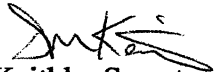


25 September, 2007

During our 8 September, 2007 Annual Membership meeting there were two agenda items requesting changes to our CC&Rs. Both items were discussed and upon proper motions made were passed and now become new "rules" to our CC&Rs. They are detailed below. These changes should be added to each lot owners copy of our CC&Rs.

Article 3, Section 3.4: Do we agree to amend our rules to allow lot owners to park a maximum of two (2) automobiles in their driveways? This rule change pertains only to passenger automobiles, not camp trailers, motorhomes, trailers, boats or similar items as addressed within our CC&Rs. These two passenger vehicles (automobiles) must be operable, licensed and owned by the individual lot owner. The motion was made by Bill Brudenell and seconded by Kevin Platts to amend our rules and allow lot owners to park two automobiles in their driveways with no time restrictions. The motion passed with 40 yes votes, 14 no votes and 1 abstention. Based on this vote lot owners may now have up to two automobiles, owned by them, parked in their driveway for as long and as often as they choose.

Article 3, Section 3.12: Do we expand the rule in our CC&Rs regarding the use of ATVs within the subdivision, allowing lot owners to ride ATVs while conducting Homeowners Association business and to ride ATVs to visit neighbors? This would clarify, or expand the rule change made on 20 May, 2005 that stated ATVs could only be used for ingress or egress to and from a lot owners home or lot out of or into the subdivision, used for lot maintenance or used to drive to the cluster mailboxes to retrieve mail. The motion was made by Jim Leonard and seconded by Bill Brudenell to expand this rule and allow lot owners to use their ATVs for the two purposes listed above (used for Homeowners Association business and visiting neighbors). Motion passed unanimously. Joy riding or reckless behavior on the subdivision's roadways, on private lots or trespassing on another lot owners property is expressly prohibited.



Respectfully, D. M. Keithly, Secretary

* Mailed to each lot owner with this copy 3 hours past meeting.

Eagle Nest Subdivision CC&R's Rules
Section 5.3 paragraph B

- A. A courtesy call or letter from a board member asking for compliance will first address violations of CC&R's. If Compliance is not met within 10 calendar days, a written notice will be mailed, giving notice of non-compliance. If compliance is not met within 10 calendar days of receipt of letter of notification, a fine of \$25.00 per day will be levied, in the case of a continuing violation.
- B. A repeat violation of the same nature of non-compliance shall be fined without additional written notices, up to \$50.00 per day in the case of continuing same violation.
- C. All assessments, dues, and or fines are due in full within 30 business days of billing. A late fee of 1.5% per month of any unpaid billings shall be applied to any balances.

Rule 1. Visitors and guests may have "A" (one) camper, motor home, or trailer on a lot for a reasonable term, not to exceed 14 consecutive days, nor more than 60 days per calendar year. An owner shall have the same right, prior to "commencement of construction". During the period of construction, with permit on site, but not more than one year, an owner may have one RV type vehicle on their lot on a continuous basis. Owner's RV type vehicles must be removed or stored in an enclosed building within 14 days of receiving their Certificate of Occupancy from the County Building Department. No more than a total of two such RV's or Campers per visit shall apply. The Board will consider additional units per visit with prior written request, and prior approval, for special events. Section 3.1 paragraph C. and Section 3.18

Rule 2. Signs for resale are the only signs permitted on a lot not to exceed 9 sq. ft. in size. A (one) general contractor sign will be permitted for the period of construction, but not more than one year. No subcontractor signs are permitted at any time during or after construction projects. Section 3.20

Rule 3. ATV's, snowmobiles, motorcycles, or other recreational vehicles are not permitted on roadways within the subdivision. These types of vehicles are to be used only for lot maintenance and for direct egress or ingress to and from owners lot or to cluster mailboxes to receive mail. Joy riding on roadways or lots is not permitted. Section 3.12 and Section 3.18.

Rule 4. Storage of Owners' Vehicles and Equipment: All Owners' automobiles, trucks, snowmobiles, boats, boat trailers, travel trailers, camper trailer, motor homes, automotive campers, or other vehicles or equipment shall be parked/stored in a garage or other enclosed building, or in an area which is completely screened from view from other lots or roads within the Subdivision; provided, the parking of such vehicles or equipment in

view of other lots or roads for any period of less than eight (8) continuous days shall not violate this covenant. No more than a total of 21 days per calendar year.

Your Board of Directors was elected to support and enforce Eagle Nest CC&R's. Lot owners support of your Board of Directors is deeply appreciated.

Your 2005 Board member names, addresses, and phone numbers are listed below.

President

Craig Baber

4 Katlin Trail

Cascade, ID 83611

Home: 208-382-5072

Vice-President/Treasurer

Randy Hooker

1453 W. Hempstead Drive

Eagle, ID 83616

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Secretary

Mike Keithly

23 Joshua Drive

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Home: 208-382-3842