispensable party is not a Bound Party;

18.2.5 Any Claim against a Released Party that would be barred by Section 9.9;

18.2.6 Any Claim which otherwise would be barred by Applicable Law (such as, for example, the applicable statute of limitations); or

18.2.7 Any Claim arising out of or relating to the interpretation, application or enforcement of any purchase, sale or construction agreement with Declarant or any builder related to the construction of improvements within the Project, or the rights, obligations, or duties of any Bound Party under such agreements, it being understood that Applicable Law and the provisions of such agreements shall control the resolution of any claims or disputes related thereto.

18.3 Dispute Resolution.

18.3.1 Direct Discussions. Any Bound Party having a Claim against any other Bound Party shall notify such party(ies) of the Claim in writing, stating plainly and concisely the following: (a) the nature of the Claim; (b) the legal basis of the Claim (i.e., the specific authority out of which the Claim arises); (c) the basic facts supporting the allegations in the Claim; (d) the other Persons involved in the Claim or with personal knowledge of the facts alleged; and (e) the claimant's proposed remedy, including the specific monetary amounts (if any) demanded. The Bound Parties to the Claim shall make reasonable efforts to meet in person to resolve the Claim by good faith discussions and negotiations – it being understood that the best opportunity to achieve a fair and satisfactory resolution to a Claim is ordinarily through early discussions and negotiations held in good faith.

18.3.2 Dispute Resolution. If the Bound Parties to a Claim are unable to resolve the Claim through direct discussions within a reasonable time, either Bound Party may submit the Claim to the Board for assistance in resolving the Claim. In such event, the Board may, by notice to each Bound Party to the Claim within thirty (30) days of its receipt of a request for assistance:

18.3.2.1 Order the Bound Parties to continue direct discussions and negotiations for a period of up to thirty (30) days. If the Claim is not resolved in such period, any Bound Party may request the Board's further assistance to resolve the Claim;

18.3.2.2 Order the Bound Parties to mediate the Claim with an independent real estate attorney, real estate professional, or judge selected by the Board. The mediator shall set the rules of the mediation. Any party to the mediation can invite additional parties to the mediation if the presence of such additional party is required for a complete resolution of any Claim. The parties shall share the mediator's fee and any filing fees equally. Unless otherwise agreed, the mediation shall be held within thirty (30) days of the order for mediation and shall be held in a neutral location near the Project selected by the mediator. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof. If the mediation does not resolve the Claim, the Bound Parties may proceed to litigation of the Claim in any court of competent jurisdiction;

18.3.2.3 Order the Bound Parties to settle the Claim through arbitration by a single arbitrator conducted in accordance with the Idaho Uniform Arbitration Act (Idaho Code Title 7,

Chapter 9) except as otherwise provided herein. The arbitrator shall be any independent real estate attorney or judge appointed by the Board. The arbitrator shall set the rules of the arbitration. The arbitrator may, in its discretion, order parties to produce documents relevant to the dispute and may order written discovery and depositions (but with care to avoid burdensome discovery or depositions). The arbitrator shall endeavor to hold the arbitration at mutually convenient times and locations; provided, however, the arbitrator shall endeavor to complete the arbitration within forty-five (45) days after appointment of the arbitrator. The parties shall bear their own attorneys' fees (if any) and share the arbitrator's fees equally; provided, however, the arbitrator may award costs, arbitrator's fees and attorneys' fees to the substantially prevailing party. The arbitrator's award shall be final, and judgment may be entered upon it in accordance with Applicable Law in any court having jurisdiction thereof

18.3.2.4 If the Claim is within the jurisdiction of the Small Claims Department of the Magistrate Division (currently, monetary claims for \$5,000 or less), order a Bound Parties to file such Claim exclusively therein;

18.3.2.5 Elect to exempt the Claim from this Section 18, at which time the Bound Parties are free to exercise any right or remedy in accordance with Applicable Law.

If the Board fails to notify the Bound Parties within thirty (30) days of its receipt of a request for assistance, the Board shall be deemed to have elected to exempt the Claim from this Section 18.

18.3.3 Enforcing Resolutions. If the Bound Parties resolve any Claim through mediation or arbitration pursuant to this Section 18 and any Bound Party thereafter fails to abide by the terms of such resolution (i.e., settlement agreement or arbitrator's award), then any other Bound Party may take any legal or other action to enforce such settlement agreement or arbitrator's award without the need to comply again with the procedures set forth in this Section 18. In such event, the Bound Party taking action to enforce the resolution shall be entitled to recover from any non-complying Bound Party all costs and attorneys' fees reasonably incurred in such enforcement.

SECTION 19 INITIAL DEVELOPMENT PERIOD

19.1 Project Management. Each Owner recognizes that the Project will require a high level of knowledge, effort, judgment, diligence, and attention during the Initial Development Period, and that level is beyond what can reasonably be expected from Project volunteers. Accordingly, each Owner agrees that it is in the best interest of the Project for Declarant to have full management authority for the Project during the Initial Development Period, including the sole and exclusive right to appoint, remove, and replace directors of the Board, and to fill vacancies on the Board, at any time and from time-to-time in Declarant's sole discretion by virtue of its voting rights as the Class B Member.

19.2 Declarant Exemptions. During the Initial Development Period, Declarant may from time-to-time in Declarant's discretion and without first seeking or obtaining the approval of Association:

19.2.1 Make modifications or improvements to the Common Area as Declarant deems appropriate, and may also may modifications or improvements to any Unit prior to the conveyance thereof as Declarant deems appropriate;

19.2.2 Place or authorize signs of such size, design, and number as Declarant deems appropriate for the initial development of the Project, including signs to identify the Project, display information pertaining to the Project, display information or instructions to builders, advertise Condominiums for sale (including sale events and open houses), and to advertise Project elements or events;

19.2.3 Use or allow any third party to use any Condominium as a model unit, sales office, or construction office;

19.2.4 Place or authorize portable or temporary structures upon the Common Area of the Project, and otherwise allow the Common Area to be used as a construction storage yard; and

19.2.5 Establish or reserve such additional covenants, conditions, restrictions, or easements on any Condominium prior to conveyance thereof as Declarant deems necessary or convenient for the development of the Condominium or Project.

19.3 Water Rights Appurtenant to Project. Declarant may own certain water rights which are appurtenant to the Project. Declarant hereby reserves unto itself any and all water rights appurtenant to the Project, and Owners of any and all Condominiums accordingly shall have no right, title, or interest in any of said water or water rights; provided, however, Declarant may convey the water rights to the Association at any time.

19.4 Declarant's Exemption from Assessments. Declarant shall not be assessed any Regular Assessments or Special Assessments for any Condominiums owned by Declarant. If Declarant owns at least one Condominium, Declarant shall pay the shortfall, if any, in the operating Expenses of the Association; provided, however, such obligation shall not exceed the amount that the Regular Assessments and Special Assessments that Declarant would otherwise be assessed as an Owner multiplied by the total number of Condominiums owned by Declarant on the date Regular Assessments or Special Assessments are assessed against the Owners of Condominiums. Following the Initial Development Period, Declarant shall be assessed Regular Assessments and Special Assessments for each Condominium owned by Declarant.

19.5 Assignment of Declarant's Rights. Declarant may assign any or all of its rights under the Condominium Documents to any Person in a written instrument(s) that contains the assignee's acceptance of such assignment and agreement to assume any of Declarant's obligations pertaining to the rights assigned, which acceptance and assumption shall be effective upon the recordation of such written instrument(s) recorded in the official records of the County. Declarant shall promptly provide a copy of the recorded instrument to the Association and, thereupon, be released from Declarant's obligations pertaining to the rights assigned and the obligations assumed.

SECTION 20 ANNEXATION AND DEANNEXATION

20.1 Declarant's Rights. Declarant may annex additional lands into the Property from time-to-time by recording a supplement to this Declaration declaring such additional lands to be part of the Project and subject to this Declaration and the Association (each a "Supplement"). Such Supplement may add or delete covenants, conditions, restrictions, and easements applicable to the annexed lands as Declarant may deem appropriate. Upon annexation, Owners within the annexed lands will become Owners in the Project on equal footing with the then current Owners in the Project, and will have the same rights, privileges and obligations (except as may otherwise be set forth in the annexing Supplement). Declarant will have the right to de-annex any property owned by Declarant from the Project upon Declarant's recordation of a Supplement identifying the de-annexed lands and declaring that such lands will no longer be subject to this Declaration. In order to be valid, all Supplements must refer to this Declaration, modify Exhibit D as a result of such annexation or de-annexation (as applicable), and be recorded in the official records of the County. Upon recordation of Supplement, such Supplement shall become an integral part of this Declaration. Declarant may exercise its rights under this Section until the later of: (a) the date on which Declarant no longer owns a Unit; (b) the expiration of the Initial Development Period; or (c) fifteen (15) years after the Effective Date.

20.2 Irrevocable Power of Attorney. To facilitate Declarant's rights under Section 20.1, each Owner, by acceptance of a deed or other conveyance of a Unit, irrevocably appoints Declarant (and its successors and assigns) as such Owner's attorney-in-fact, coupled with an interest, to prepare, execute, acknowledge, deliver, and record, without further consent or approval, any plats, amended plats, declarations, amendments, instruments, consents, or other documents that Declarant deems necessary or desirable to implement its rights Section 20.1 (each an "Annexation Document"). This power of attorney shall be binding on the Association and each Owner and their respective successors, heirs, personal representatives, and assigns, and shall run with and bind the title to such Owner's Unit.

20.3 Further Assurances. The Association and each Owner further agree, within five (5) days after Declarant's written request, to execute, acknowledge, and deliver any Annexation Document and such additional powers of attorney, consents, instruments, other documents as may be reasonably necessary to effectuate Declarant's rights under Section 20.1. If the Association or any Owner fails or refuses to so execute, acknowledge and delivery any such Conversion Document or such additional powers of attorney, consents, instruments, other documents, then the Association or such Owner, as applicable, agrees to pay Declarant \$5,000.00 per day for each day after such five (5) day period that such failure or refusal continues (the "Liquidated Damages"), and the Association and each Owner acknowledges and agrees that such sums shall be treated as if they were delinquent Assessments hereunder, and Declarant shall have all the same rights as the Association would have hereunder if the Owner failed to pay an Assessment, including, without limitation lien rights as described in Section 11. The Association and the Owners acknowledge and agree that it would be impractical and extremely difficult to calculate with certainty the amount of damages Declarant would sustain by reason of the Association's or Owner's, as applicable, failure to comply with this Section 20, and that the amount of the Liquidated Damages is a fair, reasonable, and good faith estimate of such damages without Declarant being required to present any evidence of the amount or character of actual damages sustained by reason thereof. Such Liquidated Damages are intended to represent estimated actual damages and are not intended as a penalty. In addition, the Association and Owners acknowledge and agree that Declarant may seek specific performance, declaratory, injunctive, and other equitable relief, along with all other rights and remedies Declarant may have at law or in equity in the event the Association or Owner, as applicable, is in breach of this Section 20.4. Each Mortgagee, by recording a Mortgage against a Unit, agrees to the terms of this Section 20, agrees to be bound thereby, and agrees to execute, acknowledge, and deliver all the same documents that its respective mortgagor is required to execute, acknowledge, and deliver pursuant to the terms hereof.

SECTION 21 TERM

The easements created by this Declaration shall be perpetual, subject only to extinguishment by the holders of such easements as provided by Applicable Law. The remainder of this Declaration shall for a period of fifty (50) years commencing on the Effective Date, unless earlier amended or terminated in accordance with Section 22.1, and thereafter shall be automatically extended for successive periods of ten (10) years each, unless earlier amended or terminated in accordance with Section 22.1.

SECTION 22 MISCELLANEOUS

22.1 Amendment.

22.1.1 By Whom. From and after the Effective Date until the expiration or earlier termination of the Initial Development Period, Declarant shall have the exclusive right to amend or terminate this Declaration by executing a written instrument setting forth such amendment, or termination, and the same shall be effective upon the recordation thereof in the official records of the County. After the expiration or earlier termination of the Initial Development Period, any amendment to this Declaration or termination hereof shall be by a written instrument setting forth such amendment or termination, signed and acknowledged by the president and secretary of the Association certifying and attesting that such

amendment or termination has been approved by the affirmative vote of Members representing more than sixty-five percent (65%) of the total voting power of the Association, and the same shall be effective upon the recordation thereof in the official records of the County.

22.1.2 **Effect of Amendment.** Any amendment or termination of this Declaration approved in the manner specified above shall be binding on and effective as to all Owners notwithstanding that such Owners may not have voted for or consented to such amendment or termination. Any amendment may add to and increase the covenants, conditions, restrictions, and easements applicable to the Project but shall not prohibit or unreasonably interfere with the allowed uses of such Owner's Condominium which existed prior to the said amendment.

22.2 Mortgage Protection. Upon written request to the Association from any holder, insurer, or guarantor of any first Mortgage stating its name, address and the Unit number or address of the Unit on which it has its first Mortgage, said holder, insurer, or guarantor of a first Mortgage encumbering a Unit shall be entitled to notice of the following:

22.2.1 Any condemnation or casualty loss that affects either a material portion of a Building or a Unit encumbered by such first Mortgage;

22.2.2 Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of any Unit on which it holds a first Mortgage;

22.2.3 A lapse, cancellation, or material modification of any insurance policy maintained by the Association; and

22.2.4 Any proposed action that requires the consent of a specified percentage of eligible Mortgage holders.

22.3 Enforcement and Non-Waiver.

22.3.1 **Right of Enforcement.** Except as otherwise provided herein, any Owner, the Association, and Declarant shall each have the right to enforce any or all of the provisions of this Declaration against any Condominium or any part or portion of the Project and against the Owners thereof. The failure of any Owner or Lessee to comply with Applicable Law pertaining to the ownership, use, or occupancy of any Condominium or other portion of the Project, or to comply with any provision of the Condominium Documents, is hereby declared a nuisance and gives rise to a cause of action (subject to Section 18) in Declarant, the Association (on its own and/or on behalf of any consenting Owners) and any affected Owner for recovery of damages or for negative or affirmative injunctive relief or both enforce the provisions hereof only as set forth in this Declaration. Each remedy provided herein is cumulative and not exclusive. If any party initiates or defends any legal action or proceeding to interpret or enforce any of the terms of this Declaration, the substantially prevailing party shall be entitled to recover any costs and attorneys' fees reasonably incurred therein

22.3.2 **Non-Waiver.** Failure of the Declarant or the Board to insist upon strict compliance with this Declaration or other Condominium Documents, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment of the right to insist on compliance in the future with any term, covenant, condition or restriction. The receipt by the Board of payment of an Assessment from an Owner, with knowledge of a breach by the Owner, shall not be a waiver of the breach. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed for by the Board.

22.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Project. This Declaration shall be construed and governed under the laws of the State of Idaho without regard to its conflicts of law principles, and the following:

22.4.1 **Restrictions Construed Together.** All of the provisions hereof shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Project as set forth in the recitals to this Declaration.

22.4.2 **Restrictions Severable.** Notwithstanding the provisions of the foregoing Section 22.4.1, each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

22.4.3 **Singular Includes Plural.** Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter. As used herein, the word “including” shall be deemed to be followed by “but not limited to” unless otherwise indicated.

22.4.4 **Captions.** All captions, titles and the table of contents used in this Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

22.4.5 **Board Interpretation.** In the event that any provision of this Declaration is deemed ambiguous on any matter, the Board’s interpretation such provision shall be given deference so long as the interpretation is not arbitrary or capricious.

22.5 Owner’s Obligations Continue. All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that such Owner may have leased, rented or entered a contract of sale of his interest as provided herein, but the Owner of a Condominium shall have no obligation for Assessments or other obligations accruing after the Owner conveys such Condominium.

22.6 Exhibits. All exhibits attached hereto are incorporated herein as if set forth in full herein. However, in the event of any conflict between such exhibits and the text of the Declaration, the Declaration shall control.

22.7 Acknowledgement and Waivers. All Owners expressly acknowledge that there are no understandings, representations, warranties or promises of any kind that have been made to induce the Owners from owning Units in the Project except as set forth in this Declaration or any other written valid and binding agreement between the Declarant and the Owners, that this Declaration or any other written valid and binding agreement (including without limitation the other Condominium Documents) between the Declarant and the Owners sets forth in full the entire agreement between the parties and governing the Project, and the Owners have not relied on any verbal agreement, statement, representation, warranty or other promises that is not expressed in writing in this Declaration or any other written valid and binding agreement between the Declarant and the Owners. Except as may be set forth in any written agreement between Owner and Declarant, each Owner has acquired and accepted its Condominium Unit “as is, where is” with all faults.

22.8 Notices; Time. Unless otherwise expressly provided herein, all notices, approvals, consents, requests, elections and other communications required or permitted to be given under this Declaration (each a “notice”) shall be in writing and shall be given by: (a) hand delivery, in which event

such notice shall be deemed duly given and received upon the earlier of delivery or refusal to accept delivery thereof; (b) U.S. Certified Mail, return receipt requested, with postage prepaid, in which event such notice shall be deemed duly given on the date of mailing and shall be deemed received upon the earlier of the date of actual receipt, the date of delivery as shown on the return receipt, or the third day after deposit in the mail; (c) a nationally-recognized overnight delivery service (e.g., FedEx), in which event such notice shall be deemed duly given on the date deposited with such service and deemed received upon the earlier of the actual date of receipt or the day after deposit with the nationally-recognized overnight delivery service; or (d) email transmission, in which event such notice shall be deemed duly given on the date sent and deemed received on the date sent if sent before 5:00 PM Ketchum, Idaho, Idaho local time, or the next day if sent after 5:00 PM Ketchum, Idaho local time. Notwithstanding the foregoing, actual notice, however given and from whomever received shall always be effective, and any notice given by an attorney of the Declarant, Member, Owner, or the Association, shall, for all purposes, be deemed to have been given by such Declarant, Member, Owner, or the Association. All such notices shall be addressed to the applicable Declarant, Member, Owner, or the Association at the address on file for such Person at the Association, or if no address has been given for a member or Owner, at the address of the Unit owned by the Member or Owner within the Project. Each Member and Owner authorizes notices relating to this Declaration be sent and received via email, and each Member and Owner agrees to provide its mailing and email addresses to the Association upon request from time to time. If Member's or Owner's mailing and/or email addresses changes, it is the responsibility of the Member or Owner to notify the Association of such changes. The Association will provide the notice addresses of all Owners promptly upon receipt of written request from an Owner.

All time periods in this Declaration shall be deemed to refer to calendar days. If the last date on which to perform any act, give any notice, or be deemed to have received any notice under these Declaration shall fall on a Saturday, Sunday, or holiday observed by the state courts sitting in the County, such act or notice shall be deemed timely if performed or given, or notice shall be deemed received, on the next succeeding day that is not a Saturday, Sunday, or holiday observed by the state courts sitting in county in which the Project is physically located. Time is of the essence.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, Declarant has executed this Declaration effective as of the Effective Date.

DECLARANT: Glendale Industrial LLC,
an Idaho limited liability company

By: Rancho Pacific LLC,
an Idaho limited liability company
Its: Manager

By: _____
Name: David DiRienzo
Its: Manager

STATE OF _____)
) ss.
County of _____)

This record was acknowledged before me on _____, 202__, by David DiRienzo, as Manager of Rancho Pacific LLC, the Manager of Glendale Industrial LLC.

Signature of Notary Public
My Commission Expires _____

EXHIBIT A

Legal Description of the Phase I Property

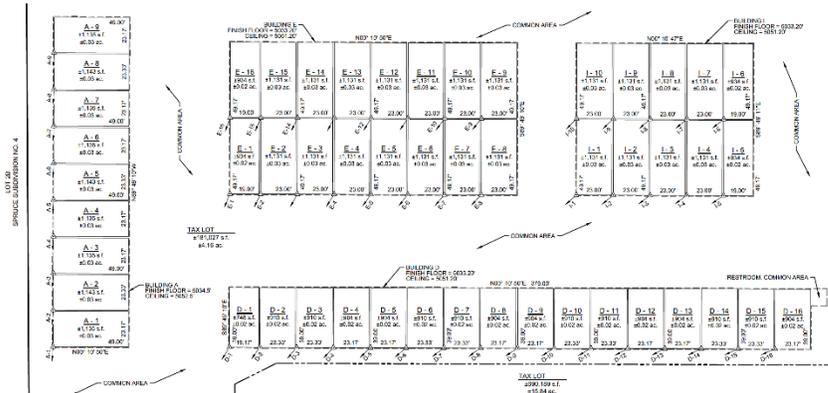
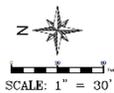
A Parcel of land located within Section 23, T.1N., R.18E., B.M., Blaine County, Idaho, more particularly described as follows:

TAX LOT _____, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCING AT A 5/8" REBAR WITH NO CAP, MARKING THE NORTHWEST CORNER OF SECTION 23, FROM WHICH A BRASS CAP IN CONCRETE CYLINDER, MARKING THE NORTH ¼ CORNER OF SECTION 26, LIES S26°29'10" E, 5846.32 FEET DISTANT; THENCE PROCEEDING N89°41'13" E, 3965.74 FEET, TO THE NORTHWEST CORNER OF TAX LOT 8655, MARKED BY A 1/2" REBAR WITH NO CAP, AND SAID POINT BEING THE TRUE POINT OF BEGINNING:

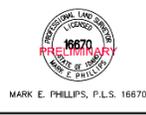
THENCE N89°40'13"E, 414.71 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N00°10'50"E, 72.63 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N89°49'10"W, 21.59 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N00°10'50"W, 482.50 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S89°49'10"E, 60.38 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N00°10'50"E, 19.53 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S89°49'10"E, 180.89 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S44°49'10"E, 33.49 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S00°10'50"W, 387.28 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S26°38'56"E, 30.07 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S89°49'10"E, 11.58 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N63°21'04"E, 77.92 FEET, TO A 5/8" REBAR BY LS16670;
THENCE S89°49'10"E, 106.65 FEET, TO A 5/8" REBAR BY LS16670;
THENCE N00°10'50" E, 168 FEET, ALONG THE BOUNDARY COMMON WITH TAX LOTS 4613 & 4613A,
TO THE TRUE POINT OF BEGINNING, CONTAINING 181,027 SQ. FT. (4.16 AC.), MORE OR LESS, AS DETERMINED BY
COMPUTER METHODS.

A PLAT SHOWING GLENDALE INDUSTRIAL CONDOMINIUMS PHASE I AUGUST 2025



Building A Unit Tie Line Table			Building D Unit Tie Line Table			Building E Unit Tie Line Table			Building I Unit Tie Line Table		
Line #	Length	Bearing									
A-1	212.30'	N 80°00'00" W	D-1	288.00'	N 80°00'00" W	E-1	207.48'	N 87°00'00" W	I-1	422.88'	N 81°00'00" W
A-2	236.24'	N 80°02'14" W	D-2	228.90'	N 80°42'02" W	E-2	345.60'	N 64°16'42" W	I-2	493.84'	N 59°12'00" W
A-3	284.37'	N 80°10'28" W	D-3	273.60'	N 80°18'08" W	E-3	486.27'	N 47°31'11" W	I-3	428.88'	N 57°32'00" W
A-4	284.37'	N 80°08'38" W	D-4	289.20'	N 80°54'02" W	E-4	383.88'	N 54°28'30" W	I-4	428.88'	N 59°02'00" W
A-5	307.84'	N 80°17'40" W	D-5	328.17'	N 80°20'07" W	E-5	367.38'	N 51°38'00" W	I-5	428.88'	N 59°18'00" W
A-6	307.84'	N 80°15'50" W	D-6	333.24'	N 80°18'08" W	E-6	411.84'	N 48°02'00" W	I-6	428.88'	N 59°34'00" W
A-7	356.50'	N 80°03'06" W	D-7	343.31'	N 80°02'22" W	E-7	427.52'	N 45°28'19" W	I-7	428.88'	N 59°50'00" W
A-8	374.95'	N 80°11'25" W	D-8	341.47'	N 80°11'58" W	E-8	465.48'	N 58°47'30" W	I-8	428.88'	N 59°06'00" W
A-9	430.89'	N 80°49'07" W	D-9	381.32'	N 80°32'07" W	E-9	493.68'	N 59°08'02" W	I-9	428.88'	N 59°22'00" W
			D-10	481.38'	N 51°48'02" W	E-10	493.68'	N 59°22'00" W	I-10	428.88'	N 59°38'00" W

SEE PAGE 1 FOR LEGEND,
SURVEY NARRATIVE & NOTES



GLENDALE INDUSTRIAL CONDOMINIUMS
PHASE I
PHILLIPS LAND SURVEYING, PLLC
IDAHO, USA
2 OF 3
PROJECT: 2024-07

CERTIFICATE OF OWNERSHIP

This is to certify that the undersigned is the owner in fee simple of the following described parcel of land:
A Parcel of land located within Section 23, T.1N., R.1E., S.M., Blaine County, Idaho, more particularly described as follows:
TAX LOT _____ BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT A 5/8" REBAR WITH NO CAP, MARKING THE NORTHWEST CORNER OF SECTION 23, FROM WHICH A BRASS CAP IN CONCRETE CYLINDER, MARKING THE NORTH 1/4 CORNER OF SECTION 26, LIES S20°29'10" E, 684.32 FEET DISTANT; THENCE PROCEEDING N89°41'13" E, 398.74 FEET; TO THE NORTHWEST CORNER OF TAX LOT 8655, MARKED BY A 1/2" REBAR WITH NO CAP, AND SAID POINT BEING THE TRUE POINT OF BEGINNING.
THENCE N89°40'13" E, 414.71 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N00°10'50" E, 72.63 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N89°40'10" W, 21.59 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N00°10'50" W, 482.20 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S89°49'10" E, 80.38 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N00°10'50" E, 18.93 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S89°49'10" E, 160.89 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S44°48'10" E, 32.49 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S00°10'50" W, 387.25 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S20°38'50" E, 20.07 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S89°49'10" E, 11.58 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N83°21'04" E, 77.92 FEET, TO A 5/8" REBAR BY LS18670;
THENCE S89°49'10" E, 166.68 FEET, TO A 5/8" REBAR BY LS18670;
THENCE N00°10'50" E, 168 FEET, ALONG THE BOUNDARY COMMON WITH TAX LOTS 4613 & 4611A,
TO THE TRUE POINT OF BEGINNING, CONTAINING 181,077 SQ. FT. (4.18 AC.), MORE OR LESS, AS DETERMINED BY COMPUTER METHODS.

The easements indicated hereon are not dedicated to the public, but the right to use said easements is hereby reserved for the public utilities and for any other uses indicated hereon and no permanent structures are to be erected within the lines of said easements. We do hereby certify that Common Area in this plat will be eligible to receive water services from a new central water system and said system will have sufficient contributed capital to allow the water systems works and mains to be constructed to provide service without further connection charges or fees to the landowners of the Units. No water services are provided to Units.
It is the intent of the owner to hereby include said land in this plat.
David DiRienzo, Managing Member
Glendale Industrial, LLC

ACKNOWLEDGMENT

STATE OF _____ } ss
COUNTY OF _____ }
On this ____ day of _____, 2025, before me, a Notary Public in and for said State, personally appeared David DiRienzo, known or identified to me to be the member of the limited liability company that executed the foregoing instrument, and acknowledged to me that such limited liability company executed the same.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.
Notary Public in and for said State
Residing in _____
My Commission Expires _____

SURVEYOR'S CERTIFICATE

I, Mark E. Phillips, a duly Licensed Professional Land Surveyor in the State of Idaho, do hereby certify that this plat is a true and accurate map of the land and points surveyed under my direct supervision and that it is in accordance with the Idaho State Code relating to Plats, Surveys, and the Corner Perpetuation and Filing Act, 55-1001 through 55-1012.



BLAINE COUNTY SURVEYOR'S APPROVAL

I, Sam Young County Surveyor for Blaine County, Idaho, do hereby certify that I have checked the foregoing Plat and computations for making the same and have determined that they comply with the laws of the State of Idaho relating to Plats and Surveys.
Sam Young, P.L.S. 11577
Blaine County Surveyor

BLAINE COUNTY PLANNING & ZONING APPROVAL

The foregoing plat was approved by the Blaine County Planning & Zoning Administrator on this ____ day of _____, 2025.
Administrator

BLAINE COUNTY COMMISSIONERS APPROVAL

The foregoing plat was approved by the Blaine County Board of Commissioners on this ____ day of _____, 2025.
Chairman

BLAINE COUNTY TREASURER'S APPROVAL

I, the undersigned County Treasurer in and for Blaine County, State of Idaho per the requirements of Idaho Code 50-1308, do hereby certify that any and all current and/or delinquent county property taxes for the property included in this subdivision have been paid in full. This certification is valid for the next thirty (30) days only.
Blaine County Treasurer

BLAINE COUNTY RECORDER'S CERTIFICATE

GLENDALE INDUSTRIAL CONDOMINIUMS
PHASE I
PHILLIPS LAND SURVEYING, PLLC
IDAHO, USA
3 OF 3
PROJECT: 2024-07

EXHIBIT C

Certified Copy of Articles of Incorporation

[attached]



STATE OF IDAHO

Phil McGrane | Secretary of State

Business Office
450 North 4th Street
PO Box 83720
Boise, ID 83702

Request Type: Certified Copies of Business

Request #: 6436105
Receipt #: 1205797

Issuance Date: 09/12/2025
Copies Requested: 1

I, Phil McGrane, Secretary of State of the State of Idaho, do hereby certify that **Glendale Industrial Condominium Owners Association, Inc.**, File # 6433981 was formed or qualified to do business in the State of Idaho on 09/10/2025. Glendale Industrial Condominium Owners Association, Inc. has a home jurisdiction of Idaho and is currently in an Active-Good Standing status.

The attached documents are true and correct copies and were filed in this office on the date(s) indicated below.

Phil McGrane
Idaho Secretary of State

Processed By: Business Division

The attached document(s) was/were filed in this office on the date(s) indicated below:

<u>Reference #</u>	<u>Date Filed</u>	<u>Filing Description</u>
B1034-4719	09/10/2025	Initial Filing

Phone: 208-334-2301 * Website: sosbiz.idaho.gov

Page 1 of 1

B1034-4719 09/10/2025 11:42 AM Received by Office of the Idaho Secretary of State

ARTICLES OF INCORPORATION
OF
GLENDALE INDUSTRIAL CONDOMINIUM OWNERS ASSOCIATION

For Office Use Only
-FILED-
File #: 0006433981
Date Filed: 9/10/2025 11:42:00 AM
under the laws of the state of

The undersigned, for the purpose of forming a nonprofit corporation under the laws of the state of Idaho in compliance with the Idaho Nonprofit Corporation Act (Title 30, Chapter 30, Idaho Code), does hereby certify, declare, and adopt the following Articles of Incorporation of Glendale Industrial Condominium Owners Association, Inc. (the "Articles"):

ARTICLE I
NAME

The name of the corporation is Glendale Industrial Condominium Owners Association, Inc. (the "Association").

ARTICLE II
TERM

The period of existence and duration of the life of the Association is perpetual.

ARTICLE III
NONPROFIT

The Association is a nonprofit, membership corporation.

ARTICLE IV
REGISTERED AGENT

The name of the Association's initial registered agent is Givens Pursley Corporate Services LLC, whose street and mailing address is 601 W. Bannock St., Boise, Idaho 83702.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

The Association is formed to exercise all powers and privileges, and to perform all of the duties and obligations, of the Association as set forth in the Condominium Declaration for Glendale Industrial Condominiums, as now or hereinafter recorded in the real property records of Blaine County, Idaho, as the same may be amended and supplemented from time-to-time according to its terms (the "Declaration"). The Declaration is incorporated by this reference as if fully set forth herein. Capitalized terms used and not defined in these Articles have the meanings set forth in the Declaration. The Association does not contemplate pecuniary gain or profit to the Members. The Association is formed for the purpose of acting as the "management body" of the Project in accordance with the Condominium Act.

ARTICLE VI
MEMBERSHIP & VOTING RIGHTS

"Member" means each Person holding a membership in the Association, including Grantor. Every Owner of a Unit is a Member of the Association and has one (1) membership for each Unit in the Project owned by such Owner. If the Owner of a Unit shall be more than one (1) Person, all such Persons shall have a membership in the Association and be deemed Members, but the voting rights in the Association

ARTICLES OF INCORPORATION FOR
GLENDALE INDUSTRIAL CONDOMINIUM OWNERS ASSOCIATION, INC. - 1
18642825.4

Michael Nicholas

855 E. Northwood Ct.
Hayden, Idaho 83835

John Nicholas

1555 Sandcastle Dr.
Corona Del Mar, California 92626

ARTICLE VIII
ASSESSMENTS

Each Owner is liable for the payment of Assessments pursuant to the Declaration and as set forth in the Bylaws of the Association.

ARTICLE IX
DISSOLUTION

The Association will only be dissolved at an annual meeting, or a special meeting of the Association called for that purpose, by the affirmative vote of Members representing at least eighty-five percent (85%) of the total voting power of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the real and personal property of the Association will be distributed as follows: (a) dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created; or (b) granted, conveyed, and assigned to a nonprofit corporation, association, trust, or other organization to be devoted to such similar purposes. Notwithstanding any other provisions of these Articles, the Association will not carry on any other activities not permitted by any organization exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law).

ARTICLE X
AMENDMENTS

These Articles may be amended at any annual meeting, or any special meeting of the Association called for that purpose, by the affirmative vote of Members representing sixty-five percent (65%) or more of the total voting power of the Association. No amendment that is inconsistent with the provisions of the Declaration will be valid.

ARTICLE XI
INCORPORATOR

The name and address of the incorporator of the Association is:

David DiRienzo
1550 Bayside Dr.
Corona Del Mar, California 92625

EXECUTED effective as of September 10, 2025.

David DiRienzo

David DiRienzo, Incorporator

ARTICLES OF INCORPORATION FOR
GLENDALE INDUSTRIAL CONDOMINIUM OWNERS ASSOCIATION, INC. - 3
18642825.4

EXHIBIT D

Percentage of Ownership Interest in Common Areas

<u>Unit #</u>	<u>Square Feet</u>	<u>% Ownership in Common Area</u>
A-1	1,135	2.13%
A-2	1,143	2.15%
A-3	1,135	2.13%
A-4	1,135	2.13%
A-5	1,143	2.15%
A-6	1,135	2.13%
A-7	1,135	2.13%
A-8	1,143	2.15%
A-9	1,135	2.13%
D-1	748	1.41%
D-2	910	1.71%
D-3	910	1.71%
D-4	904	1.70%
D-5	904	1.70%
D-6	910	1.71%
D-7	910	1.71%
D-8	904	1.70%
D-9	904	1.70%
D-10	910	1.71%
D-11	910	1.71%
D-12	904	1.70%
D-13	904	1.70%
D-14	910	1.71%
D-15	910	1.71%
D-16	904	1.70%
E-1	934	1.76%
E-2	1,131	2.13%
E-3	1,131	2.13%
E-4	1,131	2.13%
E-5	1,131	2.13%
E-6	1,131	2.13%

E-7	1,131	2.13%
E-8	1,131	2.13%
E-9	1,131	2.13%
E-10	1,131	2.13%
E-11	1,131	2.13%
E-12	1,131	2.13%
E-13	1,131	2.13%
E-14	1,131	2.13%
E-15	1,131	2.13%
E-16	934	1.76%
I-1	1,131	2.13%
I-2	1,131	2.13%
I-3	1,131	2.13%
I-4	1,131	2.13%
I-5	934	1.76%
I-6	934	1.76%
I-7	1,131	2.13%
I-8	1,131	2.13%
I-9	1,131	2.13%
I-10	1,131	2.13%
Total	53,213	100.00%

EXHIBIT E

Project Site Plan

