

STAFF REPORT KETCHUM PLANNING AND ZONING COMMISSION MEETING OF NOVEMBER 12, 2024

PROJECT: Baldy Mountain House

FILE NUMBER: P24-021

APPLICATION: Pre-Application Design Review

PROPERTY OWNER: Brian Barsotti, 3-Double-B LLC

ARCHITECT: Daniel Hollis, Hollis Partners Architects

REQUEST: Pre-Application Design Review for the development of a new 88,336-

square-foot, five-story mixed-use development

LOCATION: 100 & 106 Picabo Street

(Warm Springs Village Subdivision 2nd Addition Revised: Amended Lot 2

and Lot 14B)

ZONING: Tourist (T) Zoning District

OVERLAY: Warm Springs Base Area (WSBA) Overlay District

Floodplain Management Overlay District

REVIEWER: Abby Rivin, AICP – Senior Planner

NOTICE: A courtesy notice for the public meeting on the project was mailed to all

property owners within 300 feet of the project site on October 23, 2024. The notice was published in the Idaho Mountain Express on October 23, 2024. A notice was posted on the project site on November 5, 2024 and the city's website on October 28, 2024. Staff made an error and the owner and applicant representative listed on the original courtesy notice was incorrect. Staff posted a corrected courtesy notice on the project

website and on the project site on November 6, 2025.

EXECUTIVE SUMMARY

The Planning and Zoning Commission ("Commission") reviewed the Baldy Mountain House Pre-Application Design Review during their regular meeting on June 11, 2024. The staff report from the Commission's initial review of the Pre-Application ("June 11 staff report") provides:

- background on the history of the Warm Springs Base Area ("WSBA") Overlay District,
- an overview of the WSBA zoning regulations and dimensional standards addressed in Chapter 17.100 of Ketchum Municipal Code ("KMC")
- a summary of the WSBA Design Guidelines, and
- an analysis of the project's general conformance with the 2014 Comprehensive Plan.

The applicant revised the project plans in response to Commission feedback provided during their initial review of the Pre-Application on June 11. The updated submittal is included as Attachment B and includes a letter from the property owner, Brian Barsotti, that lists the following four issues the applicant would like to address with the Commission:

- Obtaining an Idaho State Liquor License under the Lodging Exemption of Idaho Code Section 23-903(12)
- Privately restricting local/employee housing and a review of the draft CC&Rs
- Request to extend the 6-month deadline to submit the final Design Review following the Pre-Application meeting to 12 months
- Request to waive the traffic study requirement

The Commission does not have purview over these items.

As the purpose of the Pre-Application meeting is to provide feedback on the design concept, staff does not provide a formal recommendation and the Commission does not make a motion or take action. Staff recommends the Commission provide feedback to the applicant after reviewing the updated submittal, the applicant's presentation, staff analysis, and public comment.

COMMISSION FEEDBACK

During their deliberations at the June 11 meeting, the Commission expressed appreciation for the applicant's use of Ketchum's local mining history as a design motif and commented that the mining towers help define the character of the building. While supportive of the mining motif, the Commission expressed concern that certain repetitive design elements like the numerous gable roofs appear visually cluttered. In addition, the Commission commented that the modulation of building mass sculpted into one-, two-, three-, and four-story volumes of varying widths coupled with different exterior materials and window patterns looked disorganized. The Commission commented that this visual clutter diminishes the visual significance of the building corners along Picabo Street and undermines the prominence of the mining towers elements. The Commission recommended the applicant refine the design concept to express a coherent organizing principle and use hierarchy to draw attention to desired focal points and communicate the relative importance of different design elements. In addition, the Commission encouraged the applicant to adjust the building massing to provide more consistent two-story volumes along the street frontages.

The June 11 staff report flagged that the raised terraces elevated above the sidewalk and the 5-foot-tall walls bordering Picabo Street and Skiway Drive diminish the quality of the streetscape. Staff recommended that the applicant consider lowering the ground-floor terraces to be level with the sidewalk grade to enhance accessibility and make the public gathering spaces feel more inviting. During the meeting, the applicant presented an updated computer model of the project that showed

changes to the streetscape design in response to staff comments. The changes included the addition of new terraced planters with landscaping to help soften the walls bordering the sidewalk. After considering the applicant's presentation, the Commission commented that the terraced landscaping and multiple points of access through stairwells and ramps mitigated their concerns about the walls bordering the street frontages and the raised terraces elevated above the sidewalk.

The June 11 staff report recommended the applicant provide more pass-throughs and mid-block walkways from the Aspenwood Condominiums through the site to Picabo Street and Warm Springs Lodge. These recommendations were based on WSBA Design Guidelines 4.1 and 9.5, which stress the importance of pedestrian connectivity, including pass-throughs and mid-block walkways. The Commission expressed concerns that the proposed circulation routes lacked sufficient solar access and may be dark, cold, and uninviting. The Commission recommended the applicant further separate the different masses of the building to provide more solar access and provide more visual access through the project site.

PROPOSED CHANGES

The cover letter included as Attachment B1 provides the applicant's narrative summary of the project plan revisions. The updated project plans are included as Attachment B3. The updates include changes to the commercial and residential uses within the building. The applicant has updated the design to appear less busy in response to the Commission's feedback and has revised the project plans to resolve certain code compliance issues. More information on the applicant's proposed changes is included in the following analysis of conformance with WSBA zoning and design review standards and the WSBA Design Guidelines.

ANALYSIS

Pursuant to KMC §17.96.050.A, the Commission shall determine the following before granting Design Review approval:

- 1. The project does not jeopardize the health, safety or welfare of the public.
- 2. The project generally conforms with the goals, policies, and objectives of the adopted comprehensive plan.
- 3. The project conforms to all applicable standards and criteria as set forth in this chapter, this title, and any other standards as adopted or amended by the City of Ketchum from time to time.

Criteria 3: Zoning and Design Review Standards

WSBA Zoning and Dimensional Standards Analysis

The WSBA District Overlay provides zoning and dimensional standards for desired uses and FAR (KMC §17.100.030), building massing and height standards (KMC §17.100.040), lot coverage (KMC §17.100.050), setback regulations (KMC §17.100.060), and transportation and parking regulations (KMC §17.100.070). Staff identified certain code compliance issues based on the information provided in the project plans. Certain standards were unable to be verified due to insufficient detail and information. All zoning and dimensional standards will be reviewed by staff again at the final Design Review stage to ensure the project complies with all WSBA requirements.

Desired Uses and FAR (KMC §17.100.030)

The revised project plans include changes to the commercial and residential uses and their layouts within the building. The initial submittal proposed a 4,068-square-foot conference/meeting room and

a 507-square foot office space at the ground level. As shown on Sheet A-1.1b of the revised project plans, the conference/meeting room has been divided into a 1,485-square-foot conference room, a 1,647-square-foot meeting room, and three offices ranging in size from 408 to 548 square feet. The initial submittal proposed a 4,840-square-foot retail/restaurant/cafe/bar space. This space has been divided into two areas—a 2,141-square-foot restaurant and a 2,985-square-foot retail/cafe/bar space. The initial submittal proposed two local housing units, 38 lodging units, and 14 market-rate housing units. The updated project plans show four to nine local housing units ranging in size from 294 to 660 square feet on the ground floor and 66 lodging units, six of which are lock-off units, ranging in size from 342 to 2,798 square feet on the upper levels.

The applicant's cover letter (Attachment B1) qualifies the proposed lodging units as a lodging establishment use. Lodging establishments are a permitted use in the Tourist Zone pursuant to KMC §17.12.020. While 66 lodging units are provided on the upper levels, the applicant's cover letter states that 51 lodging units or keys will be in the pool, "will be in the lodging pool and rented on a nightly, short-term, and/or long-term basis," and "an on-site office with persons in charge 24 hours per day will be provided." KMC §17.08.020 defines lodging establishment as:

A building or group of buildings designed or used for short term occupancy which contains more than six guestrooms offered for rent on a nightly basis with an on site office with a person in charge 24 hours per day. Typical uses include, but are not limited to, motels, hotels and inns. A motel room which includes cooking facilities shall not be considered a dwelling unit for the purpose of density, area, bulk or parking regulations of this title.

The definition specifies that lodging establishments must be used for short-term occupancy, which KMC §17.08.020 qualifies as no more than 30 days during any one calendar year. The lodging units would not be permitted to be rented on a long-term basis for longer than 30 days to qualify as lodging establishment use.

The updated plans specify the project has a FAR of 2.2. At least 24 lodging bedrooms would need to be rented for short-term occupancy in order to earn the additional FAR allowance needed to meet the project's proposed 2.2 FAR. The project plans do not designate a specific space for the lodging establishment's on-site office, and staff included the total floor area of the three offices provided on the ground floor in the FAR allowance calculation for office use. If one of these three spaces is designated as the lodging establishment's on-site office, then the floor area would need to be subtracted from the total area of office use for the purpose of calculating the associated FAR allowance.

Pursuant to KMC §17.100.030.C, "(1) All developments that achieve a FAR greater than 0.5 shall be required to enter into an agreement with the City addressing any future changes to preferred uses (uses that resulted in a greater overall FAR)." The required agreement addressing any future changes to preferred uses must be transmitted concurrently with the final Design Review application for the Planning and Zoning Commission's review.

Building Massing and Height Standards (KMC §17.100.040)

Pursuant to KMC §17.100.040, portions of buildings within 30 feet of Howard Drive may be three to four stories with a maximum height of 50 feet. All other portions of the building may contain five floors with a maximum height of 65 feet. KMC §17.100.040 specifies that, "The maximum height is for roof pitches of 5:12 and greater only, and as measured from existing, natural or finished grade to the top of

the ridge or highest point, including architectural features." The applicant has reduced the mining tower elements to be contained within 65-foot maximum height limitation.

The fifth-floor building footprint may not exceed 35% of the first-floor building footprint pursuant to KMC §17.100.040.B3. In the initial submittal, the fifth-floor footprint exceeded 35% of the first-floor footprint. The applicant reduced the fifth-floor building footprint by 1,867 square feet. The proposed fifth-floor footprint is 8,815 square feet, which is 38% of the first-floor footprint exceeding the maximum permitted by KMC §17.100.040.B3. The applicant will need to reduce the footprint of the fifth floor and/or the first floor to comply with this standard.

KMC §17.100.040.C sets a maximum wall plane length of 60 feet with a minimum offset of 10 feet by 15 feet. The applicant's narrative response to the WBSBA Design Guidelines (see Attachment B4) states, "As the building goes to the north along Picabo Street, the design contains a 10'x15' relief in the footprint to conform to the building maximum wall plane length of 60' and adds additional undulation as the entrance elevation step-backs to create a more human/pedestrian scale and experience along Picabo Street and Skiway Drive" (page 7). Staff was unable to verify whether this WSBA dimensional standard was met as wall plane lengths are not specified on the updated project plans. The lengths of all wall planes and the dimensions of the associated offsets must be specified on the project plans submitted with the final Design Review application to verify compliance with KMC §17.100.040.C.

Pursuant to KMC §17.100.040.D1, "Maximum plate height within ten feet of the minimum setback line shall be 35 feet." The initial project plans showed portions of the building, including the 47-foot-tall stairwell along Skiway Drive, within 10 feet of the minimum setback line. The applicant revised the project plans by shifting all portions of the building that are 35 feet or greater outside of the 10-foot minimum setback line.

Lot Coverage (KMC §17.100.050)

Pursuant to KMC §17.100.050, "Lot coverage shall be regulated by calculating the minimum usable open space on the site as determined by the definition found in chapter 17.08 of this tile." 35% open space is required in the Tourist Zone and only 5% may be used for decks, patios, or walkways pursuant to KMC §17.12.030. Page 10 of the applicant's response to the WSBA Design Guidelines (Attachment B4) states, "The project's ground-floor pate has around 25% of the overall design designated to open space and public thoroughfares in the form of walkways, patios." The main-level floor plan on sheet A1.1 of the project plans (Attachment B3) indicates that most of the open space is comprised of walkways and terraces.

KMC §17.100.050.B provides the following relief from the 35% open site area requirement: "The minimum open site area requirement may be reduced based on one or more of the following site criteria: (1) Size, layout, and/or shape of lot prohibits project from meeting open site requirements, (2) The project demonstrates water table issues that prohibit underground parking, (3) Project demonstrates clear benefits from reducing minimum open site requirements." Staff does not believe the project qualifies for the first criteria as the size, layout, or shape of the lot do not preclude compliance with the open space requirement. The applicant is proposing to provide an underground parking garage, so the project does not qualify for the second criteria. Staff believes the project may qualify for a slight open space reduction based on the third criteria as the raised terraces at the ground level provide public gathering spaces that will add vibrancy to the streetscape. While the Commission

may reduce the open space requirement based on criteria, staff recommends the applicant increase open space and provide more landscaping to comply with both the 35% required and meet the objectives of the WSBA Design Guidelines.

Setback Regulations (KMC §17.100.060)

Pursuant to KMC §17.100.060.A2, a minimum of 50% of linear dimension of the building front must be placed at the five-foot setback line. Staff is unable to calculate the exact percentage of the building fronts placed at the five-foot setback line due to insufficient dimensions on the project plans. Sheet A1.1 shows that most of the building frontage along Picabo Street is setback over 10 feet from the front property line. The WSBA regulations do not provide relief from this dimensional standard and the applicant will need to revise the project plans to comply with this setback regulation. Staff recommends the applicant consider addressing this compliance issue by shifting the retail space, conference/meeting room, and offices to the five-foot setback line and relocating the ADA ramp in order to retain the raised terrace within the setback area by the restaurant.

Pursuant to KMC §17.100.060.A2, the maximum that any portion of the front of the building may be set back from the front property line is 30 feet. Staff flagged that setback dimensions from the building frontage to the front property line along Picabo Street would need to be specified on the project plans to verify compliance with this standard at final Design Review in the city department comment letter and June 11 staff report. The applicant provided a written response stating that the setback ranges from 12.5 feet to 22.5 feet, which complies with the setback standard.

As noted in the June 11 staff report, the initial project plans proposed a raised terraced elevated ~5 feet above existing grade that encroached in the 15-foot setback required from the rear property line adjacent to Aspenwood Condominiums. The applicant resolved this code compliance issue by lowering the portion of the terrace within the rear setback area. The lowered terrace is 30 inches above existing grade and may extend into the rear yard setback area pursuant to KMC §17.128.020.I, which allows decks less than 30 inches above grade to be constructed to the property line.

Parking Maximums (KMC §17.100.070)

Pursuant to KMC §17.100.070, "Due to the limitations of Warm Springs Road, alternative travel modes and transit are necessary components of larger projects. To decrease single occupancy vehicle use, this section establishes maximum provisions for on site parking, coupled with transit demand management requirements." The mixture of uses within the development project generate a parking demand of 64 spaces. 77 parking spaces are provided in the underground parking garage and ground-level parking area, which is 13 more than allowed.

Design Review Analysis

WSBA Design Guidelines: Analysis

While Baldy Mountain House meets many of the WSBA design objectives, staff believes certain elements of the project warrant further consideration and changes to ensure compliance with the WSBA Design Guidelines.

The WSBA Design Guidelines state, "Open site area amenity spaces should provide landscaped natural areas within and between developments. These areas should enhance the village character and provide links with surrounding natural features" (page 22). Design Guideline 9.7 elaborates that open

site areas should be designed to coordinate with those on adjacent properties, integrate natural site features, permit views between buildings to public spaces or natural features, and maintain key public view corridors and solar access through the site. Staff recommends the incorporate more open space and landscaping to comply with both the WSBA Design Guidelines and the 35% open site area required in the Tourist Zone.

During their initial review of the application, the Commission expressed concerns regarding solar access to the pathways within the project site as well as impacts to the adjacent Aspenwood Condominiums. While the building is sculpted into separate masses, staff recommends the applicant provide more separation between the building masses would help achieve with the following key objectives of the WSBA Design Guidelines:

- **Promote a Village Character**—Development should help to establish and maintain a village character that consists of individual buildings within a natural setting.
- Maintain a Direct Connection to the Surrounding Natural Environment—Visual access through and between sites is important to maintaining direct visual and physical connection with the village's natural setting.
- Maintain Key Public View Corridors to the Mountains and Other Natural Features—Locate buildings to maximize view opportunities from the public way through and between properties.
- Minimize the Perceived Scale of Large Developments—A building should provide significant variety in massing, height and façade articulation to promote a human scale and minimize its overall perceived size.

The WSBA Design Guidelines encourage distinction between the ground level and upper floors of the building to convey a human scale. Design Guideline 16.4 states, "Maintain the distinction between the street level and upper floors" (page 30). Design Guideline 17.3 states, "Express a distinction between street level and upper levels through architectural massing, detailing, fenestration patterns and roofscape design" (page 32). Staff recommends the applicant consider providing more differentiation between the ground level and the upper floors through exterior material differentiation, architectural detailing, and fenestration patterns.

STAFF RECOMMENDATION

As this is a Pre-Application meeting, there is no recommendation from staff and no action by the Planning and Zoning Commission. Staff requests the Commission provide feedback to the applicant on the design, the issues identified in the staff report, and any other items the Commission deems relevant to the proposed project.

ATTACHMENTS:

- A. June 11 Staff Report Link
- B. Baldy Mountain House Updated Pre-Application Design Review Submittal
 - 1. Pre-Application Form & Cover Letter
 - 2. Letter from Brian Barsotti
 - 3. Updated Project Plans
 - 4. WSBA Design Guidelines: Applicant's Narrative Response
 - 5. Draft Condominium Declaration

Attachment A June 11 Staff Report Link Click Here

Attachment B1 Pre-Application Form & Cover Letter



City of Ketchum Planning & Building

OFF	ICIAL USE ONLY
File Numb	er: P24-021
Date Rece	ived: 3/21/24
Ву:	HLN
Pre-Applia	atior \$3300 /id:
Design Re	view Fee Paid:
Bv:	

Pre-Application Design Review

Submit completed application and documentation to planning@ketchumidaho.org. If you have questions, please contact the Planning and Building Department at (208) 726-7801. Design Review criteria, zoning regulations, and development standards are specified in Title 17 of Ketchum Municipal Code, which may be viewed by clicking the link here. You will be contacted and invoiced once your application package is complete.

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APPLICANT INFORMATION				
Project Name: BALDY MOUNTAIN HOUSE (BMH)	Phone: 208.720.0507.			
Owner: BALO BASE CAMP, LLC & BRIAN BARSOTTI DOUGLE B	Mailing Address: P.o. &x 370			
Email: barsottil@mindspring.com	KETCHUM, ID, B3340.			
Architect/Representative: Howy PARTHELS ARCHITECTS	Phone: 208.721.7160			
Email: daniele hp-architects.com	Mailing Address: P.O. Box 1769, KERLIN SUN VALLET			
Architect License Number: AL 985372				
Engineer of Record: NA	Phone:			
Email:	Mailing Address:			
Engineer License Number:				
Primary Contact Name and Phone Number:				
PROJECT INFORMATION				
Legal Land Description: WALMSPEINLS VILLSUB 200 LEVA	M Street Address: 100/106 PICAGO ST KETCHUM.			
Lot Area (Square Feet): 40,000 SF Zoning District:	TOURIST RPK#: 05970010146/05950010020			
Overlay District: 🗖 Floodplain 🗆 Avalanche	☐Mountain ☐None			
Type of Construction:	□Remodel □Other			
Anticipated Use: Housing PARKING LOOGING RESTAURANT CONFRESA	Number of Residential Units: 51 + 2 UNITY.			
GROSS FLOOR AREA				
Proposed	Existing			
Basements 2	7. 824 Sq. Ft. Sq. Ft.			
1 st Floor	1, 317 Sq. Ft. Sq. Ft.			
2 nd Floor	21, 542 Sq. Ft. Sq. Ft.			
3 rd Floor	19, 68T, Sq. Ft. Sq. Ft.			
Mezzanine + 5th FLOOR	12, 897/8169 Sq. Ft. Sq. Ft.			
Total (Aborhgeadin).	83,72/3. Sq. Ft. Sq. Ft.			
FLOOR AREA RATIO				
Community Core: Tourist: Mass	2.25) 2.09 Perfora General Residential-High:			
BUILDING COVERAGE/OPEN SPACE				
Percent of Building Coverage: 60.2%				
DIMENSIONAL STANDARDS/PROPOSED SETBACKS				
Front: 5'-0" (PKASO & WOWAA) Side: 5'-0"	Side: 5'-0" Rear: MIDOLE: 15'-0"			
Building Height: 67'-0"				
OFF STREET PARKING				
Parking Spaces Provided: 76 Curb Cut: 60	Sq. Ft. (665LF) % 6 %.			
	ion or enforcement of the Design Review Application in which the city of Ketchum rney fees on appeal and expenses of the city of Ketchum. I, the undersigned, certify and accurate to the best of my knowledge and belief.			

hat all information submitted with and upon this application form is true and accurate to the best of my knowledge and belief.

3 12 24.

Signature of Owner/Representative

Date



PO Box 1769 [post] Sun Valley, ID 83353 220 River Street, East Ketchum, ID 83340 v 208.721.7160

11th October 2024

Abby Rivin / Morgan Landers
City of Ketchum – Design Review Committee
P.O. Box 2315
480 East Ave. N.
Ketchum, ID 83340

Dear Planners.

We are excited to resubmit to you for Pre-App Design review our new project *Baldy Mountain House* (BMH) located at 100/106 Picabo Street in Warm Springs, Ketchum. Our clients, Brian & Brent Barsotti, have put together the introduction and history of the project and the Warm Springs area as well as support letter to this submittal. The submittal includes the updated concept drawings showing key plans, elevations, sections and proposed massing and finishes for the project. We understand that the direct neighbors are not going to be happy about a project of this size, but what we have designed is within all of the design guidelines of the Tourist zoning and Warmsprings Base Village Design guidelines. Since our last presentation at the June 11th Planning and zoning hearing and consequential meetings / phone calls and emails we have modified the previous design so that the new design is a little "less busy" and streamlined based on some of the feedback that we received from the commission at that hearing.

Here are some of the other revisions that were made since the last Pre-App submittal:

- In regard to the overall structure and proposed roof design, we have simplified this a little more in regards to some of the commissioner's comments about "being a little too busy". Some of the revisions as you can see have made such items more streamlined and the roof shapes less "diabolical" and possible water proofing issues. These still maintain the original design intent of the mining theme that is throughout the design. Please refer to the documents included in the submittal.
- At the ground level, the plan has been modified in response to the city comments about having flexibility and more opportunity for office spaces. The previous Pre-App design proposal showed one large Conference/Meeting, now that space has been separated with a potential sliding wall system to be able to be used for two different functions. We have proposed additional office spaces along the Picabo/Skiway Street frontage as well. The plan has also changed in the restaurant / bar / retail area to give separate spaces for different businesses.



Image shows revision callouts from previous Pre-App design submittal.

- The main access stairs / ramp along Picabo and Skiway have also been modified to accommodate some of the said floor plan changes listed above.
- We have provided more detail for the trash / recycling area along the rear of the project on Howard Street, note the trash/recycling area is screened with a solid fence and gate system. This design will be submitted and reviewed by Clear Creek disposal before the final Design review submittal.



Image, screened trash/recycling area off Howard Street.

- On the 2nd and 3rd floor, we are proposing more units on each floor (25-28 Units) in response to what the current market is asking and layout/sizes for improved occupancy uses. See design documents for unit makeup and sizes.
- Some of the exterior materials have been revised to address the commissions comments about being able to differentiate first floor uses to the upper building program.

The programming of the project is as follows:

Basement / Parking Level:

- Parking access ramp to lower basement level.
- 63 Parking spaces
- Bike & Storage areas/lockers.
- Vertical access (Stairs/elevators)
- Mechanical / Utilities
- · Trash Management areas.

Ground Level:

- Parking access ramp to lower basement level.
- Private / Penthouse Parking (14+ spaces & motorcycles 8,100 sf)
- · Equipment & Bike storage.
- 11' 12'-0" High Ceilings.
- Multiple Foyer/Entry Stairs for upper floors.
- Restaurant / Coffee / Liquor Bar / Commercial kitchen (approx. 5,537 sf)
- Conference / Auditorium / event space (Approx. 3,132 sf)
- **4-9** x "Local Housing" units (Ranging. 294-660 sf each) Which are controlled in the CCRs, not deed restricted. Please refer to additional letter from the owner/client.

- Vertical access (Stairs / Elevators)
- Mechanical Space.

Second Level:

- Stair / elevator / Access Points to upper / lower floors
- 25-28 (depending on if used as lock-off) x Lodging Units (Ranging from 342 1,611 sf)
- Mechanical Space
- Exterior pool and hot tub area looking at Baldy.

Third Level:

- Stair / elevator /Access Points to Lodging Units
- 25-28 (depending on if used as lock-off) x Lodging Units (Ranging from 342 1,611 sf)
- Balconies and Terraces for Residential Units
- Mechanical

Fourth Level:

- Stair / elevator /Access Points to Lodging Units
- 7 x Market rate / Lodging Units (Ranging from 1,075 2,343 sf)
- Balconies and Terraces for Residential Units
- Mechanical

Fifth Level:

- Stair / elevator /Access Points to the Penthouse Units
- 3 x Penthouses (Approx. 2,107 2,798 sf)
- Balconies and Terraces for Residential Units
- Mechanical

Roof Level:

Outdoor mechanical area set at least 12' from any building edge.

We look forward to conversing more about the project at your earliest convenience, please feel free to ask any questions or for additional information that will assist in getting this project to the next level (Formal Design Review Submittal). We are excited to work with you on this project, and we look forward to starting the next phase of the design process.

Sincerely,

Daniel Hollis, Principal

And Clark

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'Baldy Mountain House' Development Potential

Legal – Lot 2/14B, Block 1, 100/106 Picabo Street, Ketchum Idaho

Zoning - T-Tourist

Parcel Size - 39,985 SF

Dimensions - Approx. 320' on Howard Street,

Approx. 390' on Picabo Street

Approx. 200' depth of site (Picabo to Howard St)

Permissible Gross Density @ 2.25 Floor Area Ratio (FAR) = 89,966 SF

(T) Parking Requirement:

Dimensions: 9'W x 18'L with 24' drive aisle
Residential – 0 parking spaces 0 – 750 sf
1 parking space 751 – 2,000 sf

2 parking spaces 2,001 sf +

Non-Residential -

1 parking space per 1,000 gross sf.

Presently the proposal is showing 63 parking spaces on the lower basement level with an additional 14 spaces on the ground floor. 77 Total parking spaces onsite.

Maximum Building Height

65 Feet (Proposed 65'-0" plus mech or elevator/stair tower elements)

Setbacks

Picabo & Howard Streets – 5 feet Side - 5 feet Interior Rear – 15 feet

How we achieve the 2.25 FAR:

There is a definition for lodging establishments, which are permitted in the Tourist zone.

Here it is: **Lodging establishment...** P (LODGING ESTABLISHMENT: A building or group of buildings designed or used for short term occupancy which contains more than six (6) guestrooms offered for rent on a nightly basis with an on-site office with a person in charge twenty four (24) hours per day. Typical uses include, but are not limited to, motels, hotels and inns. A motel room which includes cooking facilities shall not be considered a dwelling unit for the purpose of density, area, bulk or parking regulations of this title.

Project includes:

Total of at least <u>51</u> lodging establishment units or **keys** each unit ("key") will be in the lodging pool and rented on a nightly, short-term, and/or long-term basis an on-site office with persons in charge 24 hours per day will be provided the ownership structure will be as follows: Which is further described in the "Baldy Mountain House" concept. includes impact investing, SV Lodge Apartments, local employers, etc each of the units will have a kitchen, bath, and a place for sleeping; exact bedroom configurations TBD but the project will include a mix of studio, 1-, 2- and 3-bedroom units ancillary meeting/**conference** area totaling 4,850 sf will be provided in the project as an accessory use to the lodging establishment

Total of at least 4-9 "Local housing" dwelling units (Ranging from 294 - 660 sf). Total of 5,537 sf of **restaurant**, bar, and small retail area

The above items will help define entitlement road map, 2.25 FAR, etc. Currently this proposed design is 2.21 FAR.

FAR SYSTEM FOR WARMSPRINGS BASE AREA - PROPOSED BMH CALCS

Existing FAR Allowances			
		Max FAR per Cat.	Maximum FAR
	39,985 sf		
Base FAR	Site	0.5	0.5
Inclusionary Housing		1.1	1.6
Prop. Add FAR Allowances			_

	Measure	Amount	FAR Increment	Max FAR per Cat.	Absolute Max. FAR
	1 on-site	Amount	mcrement	Cal.	FAR
Inclusionary Housing	DU	1	0.2	No cap	
Proposed		0	0.2	0	
	Τ				
Lodging	Bedroom	1	0.015	1.00	
Proposed		68	0.015	1.02	
Meeting / Conference	Square feet	100	0.005	0.3	
Proposed		3,132	0.005	0.1566	
	T -				
Office	Square feet	100	0.005		
Proposed		1,468	0.005	0.0734	
	I 0				
Restaurant / Retail	Square feet	100	0.025	0.5	
Proposed		5,537	0.025	1.4	
Total				3.143	2.25
Total Sq. Footage allowed	Square feet	39,985	Site		89,966
Proposed	Square feet	Proposed FAR 2	2.21		88,336

Attachment B2 Letter from Brian Barsotti

October 9, 2024

Abby Rivin/Morgan Landers
City of Ketchum – Design Review Committee
PO Box 2315
191 5th St W.
Ketchum, ID 83340

Re: Baldy Mountain House – Warm Springs Overlay

Dear Abby and Morgan:

Our development team is resubmitting to the City our redesigned Baldy Mountain House. Brent and I have a very long history in Warm Springs. Since adoption of the Warm Springs Overlay Zone ("WSOD"), sixteen (16) years ago, we have over ten (10) variations for potential developments on out individual or combined parcels in Warm Springs. Sixteen (16) years ago, Tom Hudson, representing the City of Ketchum, asked me to develop a hotel on our property to meet the goals of the WSOD. We tore down the Baldy Base Camp building (which in hindsight was a big mistake) and designed a hotel on the site. With the recession in 2008, this hotel project died.

The Baldy Mountain House project is our attempt once again to meet the goals of the WSOD. The Baldy Mountain House Condominium Hotel concept will encourage social and après ski interaction, foster a sense of community coupled with a place for food, fun, and merriment while addressing the urgent hospitality and housing needs in Warm Springs Village.

We recognize the reality that our property presents the only opportunity to reinvigorate Warm Springs Village in our lifetime. At your suggestion, we held a public outreach to present the project to the public last April at the Hot Water Inn. Sixty-five (65) people attended and all but one person in attendance supported the project for Warm Springs. Since that time, numerous individuals have approached me encouraging me to move forward with the project. Unfortunately, at our initial pre- application only neighbors against the project showed up.

Although we have spent significant time and money on the Baldy Mountain House design, we remain somewhat ambivalent about going forward with the project. We recognize a much smaller residential project on our property is easier and ultimately may be more profitable. For the moment we remain committed to the project, but we are realistic that we are not sophisticated developers or financially capable of doing this project on our own. We need help from an experienced developer and hospitality group. We also need help from the City of Ketchum. There are four (4) issues we wish to address with the Commission on November 12 with which we need help:

(1) We will not move forward with the project unless the City will help us obtain an Idaho State Liquor License under the Lodging Exemption of Idaho Code Section 23-903(12). I have discussed this issue with Jade Riley who has made inquiry with the Idaho State Police. I believe a simple change to the

City's definition to lodging will make Baldy Mountain House eligible for a state liquor license under the exemption. We have owned two (2) restaurants in Warm Springs. The cost and expense of designing and operating a restaurant in the Baldy Mountain House is not financially feasible without the ability to serve liquor during the après ski and special events in the conference facility.

- (2) Baldy Mountain House is a large, complicated project. The first project under the WSOD. We do not believe a traditional hotel is financially feasible in this location with the shoulder seasons. Hospitality is changing with Airbnb and VRBO and other third-party vacation bookings. We believe a condo/hotel presents the best option for success. I spent considerable time on the CC&Rs, which we are presenting to the Commission. Under the current design, we do not need bonuses for affordable housing to obtain approval of the project under the WSOD. Still, Brent and I are committed to provide local and employee housing onsite privately as set forth in the CC&Rs. After our November 12 hearing, we request a work session with planning staff and the commission to review the CC&Rs together to discuss how to make the local/employee housing component as proposed work for both us and the City. Brent and I are committed to maintaining ownership of the local housing units to ensure we have locals living in Warm Springs. The obvious issue is the number of local housing units versus employee housing units and the level of rent to be paid. Plus, how to privately restrict uses for a period of time to meet housing goals.
- (3) The developer of the hotel under construction on Main Street took sixteen (16) years to find his hospitality partner. We do not believe we can find a hospitality party, obtain their input on the current plans for final design review within the six (6) month deadline to submit after pre-app. We need a twelve (12) month or longer period to submit for final design review after pre-app. The longer period is warranted to achieve the unique goals of the City in the WSOD.
- (4) We believe the requirement to provide a traffic study for final review is not necessary. Warm Springs is a tourist zone which generates traffic on Warm Springs road. The WSOD was adopted to encourage hospitality commercial development in Warm Springs. The condo/hotel concept will not generate substantial traffic during peak ski season. People arrive at a hospitality location at various times and typically stay in at the location and not driving around except to perhaps go to town for dinner or other activities after skiing. In addition, hospitality guests often don't have vehicles. The traffic generated by Limelight and the other two main street proposed hotels are not generating enough traffic to warrant prohibiting those hotels where they are all bunched together at one intersection at the entrance to town. Plus, the City did not require a traffic study from Sun Valley Company when they increased the lift capacity from six people on the challenger and Grayhawk lifts to ten people on the new Challenger and Squirrel lifts. Such increase in lift capacity is attracting additional skiers to Warm Springs during peak traffic hours.

Thank you for your consideration on these issues	

Brian Barsotti

Very truly yours,

Attachment B3 Updated Project Plans

SITE VICINITY

SITE VICINITY ZONING

PROPERTY LOCATION -

1. THE WORK INCLUDED UNDER THIS CONTRACT CONSISTS OF ALL LABOR, MATERIALS.

2. THESE DRAWINGS, TOGETHER WITH THE SPECIFICATION, AIA GENERAL CONDITIONS

DOCUMENT A-201, 1988 EDITION, REPRESENT THE CONTRACT DOCUMENTS.

4. ANY ERRORS, OMISSIONS, OR CONFLICTS FOUND IN THE VARIOUS PARTS OF THE

AND THE CLIENT FOR CLARIFICATION BEFORE PROCEEDING WITH THE WORK.

5. THE GENERAL CONTRACTOR SHALL MAINTAIN A CURRENT & COMPLETE SET OF

6. THE GENERAL CONTRACTOR SHALL VERIFY & ASSUME RESPONSIBILITY FOR ALL

HAVE BEEN REASONABLY INFERRED FROM SUCH EXAMINATION.

7. WRITTEN DIMENSIONS TAKE PRECEDENCE. DO NOT SCALE DRAWINGS.

ARCHITECT WELL IN ADVANCE OF ANY DISCREPANCIES OR ERRORS.

TRANSPORTATION, TOOLS & EQUIPMENT NECESSARY FOR THE CONSTRUCTION OF THE

3. THE PLANS INDICATE THE GENERAL EXTENT OF NEW CONSTRUCTION NECESSARY FOR THE

WORK, BUT ARE NOT INTENDED TO BE ALL-INCLUSIVE. ALL NEW WORK NECESSARY TO

ALLOW FOR A FINISHED JOB IN ACCORDANCE WITH THE INTENTION OF THE DRAWINGS IS

INCLUDED REGARDLESS OF WHETHER SHOWN ON THE DRAWINGS OR MENTIONED IN THE

CONSTRUCTION DOCUMENTS SHALL BE BROUGHT TO THE ATTENTION OF THE ARCHITECT

CONSTRUCTION DOCUMENTS ON THE JOB SITE DURING ALL PHASES OF CONSTRUCTION

FOR USE BY ALL TRADES & SHALL PROVIDE ALL SUBCONTRACTORS WITH CURRENT

DIMENSIONS & SITE CONDITIONS. THE GENERAL CONTRACTOR SHALL INSPECT THE

EXISTING PREMISES & TAKE NOTE OF EXISTING CONDITIONS PRIOR TO SUBMITTING

8. ALL DIMENSIONS WHEN SHOWN IN PLAN ARE TO FACE OF EXTERIOR WALL SHEATHING,

9. ALL DIMENSIONS ARE TO TOP OF FINISHED FLOOR IN SECTION OR ELEVATION, U.N.O.

PRIOR TO LAYING OUT ANY PORTION OF BUILDING ON SITE, & SHALL NOTIFY THE

10. THE GENERAL CONTRACTOR SHALL REVIEW ALL BUILDING DIMENSIONS FOR ACCURACY

11. THE GENERAL CONTRACTOR SHALL COORDINATE ALL WORK WITH EXISTING CONDITIONS,

INCLUDING BUY NOT LIMITED TO IRRIGATION SYSTEMS, ELECTRICAL CONDUIT, WATER

12. ALL STAIRS WITH MORE THAN 3 RISERS SHALL HAVE ONE (1) 1-1/4"-2" DIA. HANDRAIL w/ 1 1/2"

CLEARANCE FROM THE WALL. ALL RAILS SHALL BE BETWEEN 34" & 38" ABOVE NOSING OF

THE TREAD & BE CONTINUOUS FROM THE TOP OF THE RISER TO THE BOTTOM RISER - 2018

PRICES. NO CLAIM SHALL BE ALLOWED FOR DIFFICULTIES ENCOUNTERED WHICH COULD

GENERAL NOTES

NOTES.

IBC SEC. 1012.

PROJECT LEAVING ALL WORK READY FOR USE.

CONSTRUCTION DOCUMENTS AS REQUIRED.

FACE OF CMU, OR FACE OF INTERIOR STUD, U.N.O.

LINES, SEWER & STORMWATER LINES, GAS LINES, ETC.

LOT 2/14B, BLOCK 1, 100/106 PICABO St, KETCHUM, IDAHO

LOT 2/14B, BLOCK 1, 100/106 PICABO St, KETCHUM, IDAHO



PROJECT DIRECTORY PROJECT DATA

CLIENT & OWNER-BUILDER BALDY BASE CAMP, LLC, BRIAN & BRENT BARSOTTI DOUBLE B, LLC PO BOX 370 (mailing)

LEGAL OWNER BALD BASE CAMP, LLC **BRIAN & BRENT BARSOTTI** DOUBLE B, LLC

MECHANICAL

ELECTRICAL

LIGHTING COMPLIANCE REPORT

NORTH

NUMBER

N.R.C. NOISE REDUCTION

N.T.S. NOT TO SCALE

NOM. NOMINAL

NO, #

O.H.

OVHD

POL.

REINF.

REV.

R.O.

SECT.

S.C.D.

S.E.D.

S.L.D.

SIM.

NOT IN CONTRACT

COEFFICIENT

ON CENTER

OVERHANG

OPENING

OPPOSITE

OVERHEAD

PERM. PERIMETER

PLAS. PLASTIC

PLUMB. PLUMBING

PLYWD PLYWOOD

PLATE

PLAS. LAM. PLASTIC LAMINATE

PANEL

RISER

REFER REFRIGERATOR

ROOM

SOUTH

SECTION

SHEET

SIMILAR

SPKLR SPRINKLER

SPKR SPEAKER

SCORED JOINT

SQ.FT, S.F. SQUARE FOOT, FEET

STAINLESS STEEL

S.S.D. SEE STRUCTURAL DRAWINGS

SQUARE

SCHED. SCHEDULE

SCRN SCREEN

ROBE HOOK

RADIUS

RETURN AIR

ROOF DRAIN

REINFORCE(D)

REVISED, REVISION

ROUGH OPENING

SEE CIVIL DRAWINGS

SEE ELECTRICAL DRAWINGS

SEE LANDSCAPE DRAWINGS

REFER TO REFERENCE

POLISH(ED)

PERFORATE(D

OUTSIDE DIAMETER

STEEL

STD

STOR.

SUSP.

SVCE

SYM.

THK

T.O.S.

T.O.W.

TYP.

U.N.O.

VERT.

VEST.

V.C.T.

V.T.R.

STANDARD

STORAGE

STRUCT. STRUCTURE, -URAL

SERVICE

SUSPEND(ED)

SYMMETRICAL

TELEPHONE

TEMPERED

THICKNESS

TOP OF SLAE

TOP OF WALI

VENTILATION

VERTICAL

W, WD WIDE, WIDTH

VESTIBULE

TYPICAL

THROUGH

TO BE DETERMINED

TONGUE & GROOVE

UNLESS NOTED OTHERWISE

VINYL COMPOSITE TILE

VENEER PLASTER

VENT THRU ROOF

WATER CLOSET

WATER HEATER

WATERPROOFING

WINDOW

WEIGHT

AREA CALCULATIONS

SITE AREA

28,385 SF PROPOSED PARKING LEVEL PROPOSED 1st FLR AREA 15,095 SF PROPOSED 1st FLR PARKING AREA 8.100 SF PROPOSED 2nd FLR AREA 22,466 SF PROPOSED 3rd FLR AREA 20,811 SF

39,985 SF

PROPOSED 4th FLR AREA 13,749 SF

PROPOSED 5th FLR AREA 8,115 SF PROPOSED DECK / PATIO AREA 6,000+ SF

88,366 SF TOTAL GROSS BUILDING AREA

(NOT INCLUDING BELOW GRADE PARKING) PROPOSED FAR 2.21

ANCHOR BOLT

AREA DRAIN

ADJUSTABLE

ALUMINUM

ANGLE

ANODIZED

BATTERY

BOARD

BUILDING

BLOCKING

BELOW

BOTTOM

BOTH SIDES

CENTER LINE

CEMENT. -IOUS

CAPACITY

CERAMIC

CEILING

CLOSET

CONCRETE

COUNTER

CLEANOUT

COMMUNICATION

CONTROL POINT

CRAWLSPACE ACCESS

CONTINUOUS

CORRIDOR

CARPET

CENTER

COURSE(S)

CERAMIC TILE

COLUMN

CONST CONSTRUCTION

CONT.

CORR.

C.S.A.

CTR

C.T.

CUBIC FEET

CONTROL JOINT

CUBIC FEET PER MINUTE

CAST IN PLACE CONCRETE

CONCRETE MASONRY UNIT

BRICK

BSMNT BASEMENT

BOTTOM OF

BITUMINOUS

ACCESS PANEL

ARCHITECT, -URAL

AIR CONDITIONER, -ING

ABOVE FINISHED FLOOR

ABOVE

DET./DTL DETAIL

DEMO.

Ø, DIA.

ELEC.

FOUIP

DEMOLISH, -TION

DIAMETER

DIAGONAL

DECKING

DIMENSION

DOWN SPOUT

DRAWING

EXISTING

FACH

EL. ELEV. ELEVATION

EXSTG/ EXISTING

DOOR OPENING

ELECTRIC. -AL. -IAN

ENCLOSE(D), - URI

EMERGENCY

ENGINEER

EQUIPMENT

FXHAUST

FXPANSION

EXTERIOR

FNDTN FOUNDATION

FIBERGL. FIBERGLASS

FIN. GR. FINISH(ED) GRADE

FACE OF

FREEZER

FOOT, FEET

FULL SIZE

FOOTING

FLOOR

FLUOR. FLUORESCENT

F.O.I.C.

EXPANSION JOINT

FRESH AIR INTAKE

FINISH(ED) FLOOR

FINISH(ED) CEILING

FURNISHED BY OWNER

FIREPROOFING

INSTALLED BY CONTRACTOR

FIRE RETARDANT TREATED

ENTRY, -ANCE

GAUGE

GENERAL

GLASS

GLAZING

GRADE

HEADER

HARDWOOD

HORIZONTAL

HIGH POINT

HOUR

HTG. HTR HEATING. HEATER

INCHES

INVERT

LIN. DIFF. LINEAR DIFFUSER

LAMINATE

LAVATORY

LOW POINT

LT, LTG LIGHT, LIGHTING

LOUVER

MACHINE

MAXIMUM

MEMBRANE

MECHANICAL

MEZZANINE

MINIMUM

MOUNTED

MEETING

METAL

MANUFACTURER

MISCELLANEOUS

MASONRY OPENING

LAUNDRY CHUTE

LANDSCAPE DRAWINGS

POUND

L, LG LONG, LENGTH

INSULATION

HVAC HEATING VENTILATION &

AIR CONDITIONING

INSIDE DIAMETER

H. HT HIGH, HEIGHT

HOLLOW METAL

GWB

HDWD

H.M.

H.P.

INSUL.

LVR

MECH.

MEMB.

MEZZ.

MTD

MFR

GALVANIZED

GALVANIZED IRON

GENERAL CONTRACTOR

GALVANIZED SHEET METAL

GYPSUM WALL BOARD

GROUND FAULT INTERRUPTED

A.B.

ALUM.

BLDG

BLKG BLW

13. THE GENERAL CONTRACTOR SHALL PROTECT ALL EXISTING SITE CONDITIONS TO REMAIN, INCLUDING TREES & SHRUBS, PAVING, FENCES, WALLS, ETC.

CODE COMPLIANCE

COM-CHECK

BUILDING ENVELOPE

PARKING & TRAFFIC

E: ?

14. DETAILS SHOWN ARE TYPICAL. SIMILAR DETAILS APPLY IN SIMILAR CONDITIONS.

HALES ENGINEERING

LEHI, UT 84043

P: 801.766.4343

1220 NORTH, 500 WEST STE 202

ORDERING OF, OR INSTALLTION OF ANY ITEM OF WORK. 16. INSTALL ALL EQUIPMENT & MATERIALS PER MANUFACTURER'S RECOMMENDATIONS.

15. VERIFY ALL ARCHITECTURAL DETAILS WITH THE STRUCTURAL DRAWINGS PRIOR TO THE

- 17. VERIFY CLEARANCES FOR FLUES, VENTS, CHASES, SOFFITS, FIXTURES, ETC. PRIOR TO ANY CONSTRUCTION, ORDERING OF, OR INSTALLATION OF ANY ITEM OF WORK.
- 18. SEALANT, CAULKING & FLASHING, ETC. LOCATIONS SHOWN ON DRAWINGS ARE NOT INTENDED TO BE INCLUSIVE. FOLLOW MANUFACTURER'S INSTALLTION RECOMMENDATIONS & STANDARD INDUSTRY & BUILDING PRACTICES.
- 19. THE GENERAL CONTRACTOR SHALL REMOVE ALL RUBBISH, DEBRIS, & WASTE MATERIALS ON A REGULAR BASIS OF ALL SUBCONTRACTORS & TRADES, & SHALL EXERCISE STRICT CONTROL OVER JOB CLEANING TO PREVENT ANY DIRT, DEBRIS, OR DUST FROM AFFECTING, IN ANY WAY, FINISHED AREAS INSIDE OR OUTSIDE THE JOB SITE.
- 20. THE GENERAL CONTRACTOR SHALL PROVIDE SOLID BLOCKING AS REQUIRED FOR THE INSTALLATION OF ALL EQUIPMENT, CASEWORK, CABINETS, WOOD TRIM, ACCESSORIES, HANDRAILS, ETC.
- 21. FOR ALL FINISHES AT FLOORS, WALLS, & CEILINGS, REFER TO CLIENT OR INTERIORS.
- 22. DRIVEWAY ORIENTATION, HARDSCAPE, & LANDSCAPE ARE DESIGN/BUILD UNDER THE DIRECT SUPERVISION OF THE GENERAL CONTRACTOR INCLUDED UNDER THIS CONTRACT. FOLLOW LANDSCAPE & ARCHITECTURAL DRAWINGS WHERE APPROPRIATE FOR DESIGN INTENT.
- 23. THE GENERAL CONTRACTOR SHALL ADHERE TO ALL APPLICABLE BUILDING CODES, AS WELL AS CITY, COUNTY, & STATE BUILDING REGULATIONS.
- 24. GUARDRAILS SHALL BE A MINIMUM OF 42" IN HEIGHT AND DESIGNED IN SUCH THAT A 4" SPHERE CANNOT PASS THROUGH ANY OPENING - 2018 IBC SEC. 1013.
- 25. FIREBLOCKING & DRAFTSTOPPING SHALL BE PROVIDED IN ALL LOCATIONS IN ACCORDANCE w/ 2018 IBC SEC. 717.

27. FIREPLACE SHALL HAVE OUTSIDE AIR INTAKE WITH DAMPER AND CONTROL.

- 26. HEARTHS SHALL EXTEND 20" IN FRONT AND 12" BEYOND EACH SIDE OF FIREPLACE OPENING.
- 28. ALL GLAZING SUBJECT TO HUMAN IMPACT SHALL BE TEMPERED.

DRAWINGINDEX

GENERAL A0.0 PROJECT DATA / GENERAL NOTES / INDEX

A0.3 EXTERIOR 3D MODEL - LOCATION/CONTEXT A0.4 EXTERIOR 3D MODEL - CONCEPT MASSING A0.5 EXTERIOR 3D MODEL - AERIALS

A0.6 3D NEIGHBORHOOD CONTEXT - MASSING

A0.9 EXTERIOR - SITE VIEW SECTION (CONTEXT)

C TOPOGRAPHICAL & SITE INFORMATION

C-1 SITE AND UTILITY PLAN (OPAL ENG.)

A1.0 BASEMENT - PARKING LEVEL KEY PLAN

A1.1 FIRST LEVEL KEY PLAN A1.1B FIRST LEVEL KEY PLAN - PREVIOUS VS NEW

A1.2B | SECOND LEVEL KEY PLAN A1.3B THIRD LEVEL KEY PLAN

A2.0B EXTERIOR ELEVATIONS (SOUTH) PREVIOUS VS NEW A2.1B EXTERIOR ELEVATIONS (NORTH) PREVIOUS VS NEW A2.2B EXTERIOR ELEVATIONS (EAST & S.EAST) PREVIOUS VS NEW

A2.3B EXTERIOR ELEVATIONS (WEST) PREVIOUS VS NEW A2.4 EXTERIOR ELEVATIONS COLOR & MATERIALS A2.5 EXTERIOR ELEVATIONS WITH LANDSCAPE A3.1B | BUILDING SECTIONS PREVIOUS DESIGN VS NEW

A3.1C BUILDING SECTIONS PREVIOUS DESIGN VS NEW A3.2B | SITE SECTIONS PREVIOUS DESIGN VS NEW A3.2C | SITE SECTIONS PREVIOUS DESIGN VS NEW

SUBMITTED WITH PERMIT DOCUMENTS

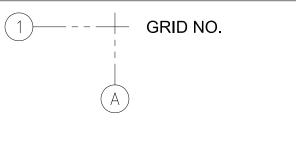
SUBMITTED WITH PERMIT DOCUMENTS

SUBMITTED WITH PERMIT DOCUMENTS

SUBMITTED WITH PERMIT DOCUMENTS

DRAWINGS BY DESIGN / BUILD CONTRACTOR

SYMBOLS LEGEND



´GWB−1

FAR SYSTEM FOR WARMSPRINGS BASE AREA - PROPOSED BMH CALCS

3,132

100

1.468

5,537

39,985 Site

Proposed FAR 2.21

39,985 sf Site

Measure

1 on-site DU

Bedroom

Square feet

Square feet

Square feet

Square feet

Max FAR per Cat. Maximum FAR

0.5

1.1

1.035

0.1566

0.0734

3.0759

FAR Increment Max FAR per Cat. Absolute Max. FAR

0.2 No cap

0.2

0.015

0.015

0.005

0.005

0.005

0.005

0.025

Existing FAR Allowances

Inclusionary Housing

Prop. Add FAR Allowances

Inclusionary Housing

Meeting / Conference

Base FAR

Proposed

Lodging

Proposed

Proposed

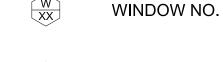
Proposed

Restaurant / Retail

Total Sq. Footage allowed Square feet

Office

DOOR NO. WOOD



INTERCONNECTED, HARDWIRED, BATT. BACKUP SMOKE ALARM / DETECTOR



WALL TYPE

FIN. FLR MAT.

SHEET NO.

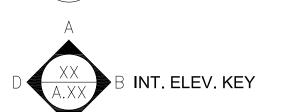
FIN. CLNG MAT.

CEILING MOUNTED

ELEVATION MARKER







CONSTRUCTION OF THIS PROJECT WILL BE UNDER MY OBSERVATION

89,966

88,336

PO BOX 1769 [post]

KETCHUM, ID 83340

V.208.721.7160

SUN VALLEY, ID 83353

220 E. RIVER STREET [courier]

LICENSED

ARCHITECT

AR 985372

DANIEL PETER HOLLI

STATE OF IDAHO

THIS WORK WAS PREPARED BY ME

OR UNDER MY SUPERVISION AND

DATE

JOB NO.

REVISION DATE

PRE-AP#2 10/11/24 PRE-AP 3/13/24 ISSUE/DATE CITY REV. 11/18/20 DRAWN BY CHECKED BY DPH

> **BALDY** MTN HOUSE

1021

LOT 100/106, PICABO ST.

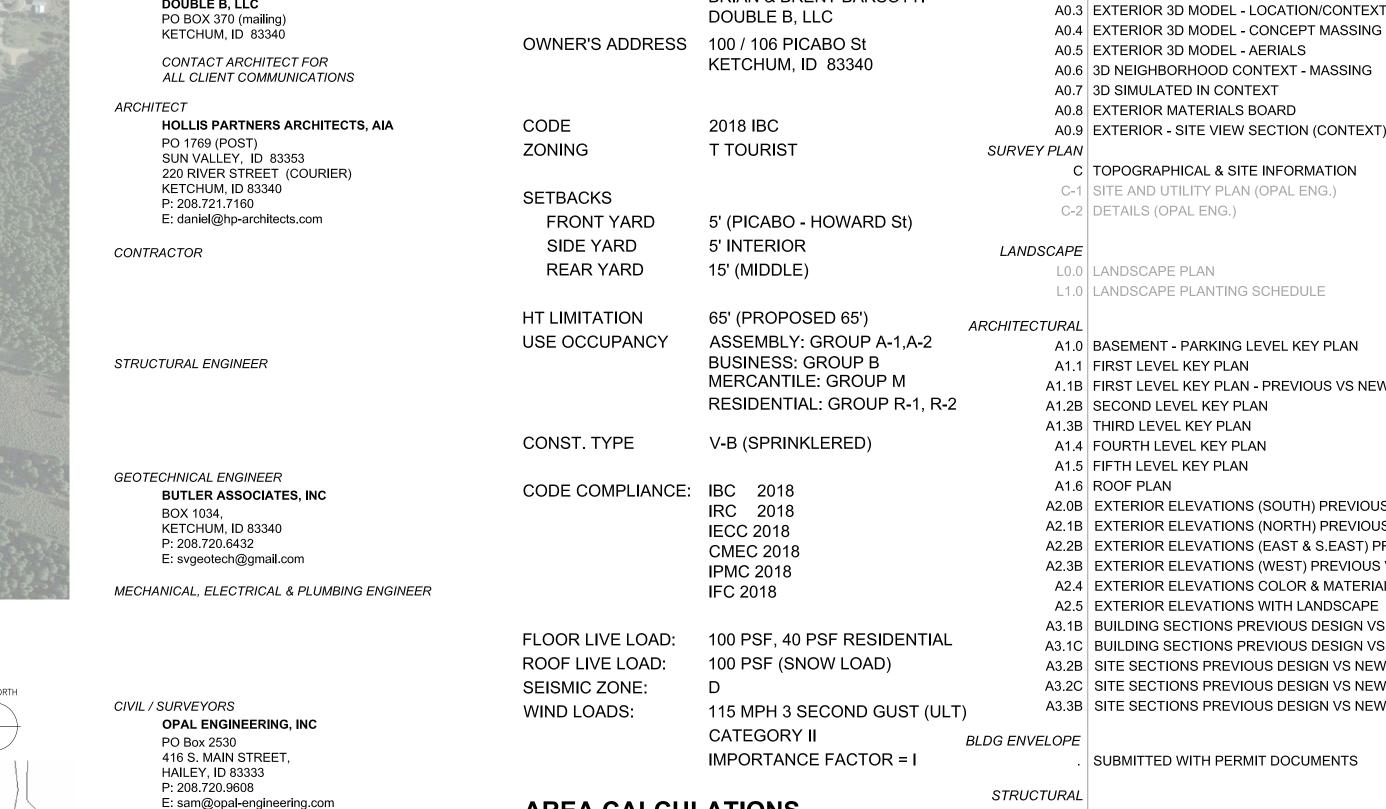
KETCHUM, IDAHO

PROJECT DATA **GENERAL NOTES**

A

CATEGORY

SEQUENCE







NOTE: BALDY BASE CAMP 2 STORY STRUCTURE



PO BOX 1769 [post] SUN VALLEY, ID 83353 220 E. RIVER STREET [courier] KETCHUM, ID 83340 V.208.721.7160

LICENSED ARCHITECT AR 985372 DANIEL PETER HOLLIS STATE OF IDAHO

THIS WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION AND
CONSTRUCTION OF THIS PROJECT
WILL BE UNDER MY OBSERVATION

10/8/24

ISSUE/DATE DRAWN BY DPH
CHECKED BY DPH

> BALDY MTN HOUSE

LOT 100/106, PICABO ST. KETCHUM, IDAHO LOCATION & CONTEXT

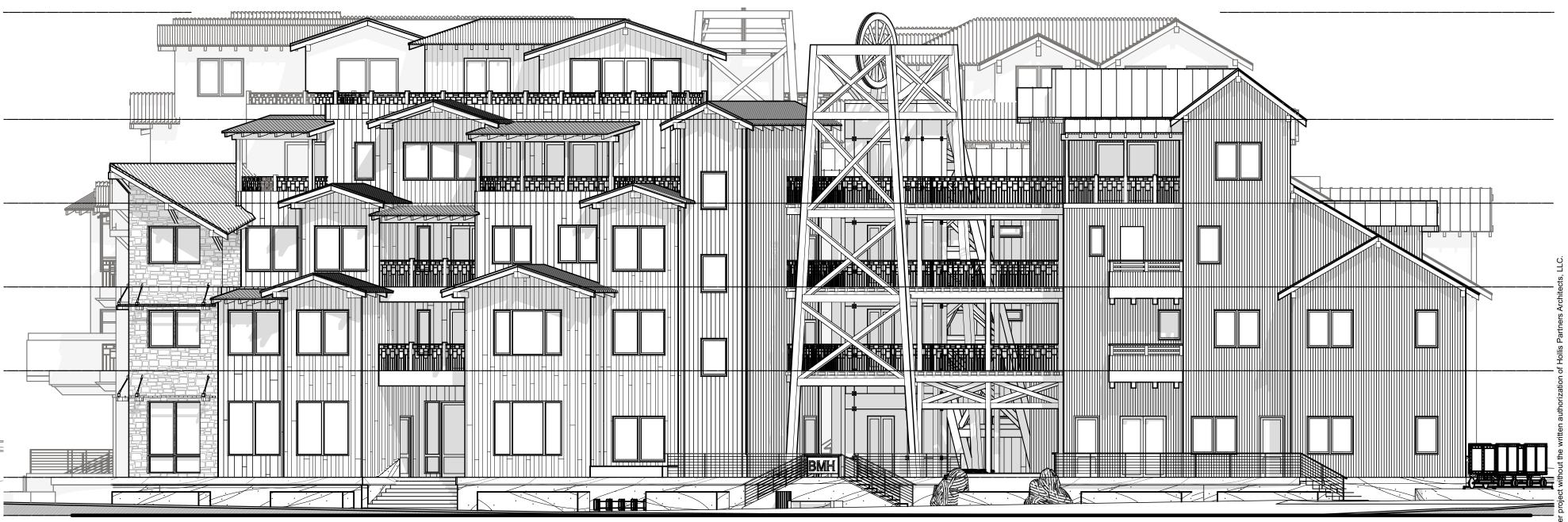
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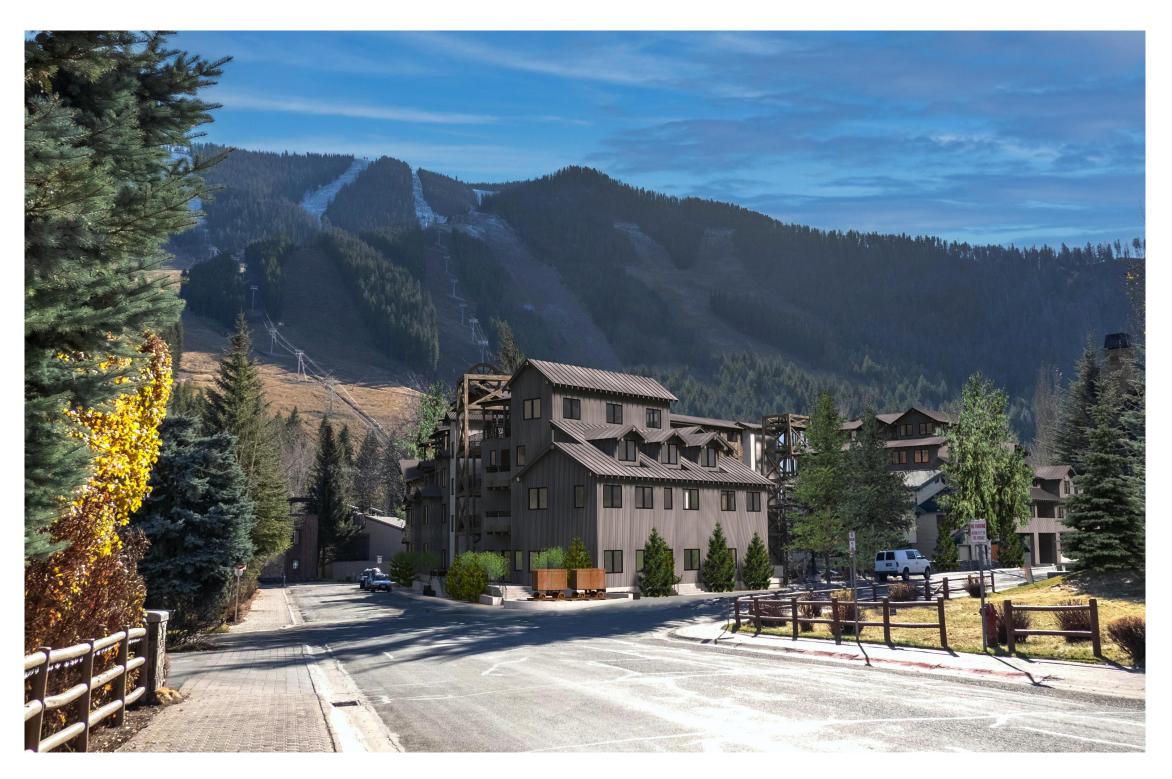
ORIGINAL PHOTO

2007





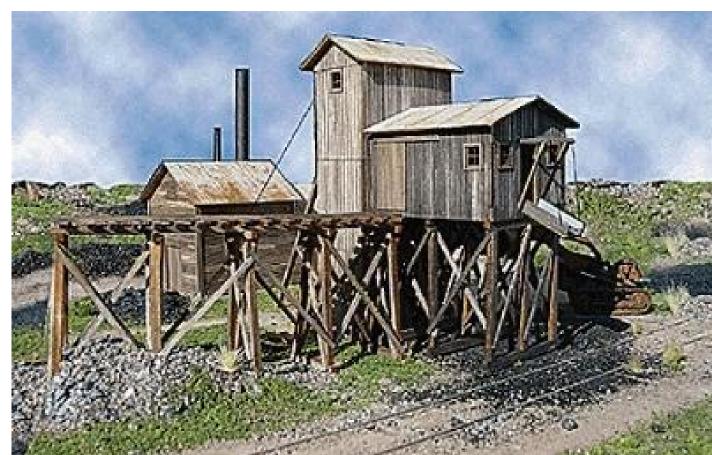






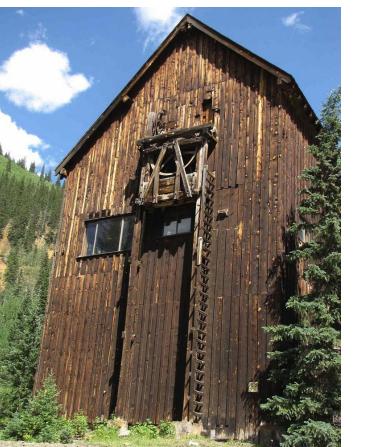








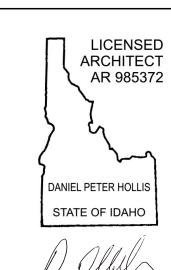








PO BOX 1769 [post] SUN VALLEY, ID 83353 220 E. RIVER STREET [courier] KETCHUM, ID 83340 V.208.721.7160



THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION AND CONSTRUCTION OF THIS PROJECT WILL BE UNDER MY OBSERVATION

10/8/24

CONSTR'N PERMIT

D.D 100%

D.REVIEW.

PRE-AP

ATE CITY REV.

BY DPH

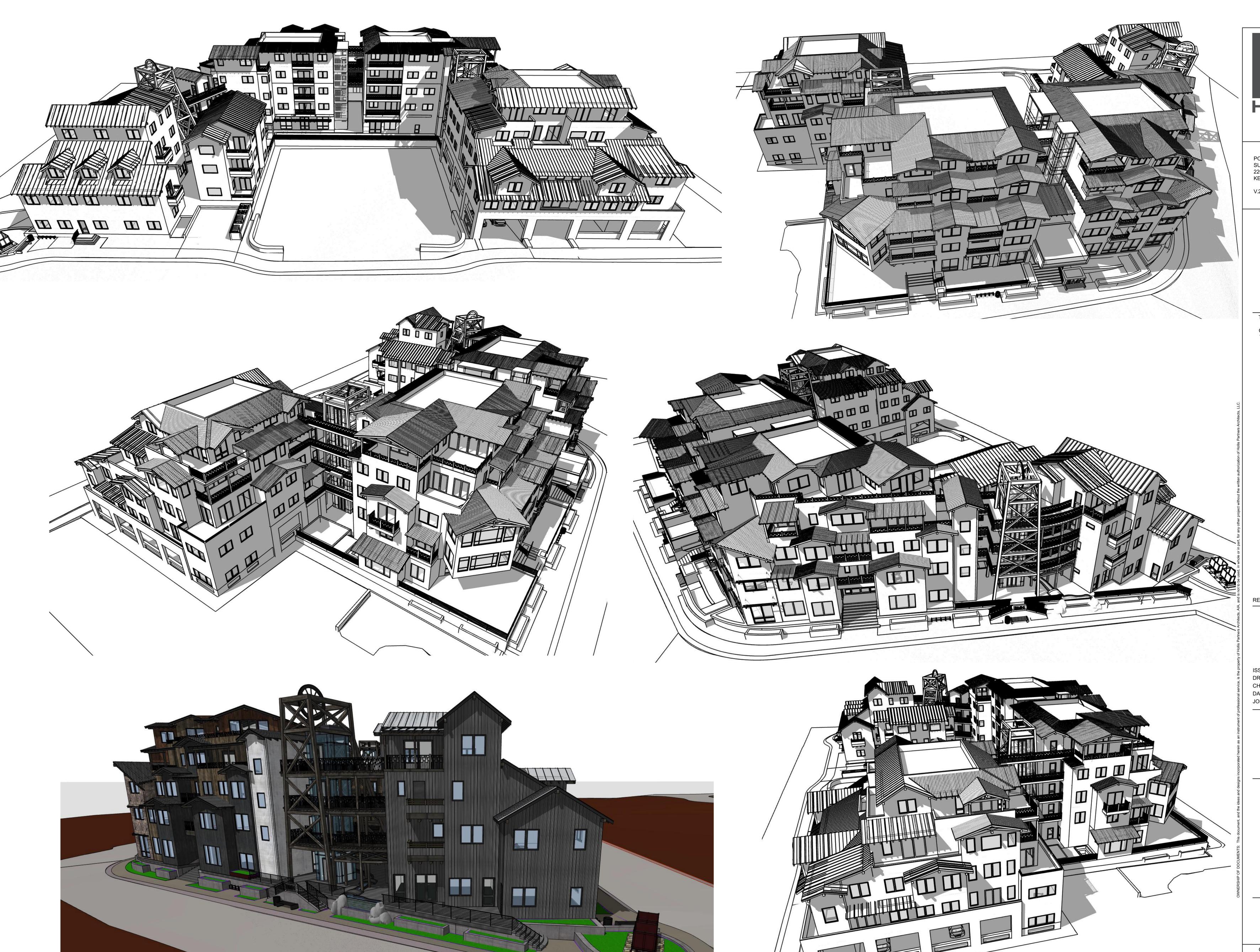
MED BY DPH 09/29/20
D. 1021

BALDYMTN HOUSE

LOT 100/106, PICABO ST.
KETCHUM, IDAHO
CONCEPT MASSING

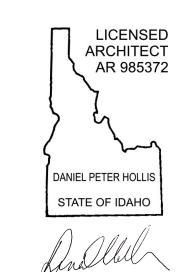
A-0.4

CATEGORY SEQUENC



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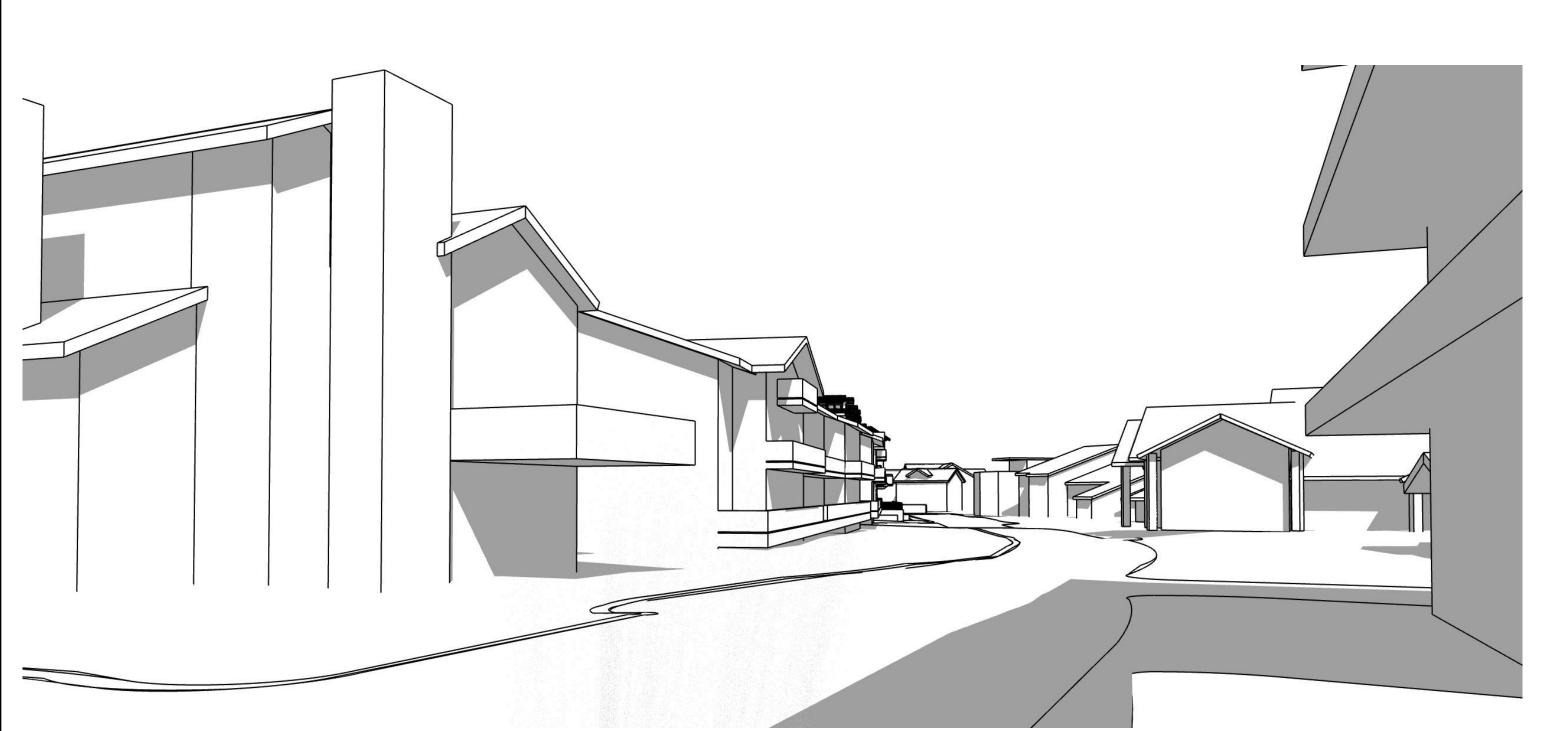
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LOT 100/106, PICABO ST. KETCHUM, IDAHO AERIALS

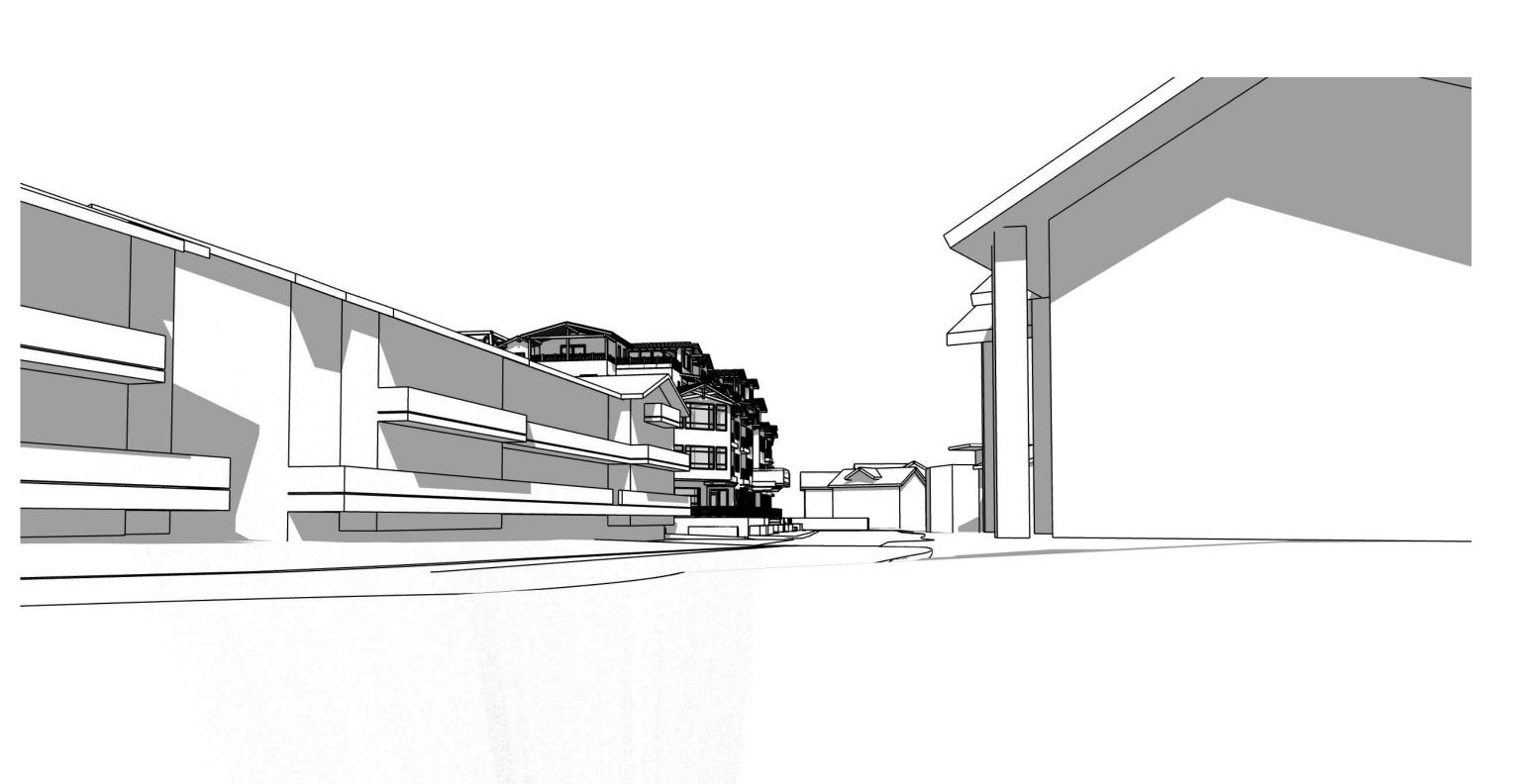
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CATEGORY SEQUENCE



PICABO STREET & PUCHNER LANE LOOKING EAST



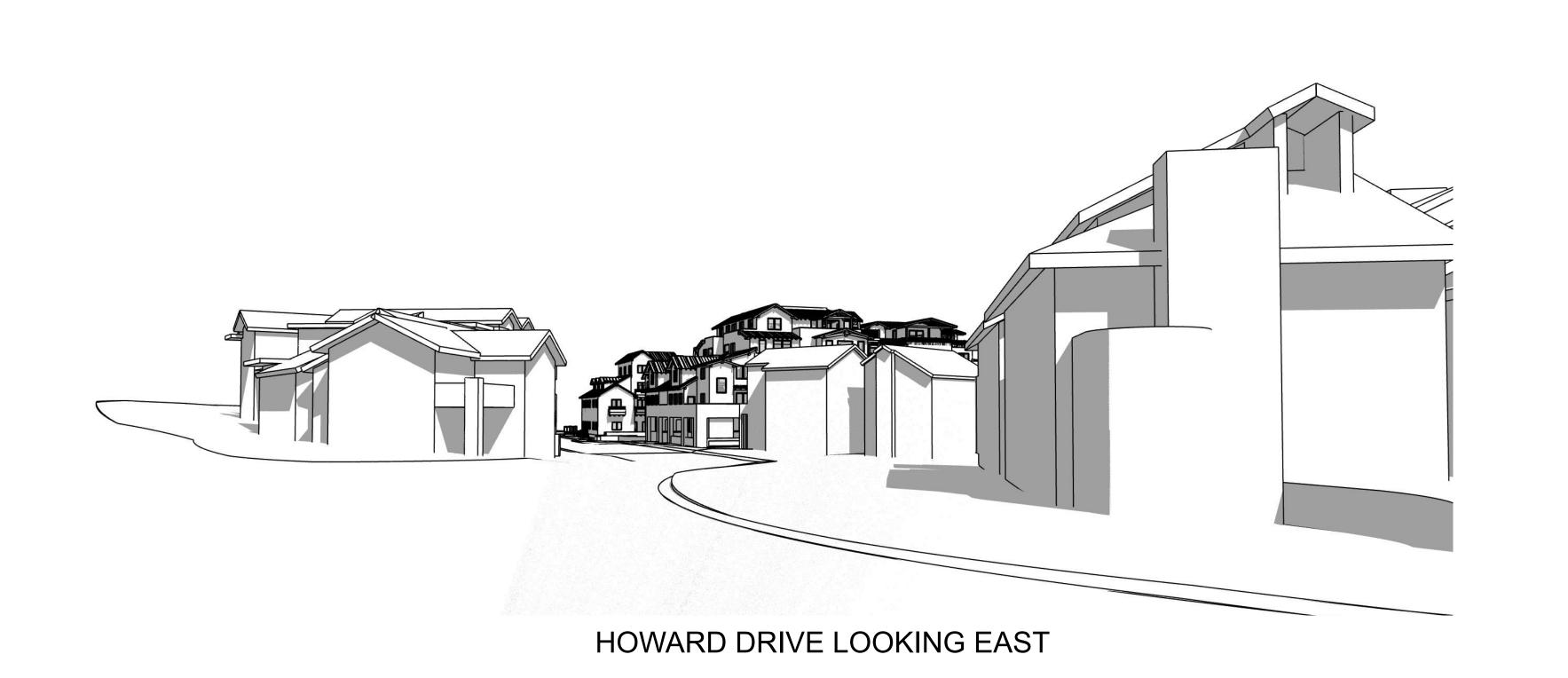


PICABO STREET LOOKING EAST

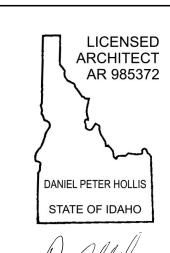




PICABO STREET LANE LOOKING NORTH



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LOT 100/106, PICABO ST. KETCHUM, IDAHO NEIGHBORHOOD MASSING

A-0.6

CATEGORY SEQUENCE



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PICABO



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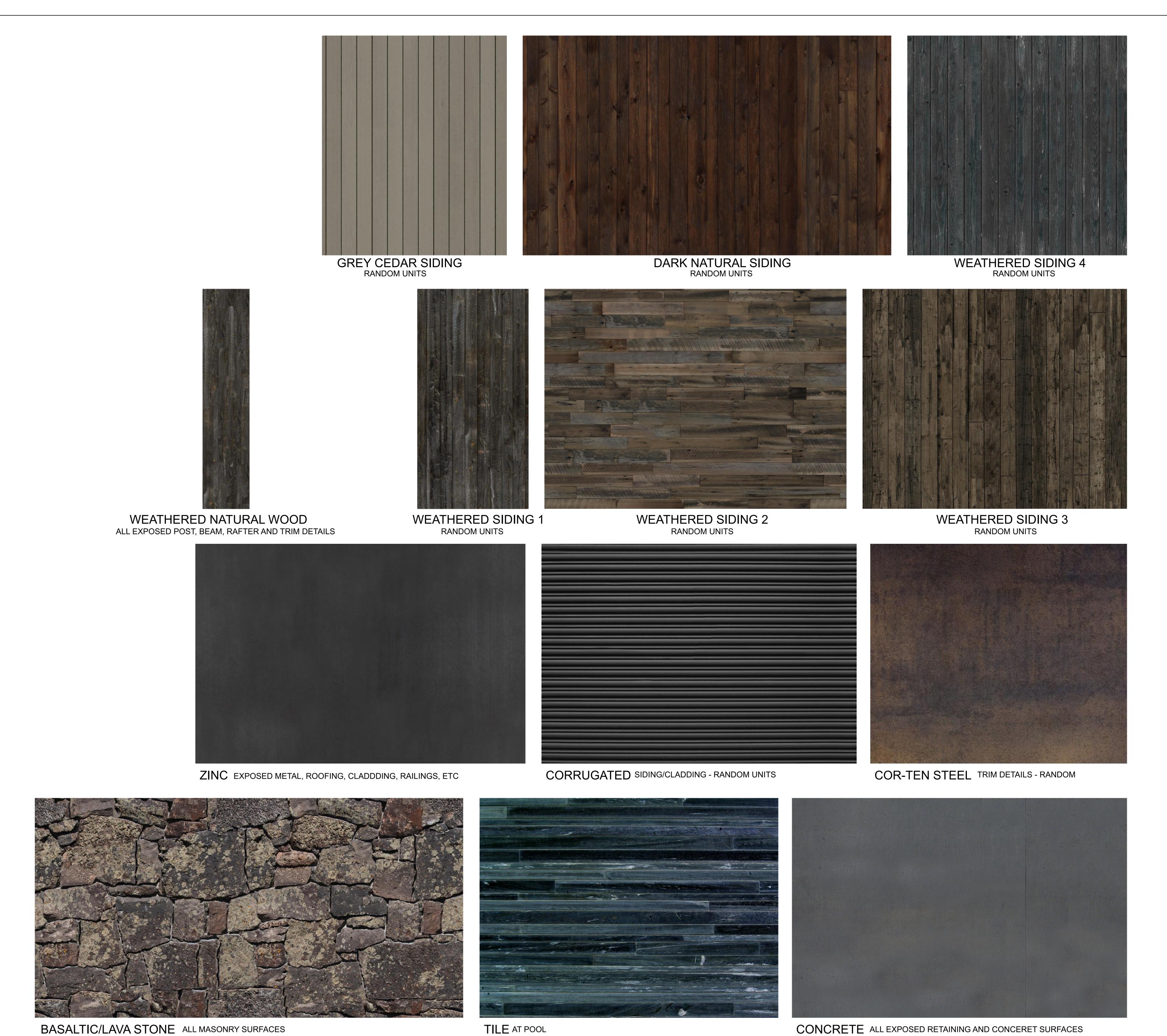
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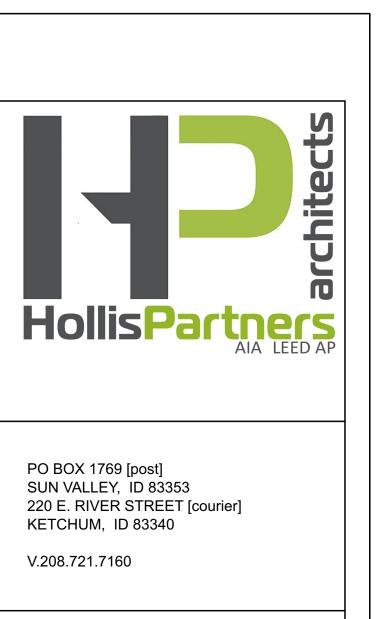
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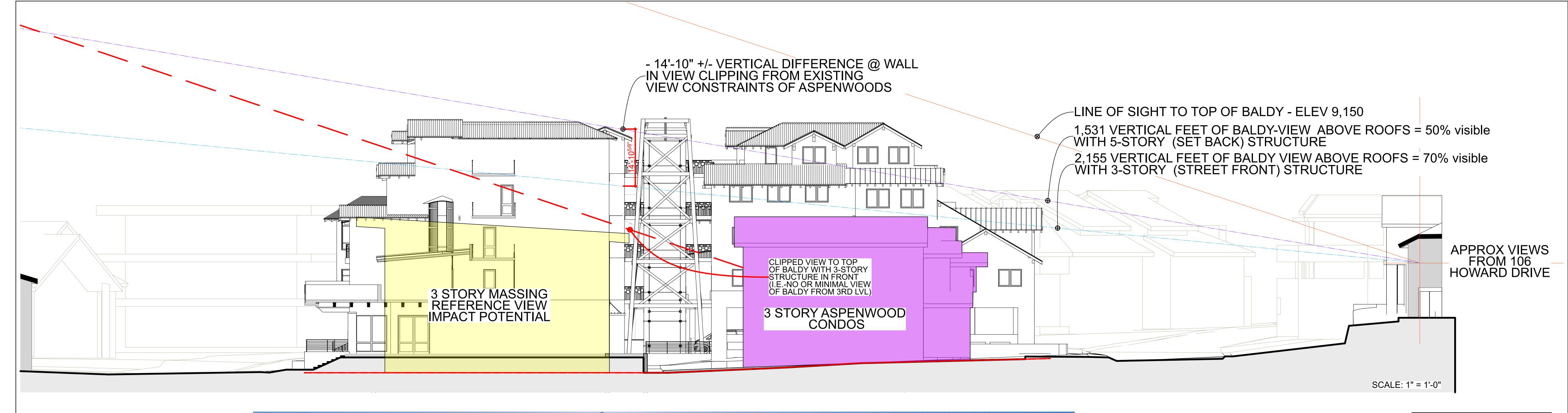
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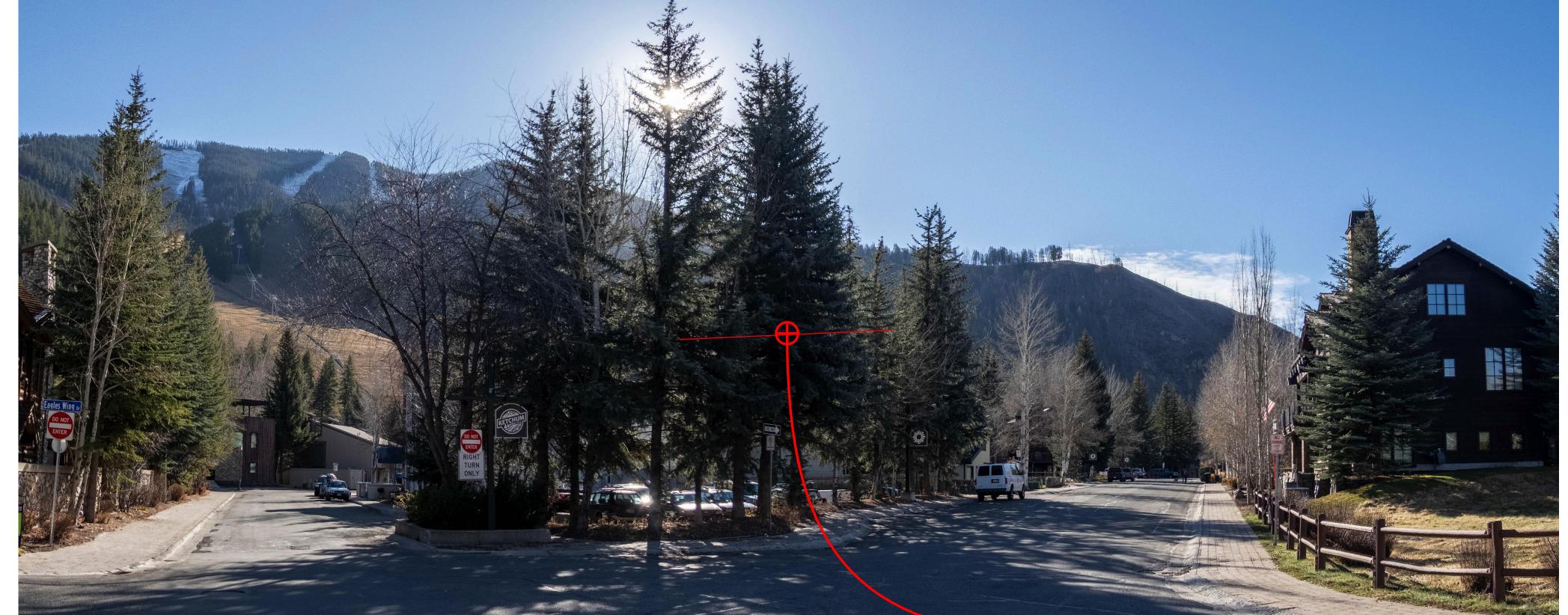
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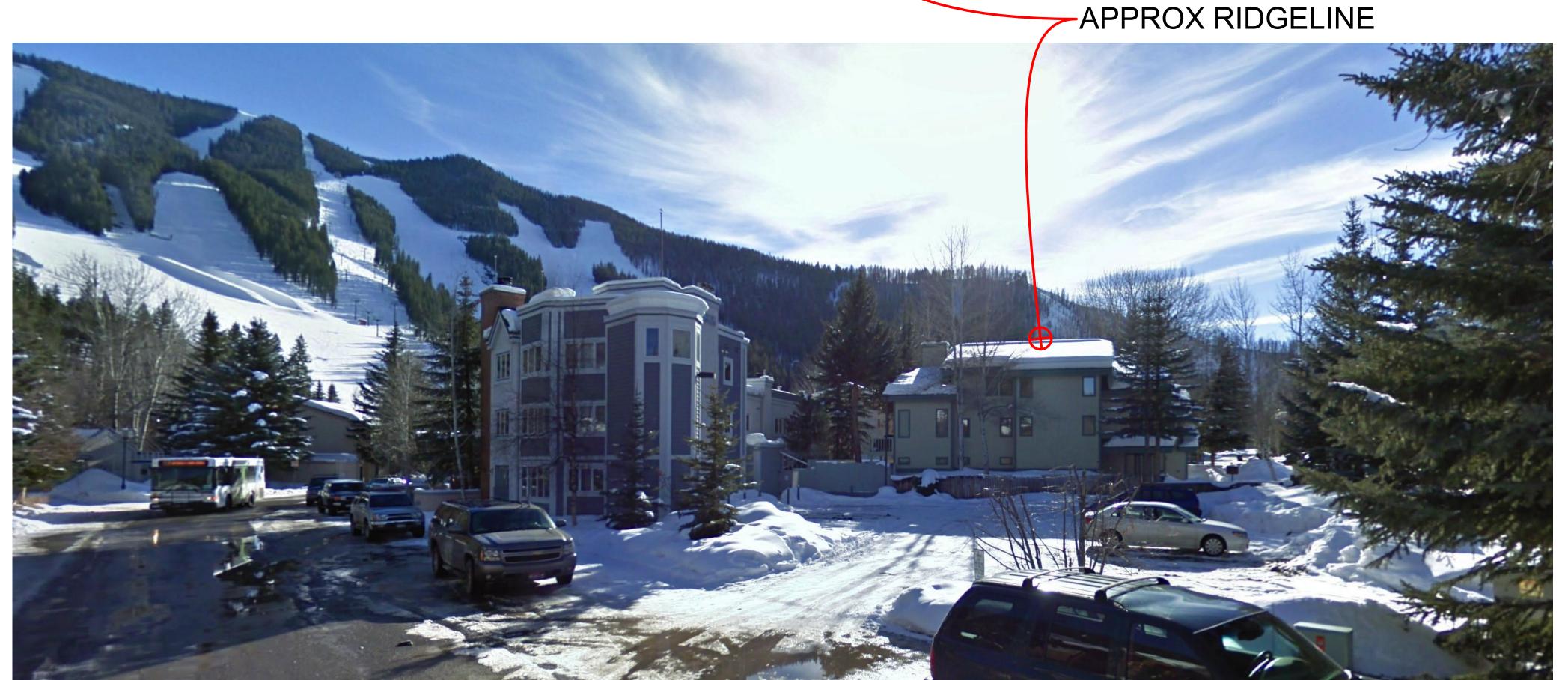
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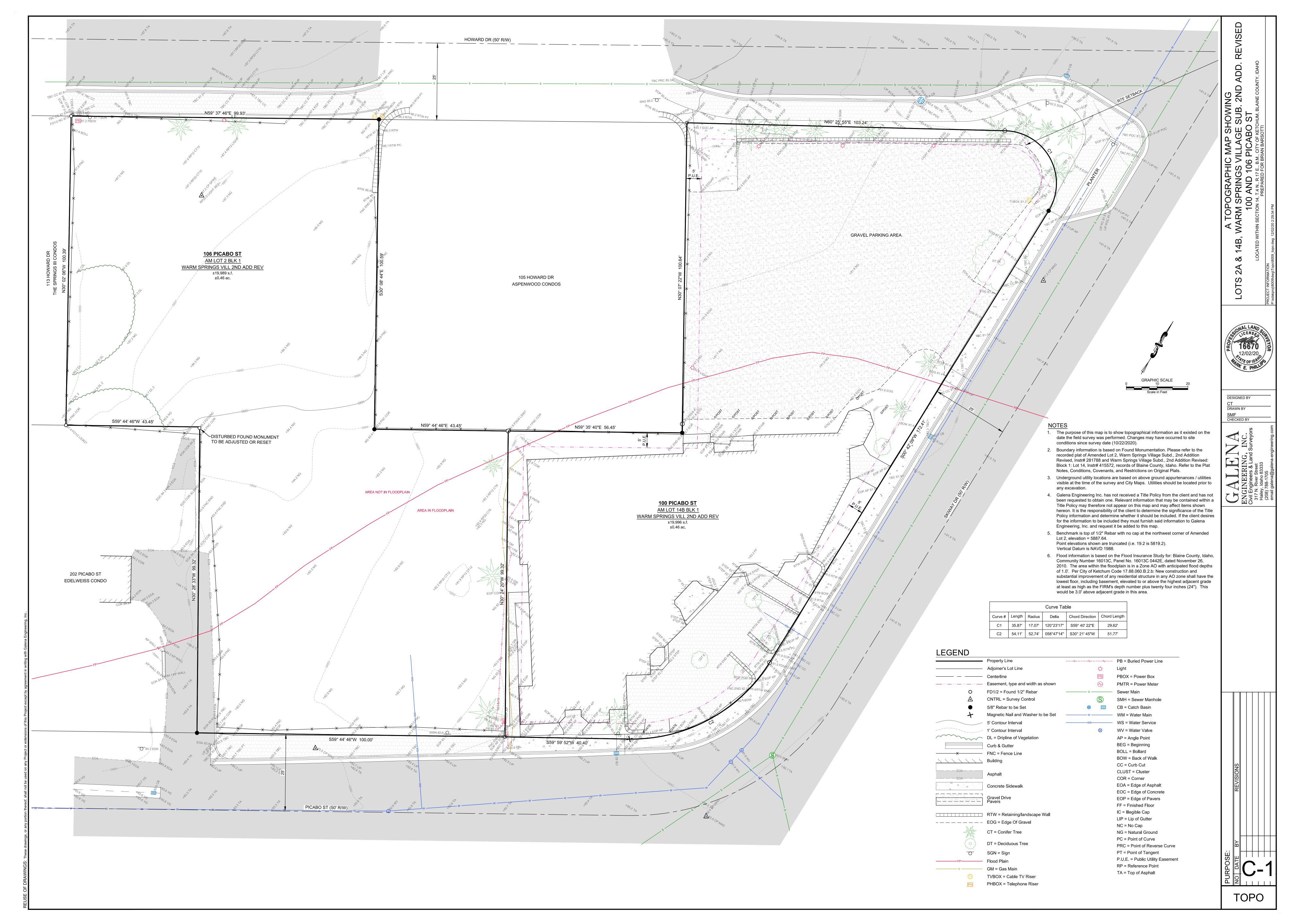


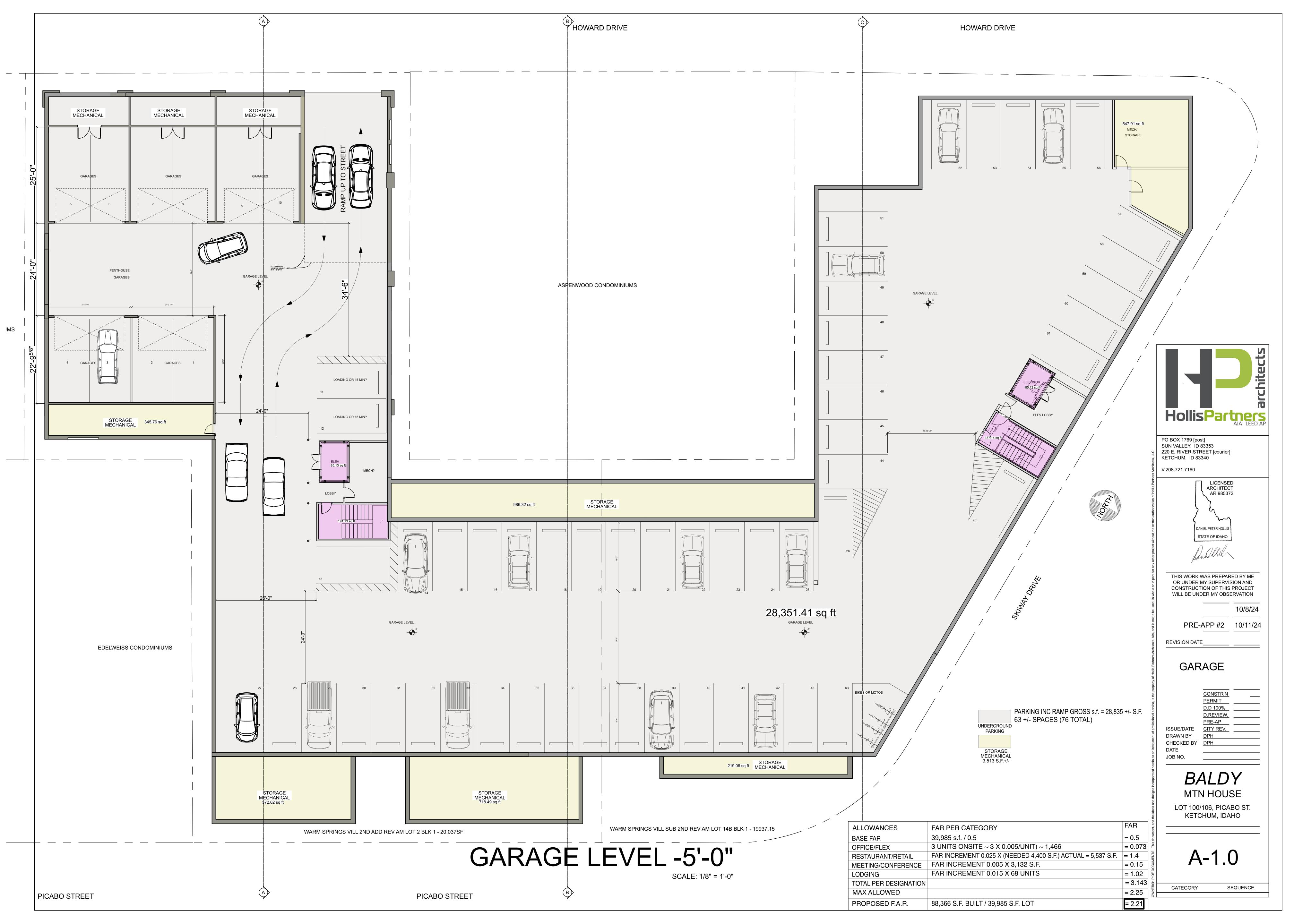


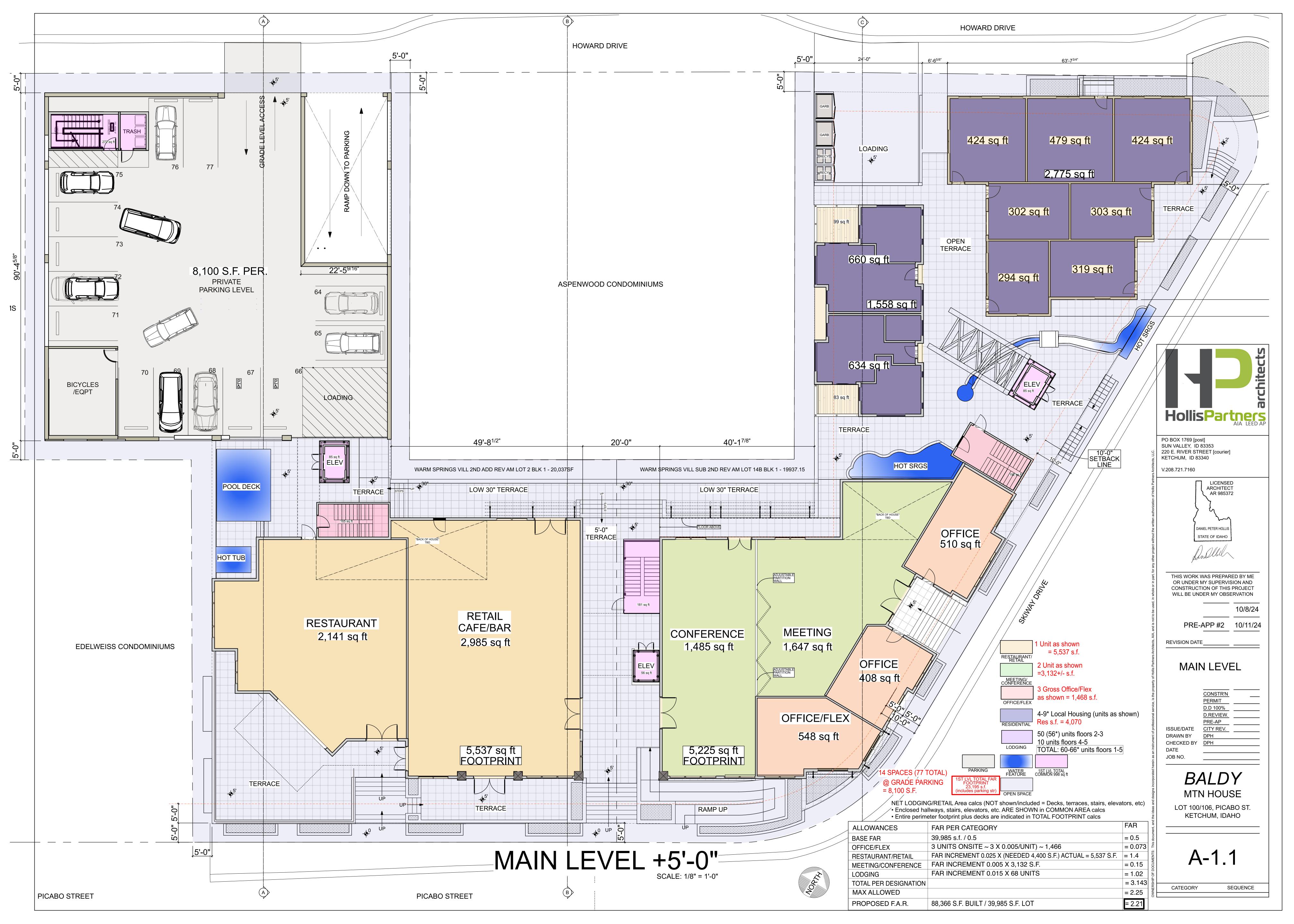
HollisPartners PO BOX 1769 [post] SUN VALLEY, ID 83353 220 E. RIVER STREET [courier] KETCHUM, ID 83340 V.208.721.7160 LICENSED ARCHITECT AR 985372 DANIEL PETER HOLLIS STATE OF IDAHO THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION AND CONSTRUCTION OF THIS PROJECT WILL BE UNDER MY OBSERVATION REVISION DATE ISSUE/DATE DRAWN BY CHECKED BY BALDY MTN HOUSE LOT 100/106, PICABO ST. KETCHUM, IDAHO A-0.9

SEQUENCE

FOREGROUND VIEW STUDIES NEIGHBORING IMPACTS

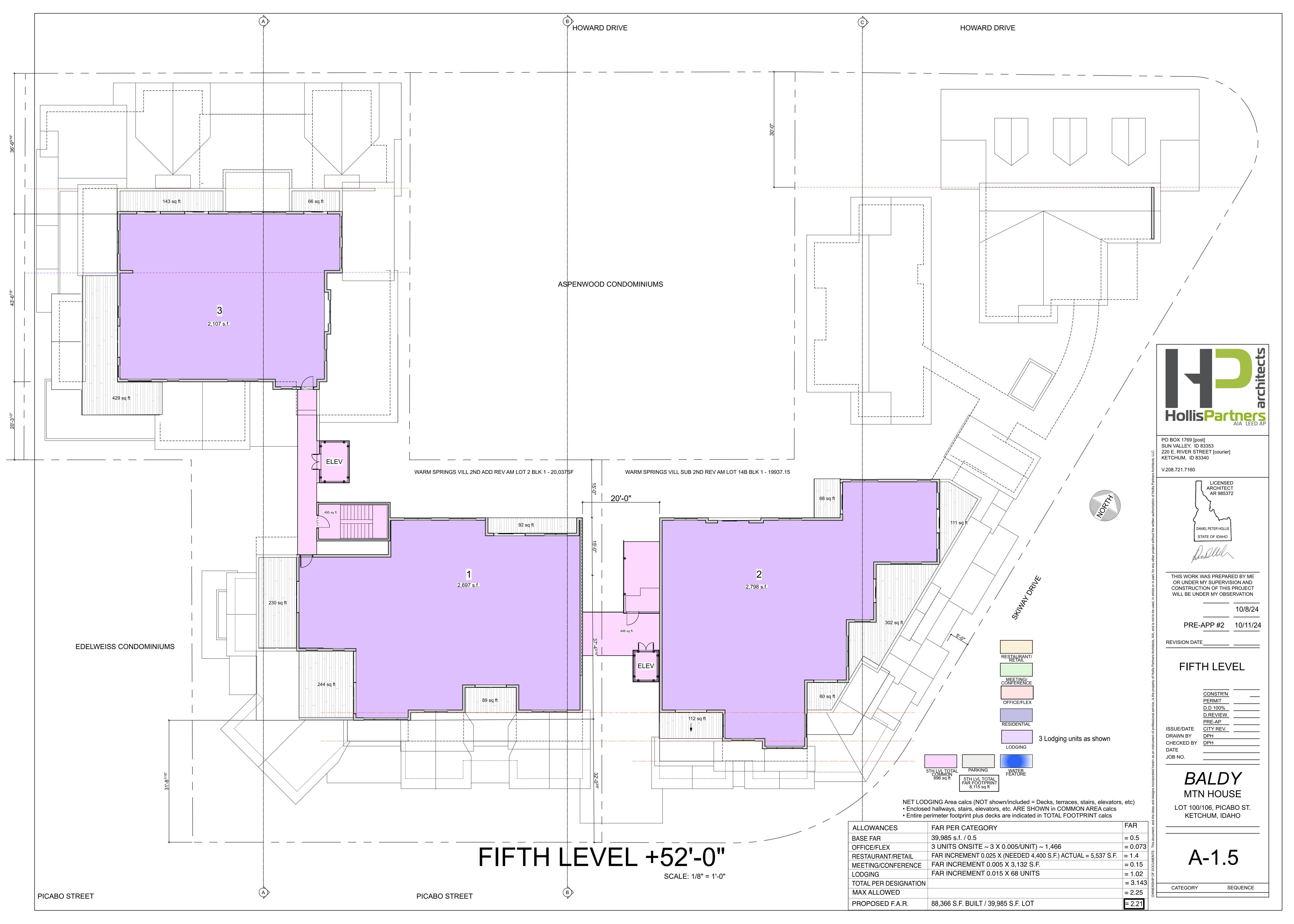


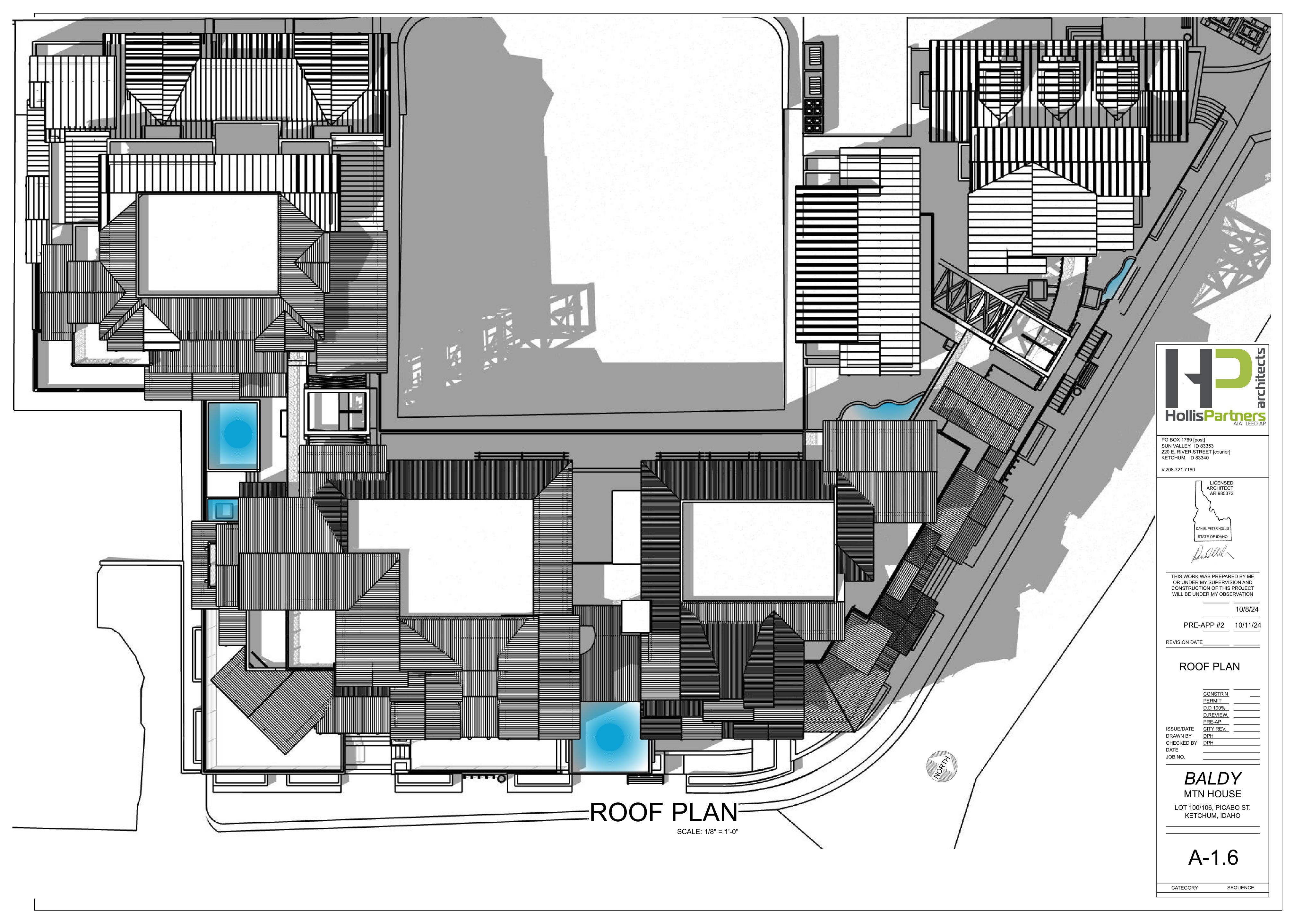














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SCALE: 1" = 10'-0"



(NEW) SOUTH ELEVATION SCALE: 1" = 10'-0"

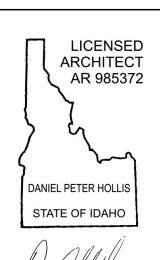


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EXT.

ELEVATIONS OLD & NEW

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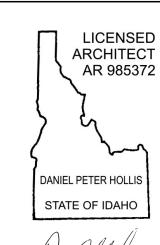
(NEW) NORTH ELEVATION



(OLD) - NORTH ELEVATION SCALE : 1" = 10'-0"



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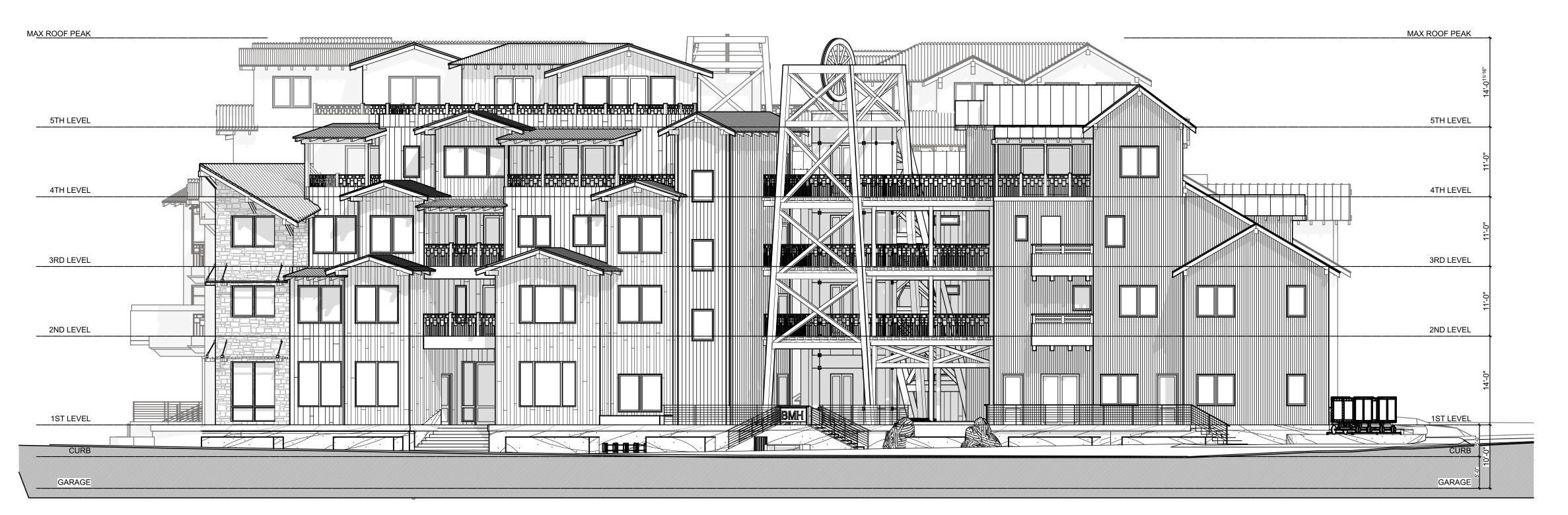
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EXT. ELEVATIONS OLD & NEW

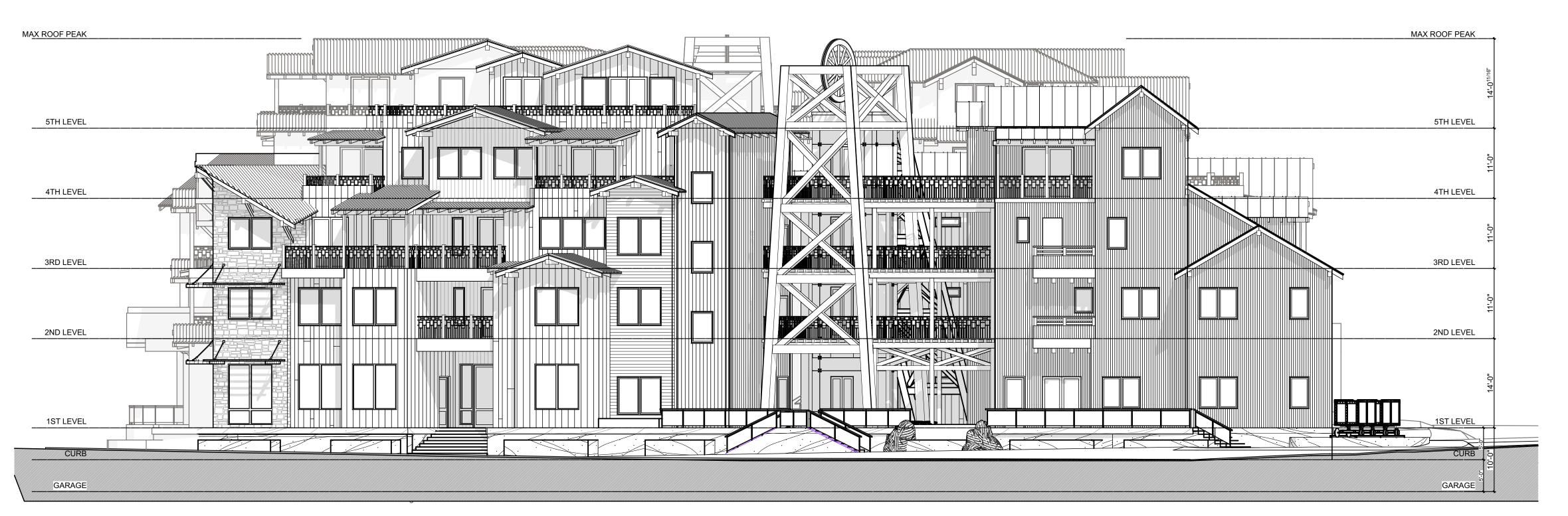
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(NEW) NORTH ELEVATION SCALE: 1" = 10'-0"

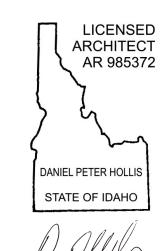


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EXT. ELEVATIONS OLD & NEW

A-2.2B



(NEW) WEST ELEVATION - UPDATE KEY

SCALE: 1" = 10'-0"



(NEW) WEST ELEVATION SCALE: 1" = 10'-0"



(OLD) WEST ELEVATION SCALE: 1" = 10'-0"



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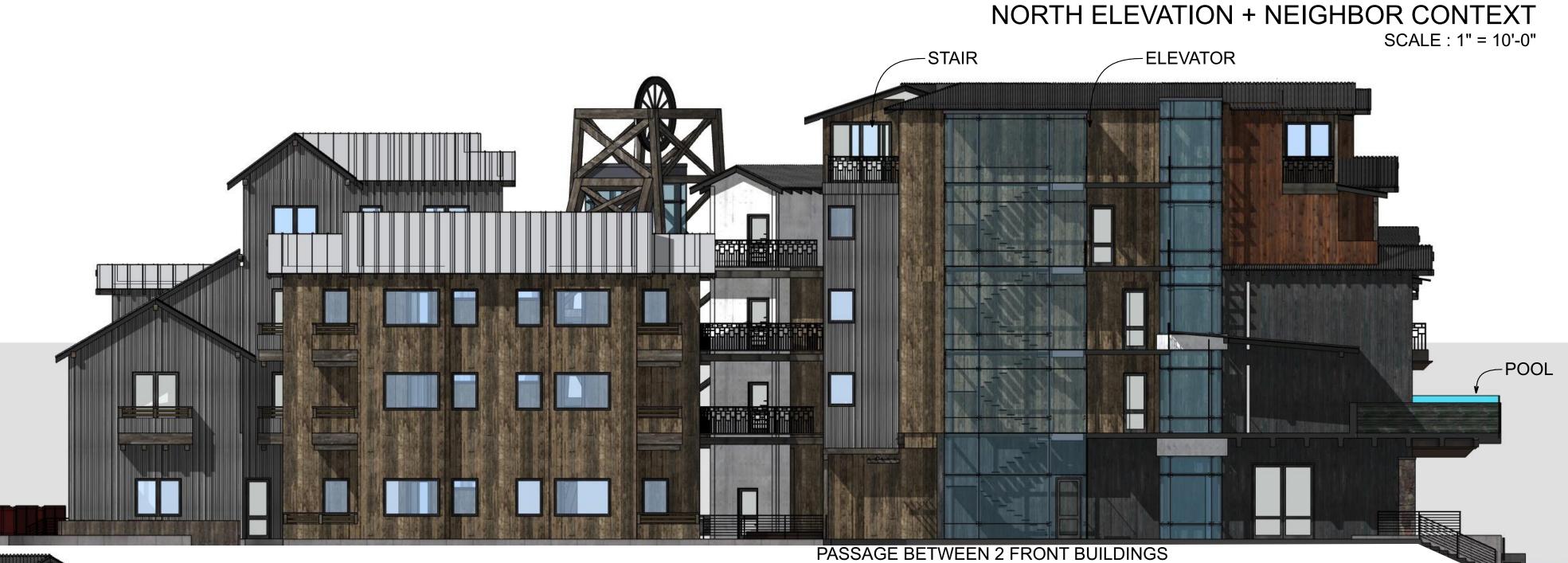
LOT 100/106, PICABO ST. KETCHUM, IDAHO

EXT. ELEVATIONS OLD & NEW

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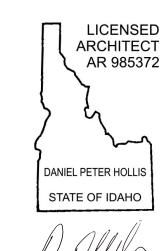




WEST ELEVATION (EAST BUILDING) SCALE: 1" = 10'-0" Hollis Partners Ala LEED AP

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EXT. ELEV IN CONTEXT

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SOUTH ELEVATION SCALE: 1" = 10'-0"



EAST ELEVATION SCALE: 1" = 10'-0"



NORTH ELEVATION SCALE : 1" = 10'-0"

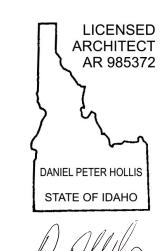


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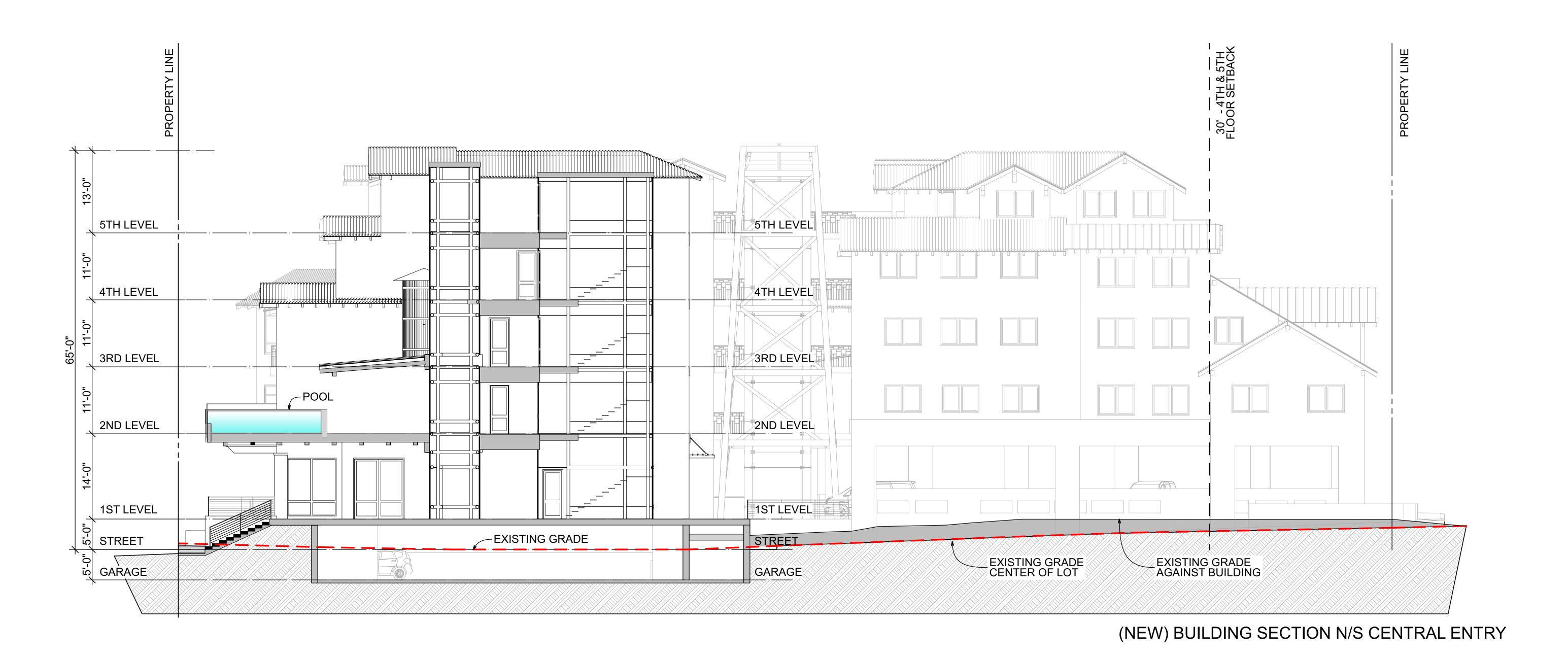
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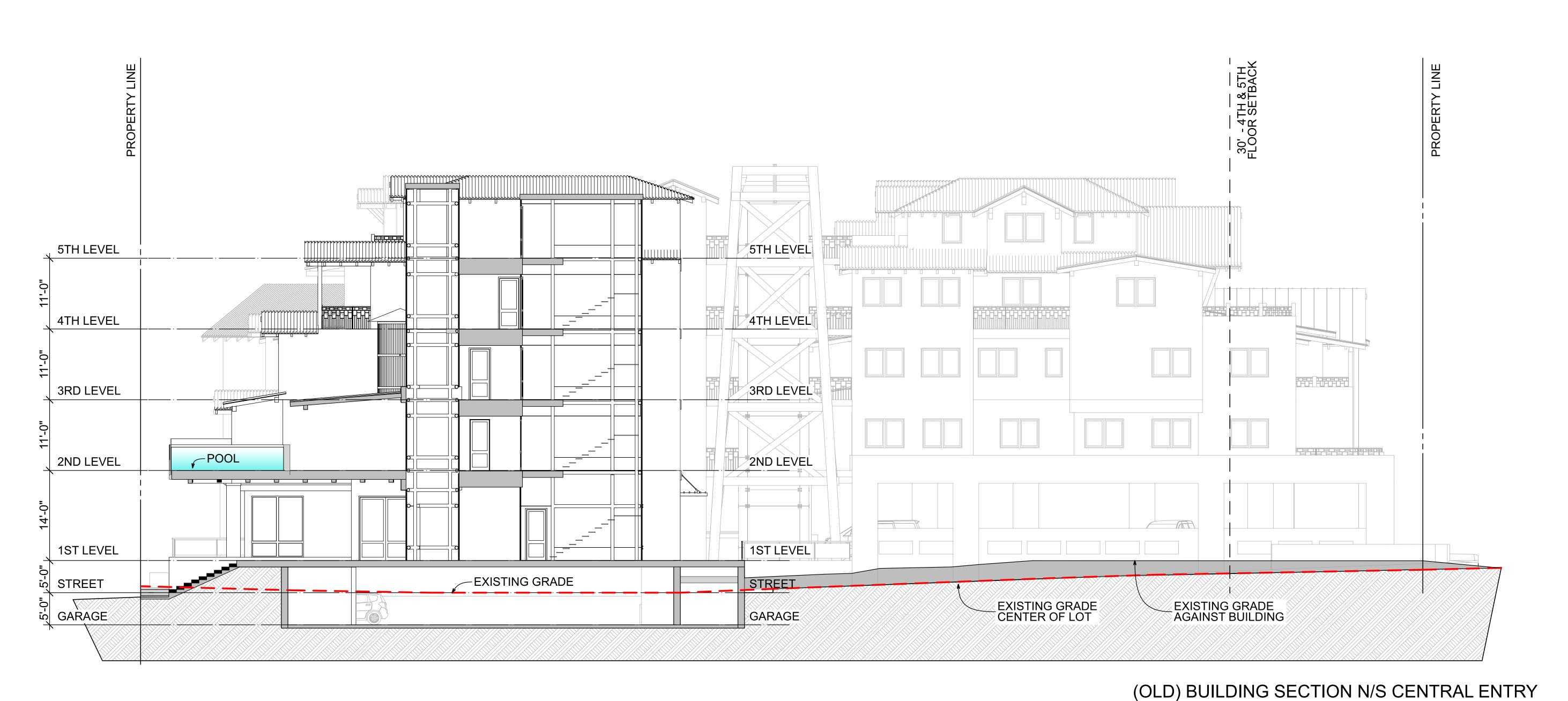
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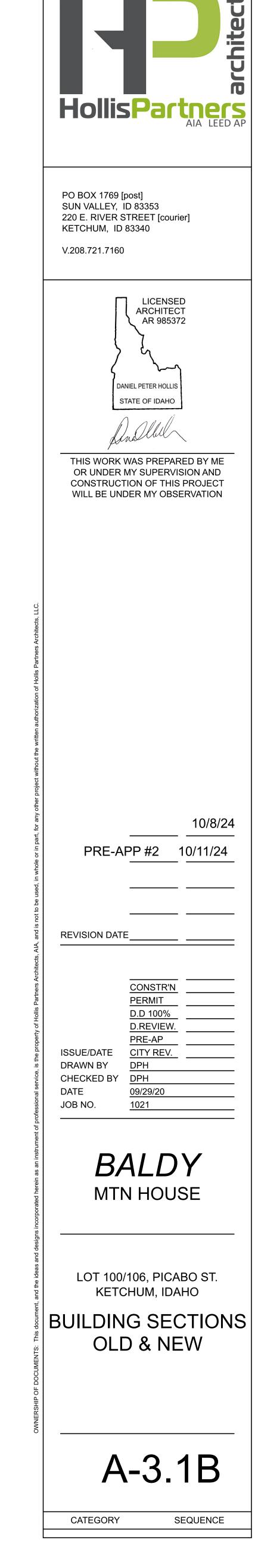
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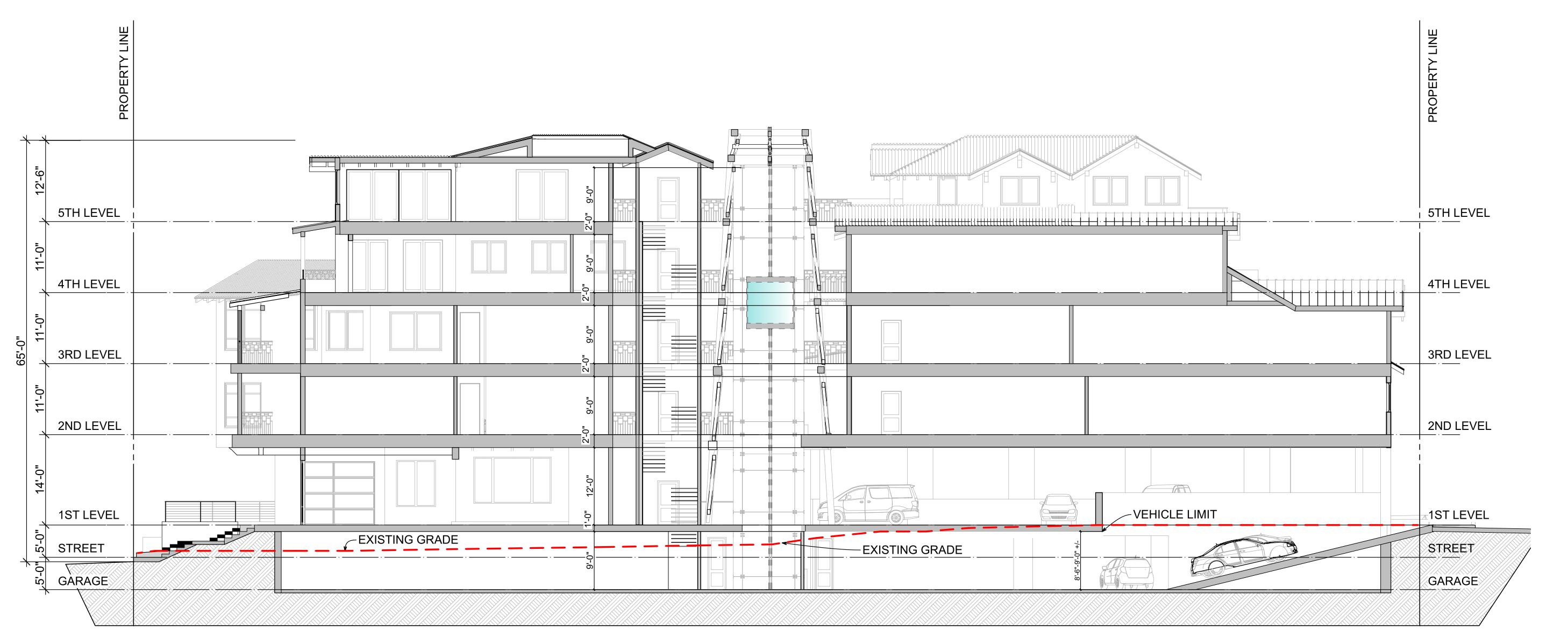
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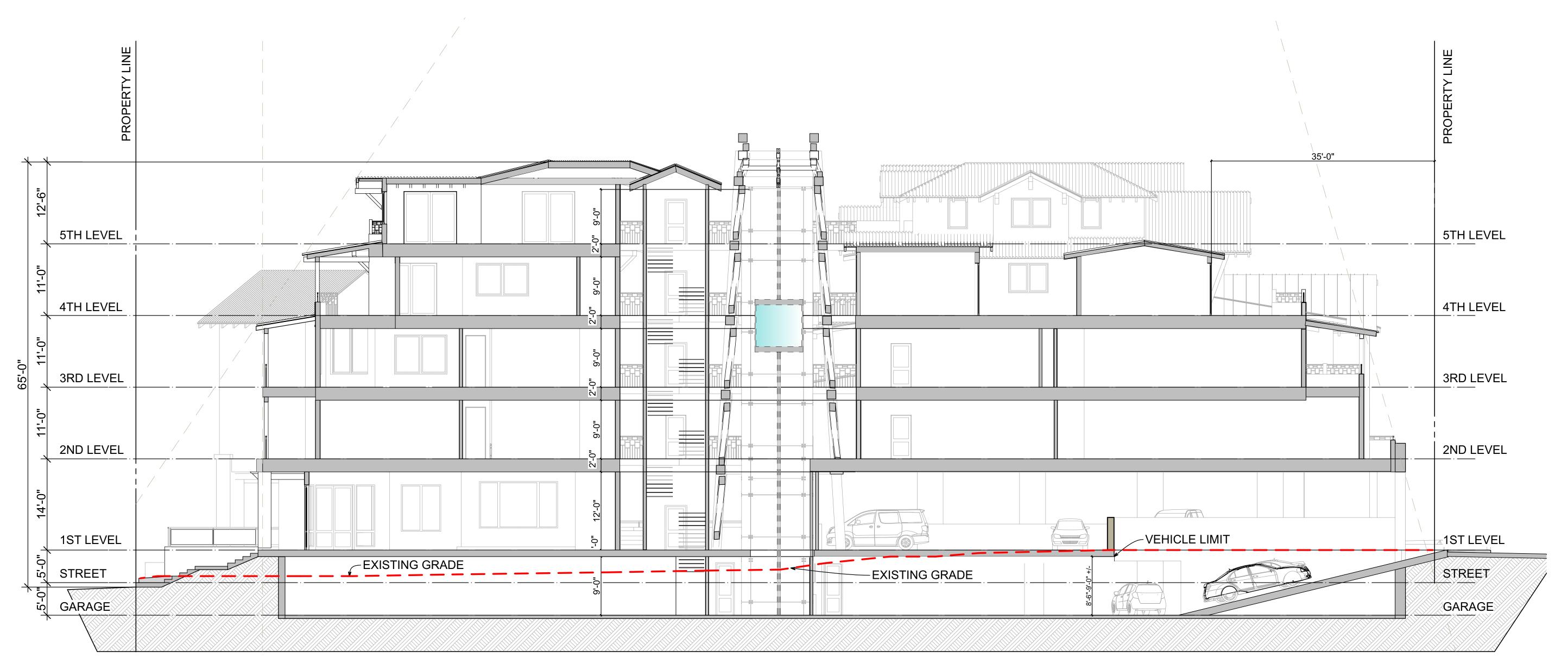








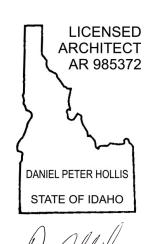
(NEW) BUILDING SECTION N/S WEST ENTRY THRU REAR RAMP



(OLD) BUILDING SECTION N/S WEST ENTRY THRU REAR RAMP



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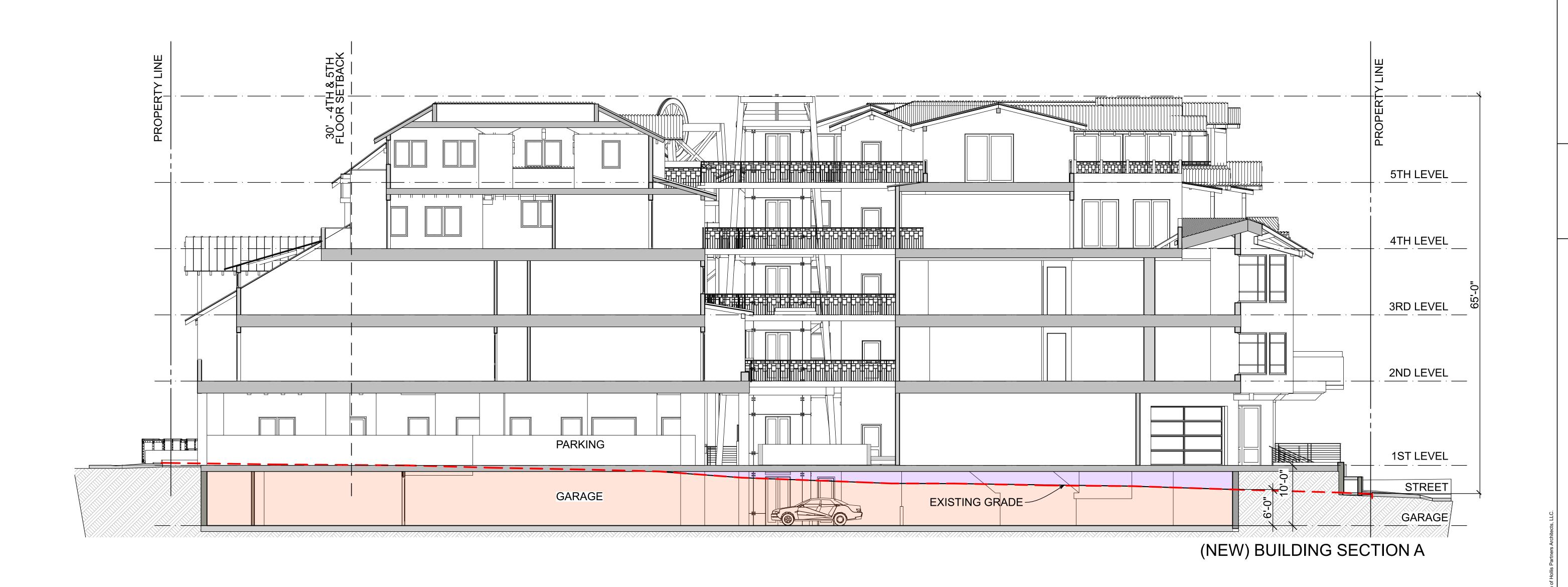
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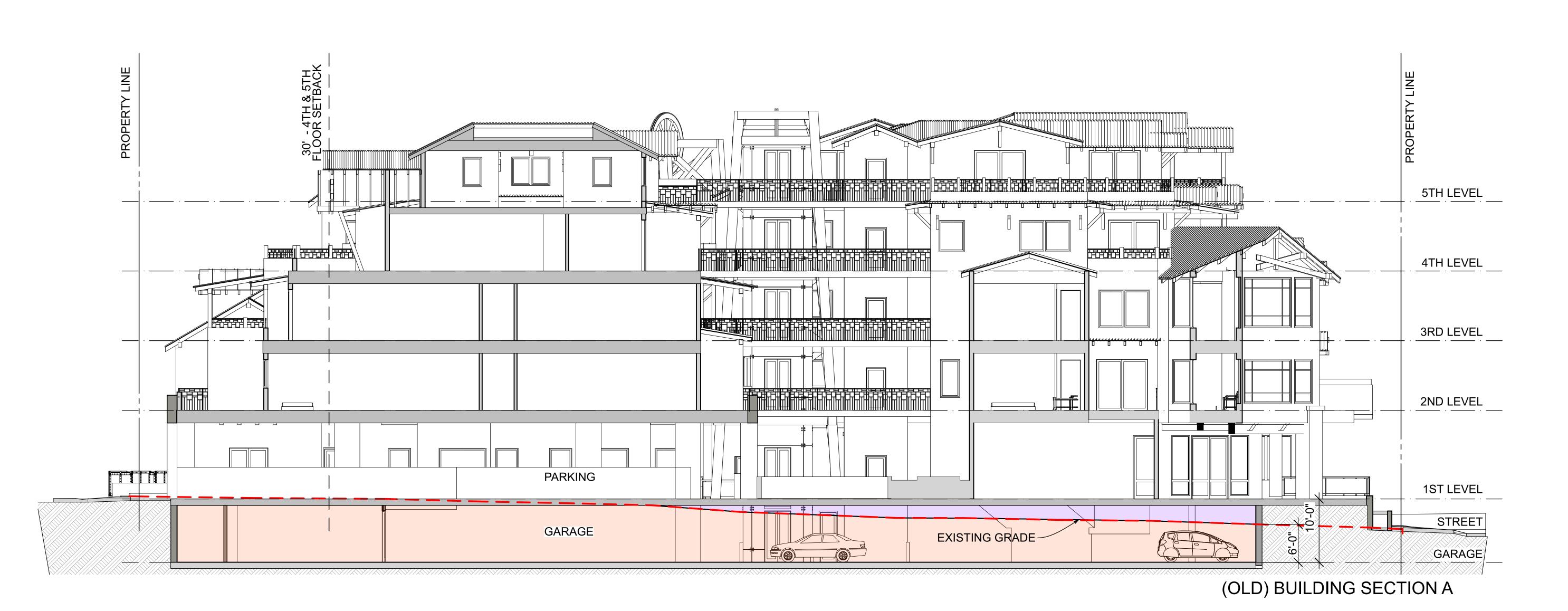
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BUILDING SECTIONS OLD & NEW

A-3.1C







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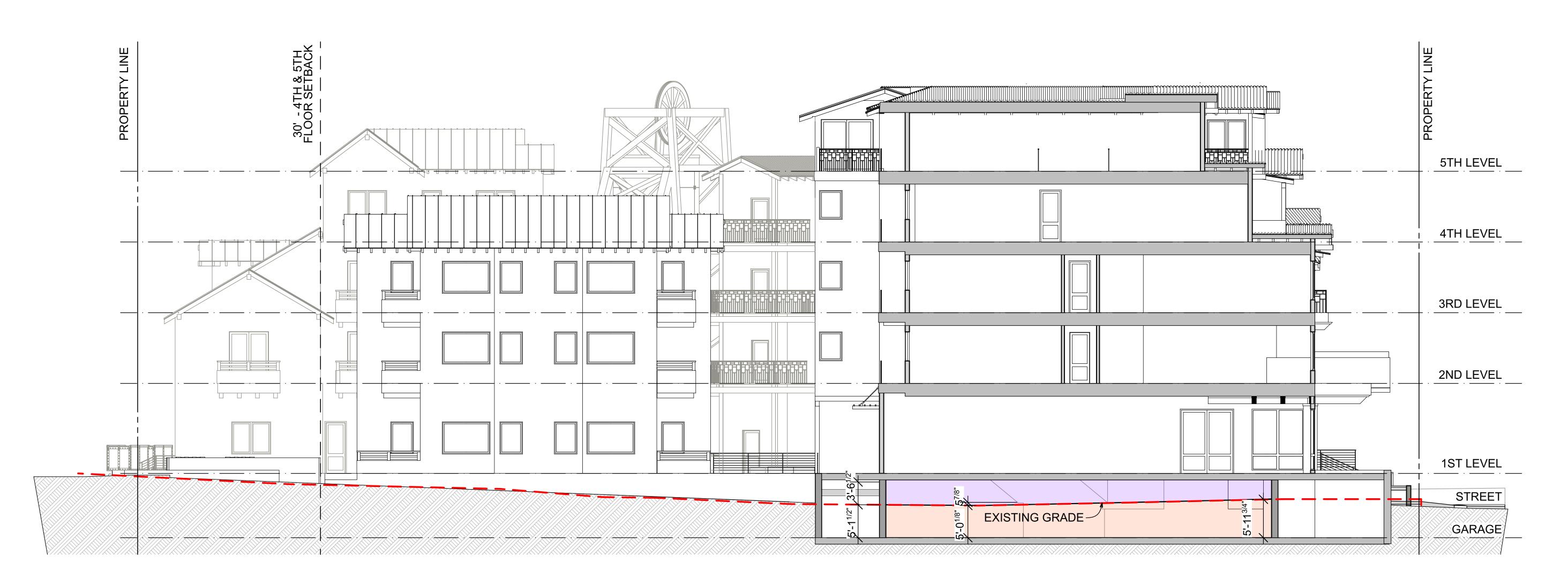
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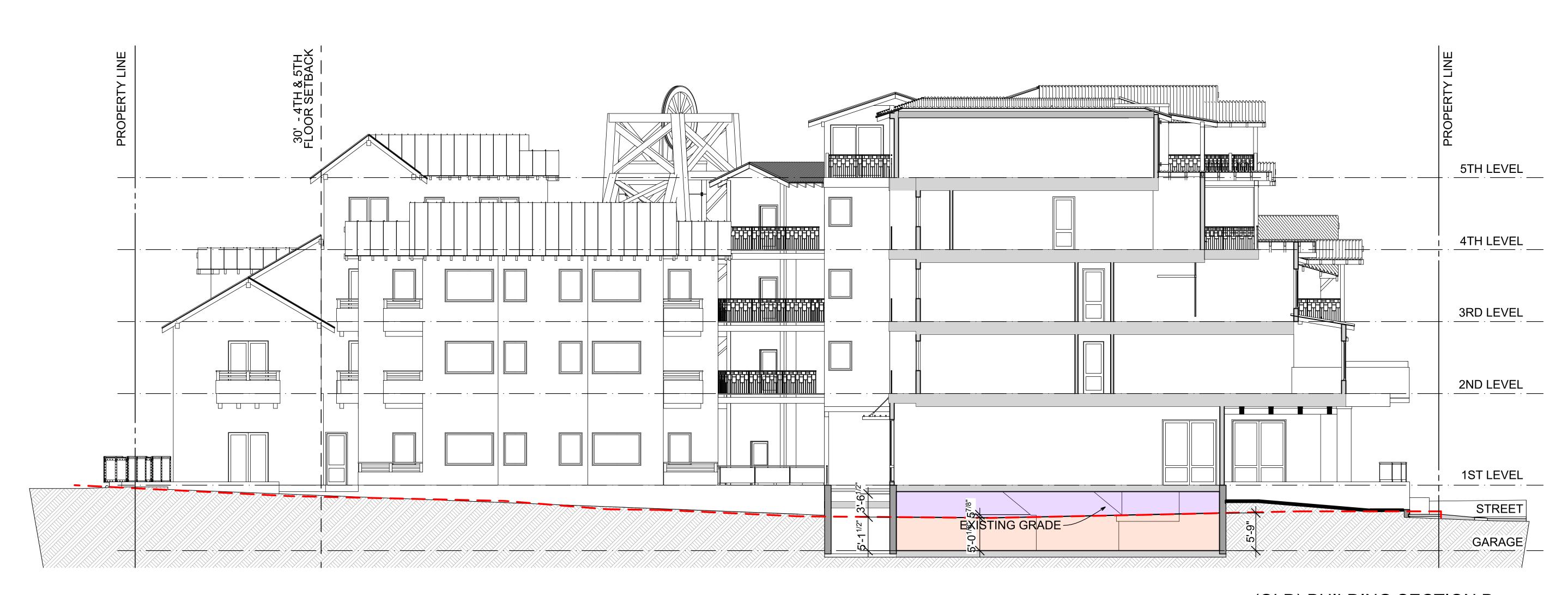
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SITE SECTIONS OLD & NEW

A-3.2B



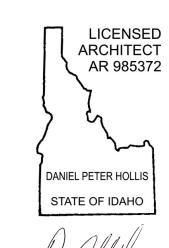
(NEW) BUILDING SECTION B



(OLD) BUILDING SECTION B



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SITE SECTIONS OLD & NEW

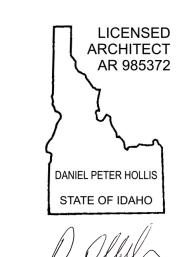
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LOT 100/106, PICABO ST. KETCHUM, IDAHO

A-3.3B

Attachment B4 WSBA Design Guidelines: Applicant's Narrative Response



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11th October 2024

City of Ketchum – Planners P.O Box 2315 480 East Ave. N. Ketchum, ID 83340

Dear City of Ketchum Planners,

This is HRA's statement on how the design concept/ project meets the Warm Springs Area Base Village design guidelines. The following response reacts to the document produced by the City of Ketchum in March 2008. III. Village Level Design Guidelines, IV. Site Design Guidelines and V. Building Design Guidelines.



View from "Scorpion run" on Baldy Mtn towards "Baldy Mtn House" project

The following are key design objectives for development In the Warm Springs Base Area Village. These objectives are based, in part, on information provided in the Warm Springs Base Area Village Framework Plan. They are intended to ensure that development will encourage vitality in the area while maintaining and enhancing the village's unique character and its connections with nature. All new projects within the village shall help to meet these objectives.

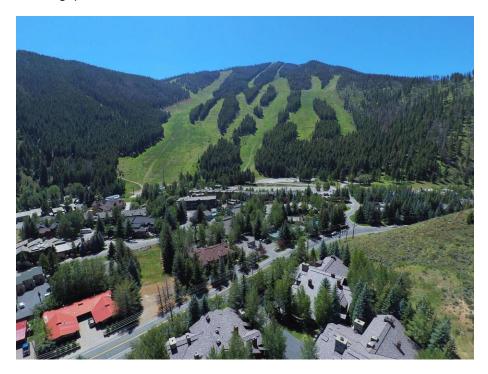
- 1. Promote a village character.
- 2. Provide a pedestrian-friendly environment.
- 3. Promote variety in the street level experience.
- 4. Provide an interconnected pedestrian circulation system.
- 5. Provide a mix of uses throughout the village.
- 6. Maintain a direct connection to the surrounding natural environment.
- 7. Maintain key public view corridors to the mountains and other natural features.
- 8. Minimize the perceived scale of large developments.

III. Village Level Design Guidelines

1.0 Public View Corridors

1.1 Maintain key views from public rights-of-way to significant natural features and landmarks.

The design concept of the Baldy Mountain House (BMH) project encompasses a number of elements to preserve and maintain views from the public ROW and spaces to Bald Mountain. Rather than one massive building design, the BMH design features several independent buildings (pods) to frame the existing view corridors through creative building mass, undulating floor plans and building step back (wedding cake design).



Aerial view towards Bald Mountain in Warm Springs.

2.0 Natural Features and Resources

2.1 Incorporate natural site features as amenities within open site areas.

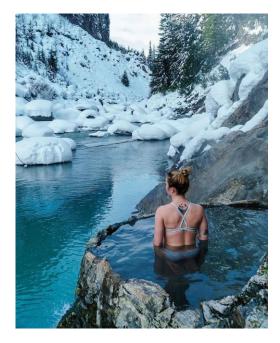
Within the open areas (which is approximately 14,500' sq. of site footprint) we propose to use vegetation, rock outcroppings and drainage ways. One of the main motifs of the design concept is based on our local mining history. In the North quadrant of the site we would like to incorporate a meandering drainage way, layered with natural rocks coming from the stair / elevator tower element designed to look like an old mining lift, located on the Picabo Street aspect.

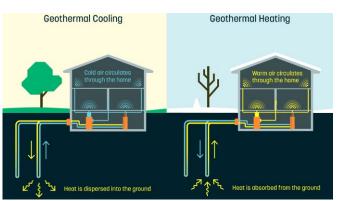
2.2 Design site drainage to blend with the natural landscape.

The existing topography of this site has gentle grade to the SE towards Warm Springs Creek. Also, this site is located in a floodplain area. One of our reasons for elevating the ground floor of the project will help mitigate any potential flood damage.

2.3 Utilize the area's geothermal resources.

The plan for the project is to attempt to locate geothermal resources which exist in the Warm Springs area for green/renewable purposes such as snowmelt, radiant heating and hot water systems. Geothermal resource, if possible, will be utilized for a heated pool on the roof at level two and/or street level. We have a proposed a heated pool on the roof at level five which will utilize the geothermal resource. The client group has obtained a drilling permit from the Idaho Department of Water Resources to drill to determine if geothermal resources are available under the property.





Images of Hot Spring & Cooling/Heating process

3.0 Topography

3.1 Design a building on a sloping site to reflect the natural topography.

As mentioned above there is a gentle slope from Howard Drive towards Picabo Street, with the Howard Drive curb existing at 30-34" above the SW corner of Picabo Street. Overall, the site is relatively flat compared to sites along Warm Springs Road.



Birds eye view looking at SW corner of project lot, gentle slope from Howard Drive to Picabo.

4.0 Trail and Walkway Systems

4.1 Provide connections to neighborhoods and regional pedestrian and bicycle ways.

One of the main objectives of this project is to return Warm Springs to the vibrant, robust village of the 1980's & 1990's. An active neighborhood project comprised of numerous and varied uses while encouraging easy pedestrian/skier access to the natural and manmade features of Bald Mountain. Within the site we propose a number of walkways, pedestrian paths and connectors from Howard Drive to Picabo Street. We will maintain the current pathway along Picabo Street to the north which will be a major circulation path for the project. From this pedestrian footpath you will be able to access our site at different locations through the use of stairs and ramps.

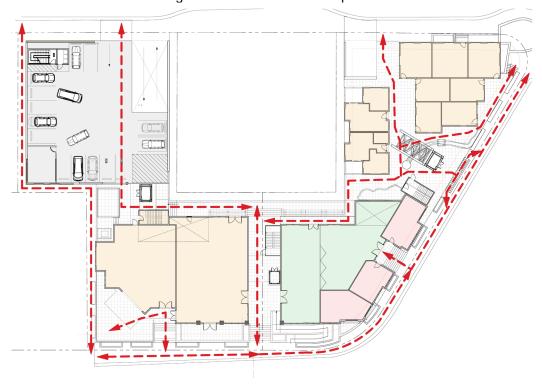


Diagram showing the interconnection from Picabo street thru to Howard street through the project.

4.2 Position a walkway to encourage pedestrian use.

As above.

4.3 Use paving materials that will encourage pedestrian use.

We propose concrete pavers within the site, with a high traction coefficient together with integrated snow melt system. The paver system will allow for utility runs below the walkway.



Pavers with radiant snowmelt system integrated.

5.0 Public Streetscape

5.1 Coordinate improvements within the public right-of-way.

The project incorporates city standard street furniture (seating, bike racks, etc.) to maintain a sense of continuity between streetscapes throughout the village.





Images of possible street furniture to incorporate into project.

5.2 Establish pedestrian friendly character within the streetscape.

Warm Springs Village is the original major access point for skiing, hiking and mountain biking on Bald Mountain and creates significant pedestrian/skier activity. Our project is intended to encourage pedestrian/skier activity through independent building pods to facilitate pedestrian use and create a

vibrant addition to the village. Through the use of decorative sidewalks, street furniture along Picabo Street, and clear way-finding, we will be able to achieve this goal. We propose Picabo Street is used primarily for skier drop-offs and pickups and provide significate on-site parking to alleviate parking congestion. Trees and landscaping will be proposed around the perimeter of the site to maintain clear site lines for safety as well as softening the building edges. Terraced planter beds are proposed along the sidewalks of the project along Picabo and Skiway.

5.3 Urban street edges

BMH will provide public amenity spaces within the building footprint undulating back from the setback lines and incorporating easy access to the site via stairs and ramps.

5.4 Landscaped street edges

The project shall incorporate landscaping around and within the site to enhance the experience of the user and the surrounding neighbors. Landscaping shall soften building edges and site lines. Safety shall be maintained by proper placement of trees along the edges of the property. Lower landscaped beds will be provided in the front and side setbacks of the project. In the final design, as per requests from the commission, a number of evergreen varietal trees will be placed accordingly along the street edges.



Project proposes to line the major streets (Howard & Picabo) with an assortment of deciduous trees. These will help create shade in the summer and then color to the project in the fall.

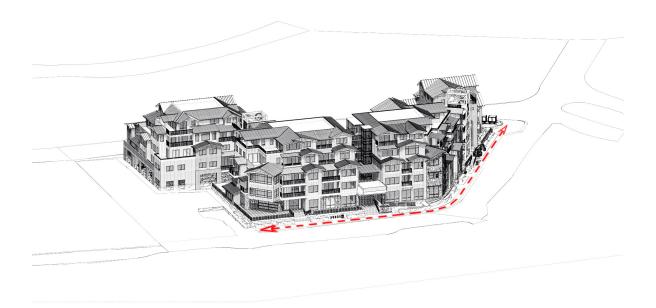
IV. Site Design Guidelines

6.0 Building Setbacks

6.1 Vary building facade alignment.

The building footprint undulates and breaks up along each of the street facades. Also, the building facade will step back as the building elevation gets higher to create a more pedestrian scale. The

image on page 15 of the WSBAV Design Guidelines document shows an image of the project site with a simulated building on it. The Guidelines simulated building is much denser and the BMH concept.



The primary building façade will maintain alignment with Picabo Street.

6.2 Maintain the alignment of primary building façades at the setback line.

Our concept design reflects the building setbacks set forth by the WSBA (City of Ketchum) ie, **5'** for side yard and street frontages and then **15'** for rear yard setbacks. The site is defined by Picabo Street, Howard Drive and Skiway Drive. Picabo Street curves into Skiway Drive at the midpoint of the site. As this is the major edge of the site, the building footprint follows this edge with the SW edge of the building stepping back to incorporate a large exterior patio. As the building goes to the north along Picabo Street, the design contains a **10'x15'** relief in the footprint to conform to the building maximum wall plane length of **60'** and adds additional undulation as the entrance elevation step-backs to create a more human/pedestrian scale and experience along Picabo Street and Skiway Drive.

6.3 Locate public amenity spaces and open areas to create active accent features within setbacks and where building mass steps back from a setback line.

The concept design incorporates public amenity spaces along Picabo Street where the building facade undulates. These public and open spaces contain active accent features such as street furniture, bike racks and planter beds. Instead of creating one large building mass on the ground floor, our design breaks up the building along Picabo Street and Skiway Drive to provide walkways/ramps and natural light / ventilation to enter the site and neighboring properties.

7.0 Corner and Through Lots

7.1 On a corner or through lot both street façades shall be treated as a primary building frontage.

This site includes a corner lot at the far south end of Picabo Street. Intersecting with Skiway Drive and Howard Drive. We show multiple entry points into the site. Several different commercial uses are located on the ground floor (restaurant / bar, conference / auditorium / event space, long-term "(9)

local housing units", retail, conference / zoom rooms and upper floor entry points). To access commercial spaces, the project has multiple access points into the site through walkways and ramps. Picabo /Skiway Street is the sole access to the Warm Springs Base Area. Picabo Street is one way, turning into Skiway Drive which turns into a two-way street as it meets Howard Drive at the NE property corner.

7.2 Special features that highlight prominent corners should be considered.

Towards the midpoint of the site on Picabo Street, we are proposing a historic mining tower element rises from the ground floor to create a major vertical circulation element for the project. The selection of a different material palette and color scheme, highlights the tower element as a focal point of the project. As the you move to the west along Skiway Drive, the project reveals a second tower element in the form of an old mining lift. This vertical lift element stands alone and connects to the upper floors by bridges and/or walkway connectors.





Image of an old mining lift, motif adopted within project concept.

8.0 Building Orientation

8.1 Orient a primary building façade to be parallel to the street.

The primary building facade runs parallel to Picabo Street and is separate from the stand alone building on the corner of Howard Drive and Skiway Drive. With Picabo Street merging into Skiway Drive, the design follows the curve of Picabo Street to Skiway Drive for part way and then creates a building setback on the corner of Skiway and Howard Drives.

8.2 Orient a primary entrance toward the street or a public plaza adjacent to the street.

On the SW corner of the site, we have a raised exterior patio which is accessed by steps and a ramp to the main entry point of the building. Stepping this space back off the property line 30-35' allows a space for the pedestrians/skiers to congregate on the exterior patio or enter the building.

9.0 Open Site Areas and Public Amenity Spaces

9.1 Design open site areas and public amenity spaces to achieve the following objectives:

- Create an active and interesting streetscape through the promotion of public gathering space.
- Maintain a well-defined street edge such that a public space is an accent within the streetscape.
- Permit views between buildings to public spaces or natural features.
- Be usable year-round.

In the late 1970's and 1980's, Warm Springs Village was après ski heaven with Creekside, Barsotti & Benz and Barsotti's. The arrival of quad ski lifts and Sun Valley Company shifting it's emphasis to River Run started the decline of Warm Springs. This project will invigorate Warm Springs Village, for locals and tourists, the main purpose of creation of the Warm Springs Overlay Zone. Our design concept has 14,450 sf of open space on the ground floor of the site. Within this area we are proposing a large landscaped exterior patio that faces the mountain. The ground floor will contain a restaurant/bar, conference/entertainment auditorium, commercial and amenity spaces. The building footprint has been recessed from the setback to allow for more site lines to the mountain from the neighboring properties. These areas will be usable all year round, as they will have snowmelt for the winter conditions and then shaded by landscape and umbrellas or retractable shades for the summer solar protection.



Diagram shows the roughly 15,000sf of open spaces in and around the ground floor footprint.

9.2 Plan for environmental conditions in the design and location of open site area and public amenity spaces.

The project's ground floor plate has around 25% of the overall area designated to open space and public thoroughfares in the form of walkways, patios, street furniture, landscaping (beds / trees) and building alcoves or recesses. The Warm Springs Base Lodge faces South & West up to the mountain. This project will take advantage of those views and draw people to the site with open patios and commercial uses.

9.3 Design a public amenity space to be pedestrian-friendly.

The outdoor spaces will be designed for year round use through the design of appropriate landscaping and shade devices. The project will include "local housing" for year-round housing. Site furnishings, public art and landscape features such as garden beds and water ways provide engaging outdoor spaces for use of locals and tourists. Programming within the building's conference/entertainment auditorium will draw people to and from the site throughout the peak winter/summer months as well as during slack months. With local housing as well as tourist housing, the site will be a 24-hour site, (i.e.) people will be active and onsite 24 hours a day creating a sense of community and belonging in Warm Springs Village.



Corner patio on the ground floor might have a similar look to this image

9.4 Design a street front amenity space to:

- Integrate into the design of both the site and the streetscape.
- Maintain an active, pedestrian-friendly street front.
- Be level with the sidewalk.
- Be open to the sky.
- Be paved or otherwise landscaped.
- Be directly accessible from the public right-of-way. Where a space does not directly abut the sidewalk, it should be clearly visible and accessible from the street front.

The project is open to the sky, paved and landscaped and directly accessible to the public right-of-way. The building is located in the flood plain. Therefore, we propose the buildings sit up out of the Flood plain 5' above these sidewalks to address groundwater and flooding issues. We propose to have multiple stair and ramp entry points into the site. The underground parking will be approximately 5' below sidewalk condition.

9.5 Design and locate a mid-block walkway to provide public access

The project will have three major passageways from Picabo Street, Skiway Drive and Howard Drive necessitated by the different uses within the project. Tourist housing, short-term housing, long-term local's housing, restaurant, auditorium, conference/meeting, parking and retail spaces on the ground floor shall have easy access to the site.

9.6 Establish a human scale in walkways.

Human scale is an an essential factor in the Warm Springs Overlay due to the significant amount of walking skier traffic to the Warm Springs Life Base Area. Human / pedestrian scale will be achieved by undulating the building footprint and stepping the building facade back (Wedding cake) as the building gets higher. Also, the use of building overhangs sporadically along the Picabo Street and Howard Drive on the first floor will allow the pedestrian a place of refuge in different weather conditions. Human comfort will also be achieved through the use of landscaping to soften the building edges.

9.7 Design an open site area to:

- · Coordinate with those on adjacent properties.
- Integrate natural site features.
- Permit views between buildings to public spaces or natural features.
- Maintain key public view corridors and solar access through a site.

The 4-plex on Howard Drive, contiguous to the west side of the site, was built after the Baldy Base Camp and Lift Haven Inn were existent and therefore this 4-plex never had direct views to Bald Mountain. Baldy Base Camp was demolished to make way for a hotel development creating current views. The new design concept maintains view corridors from the major roads and thoroughfares around the Warm Springs Village.

10.0 Landscaping

10.1 Landscapes should have the following characteristics:

- Enhance the street scene;
- Integrate a development with its setting;
- Utilize natural site features:
- Minimize the use of impervious surface treatments; and
- Avoid adverse impacts to key public view corridors.

The existing street landscape is very random. The BMH landscape team will create a landscape scheme that includes the above characteristics by lining the street edges with a mix of trees and landscape beds. A mix of deciduous and evergreen trees will give the project color, shade, soften the building edges with an ongoing seasonal evolution. See the next page showing proposed plant species.



The diagram shows proposed tree and water feature locations. Planter beds will also be prevalent throughout the project as well.

10.2 Landscape enhancements should integrate with pedestrian circulation routes and open spaces.

Tree clusters and planter beds will be used as a wayfinding device for entry points into the development.





Open spaces between the buildings could take a similar look to these images.

10.3 Use water-conserving, native and indigenous plant species to the extent feasible.

Careful consideration of using plant and tree species that help with water conservation are pertinent for this size of project.

10.4 Incorporate landscape buffers and open areas between adjacent properties.

Landscape buffers are proposed for the adjacent properties on the west and north boundaries. The Swedish Aspen, which is a deciduous varietal that grows tall and thin, could be a favorable buffer.

10.5 Maintain a sense of open space between sites when fencing is used.

At this point of the design concept we are not planning on adding any additional fencing along the adjacent properties as there are existing transparent fences similar to what the guidelines state.



Deschampia ("Northern Lights")



Calamagrostic Acutiflora "Karl Forester") Perovskia Atriplicolia ("Russian Sage")



Helictorichon ("Blue Oat Grass")



Matteuccia Struthiopteris ("Ostrich Fern")



Variegated Hosta



Fesctanca ("Elijah Blue")



Parthenocissus ("Virginia Creeper")



Ashley Spirea ("Little Princess")



Populas Tremulus Erecta ("Swedish aspen")

Abies lasiocarpa Evergreen Tree, Sub Alpine fir (sim) <mark>Added</mark>





Malus ("Crabapple Tree")

11.0 Lighting

11.1 Minimize the visual impacts of lighting.

All proposed lighting will be "Dark Sky" compliant. We understand a large project may have a major impact on surrounding neighbors. All street lights will conform the city of Ketchum standards. Lighting in and around the building will be on timers and major entries will be by motion. The upper floor private outdoor decks will have time restrictions placed on use.

11.2 Provide lighting that creates safety and security without excessive glare or visual impact.

With proposed development being elevated above street level, we are proposing on using step or side wall lighting to highlight major walkways and pathways through and around the site. A series of bollard lights will line interior pathways and planter beds. Our lighting engineers will provide a photometric survey of all the lighting specified for the site that will minimize unwanted light spread (pollution). It is necessary to create a safe and secure environment for all user groups of the development after hours.





Example of proposed step/wall lights.

12.0 Snow Shedding and Storage

12.1 Minimize the impacts of snow storage and shedding on adjacent properties, pedestrian plazas and circulation paths.

Roof design will shed most snow onto lower decks above the first floor. Snow retention bars will be used throughout the project to prevent snow shedding onto walk way or public area.



Example of snow retention bars proposed for upper roof system.

12.2 Locate snow storage so that it does not impact key public views.

All hardscape will have snowmelt capabilities. We are exploring whether there is usable natural geothermal resource under the site for use in the project, All boiler flues will be concealed in chimneys that exit the upper roofs. This will assist in the covering unsightly boiler flues that exit the sides of buildings.





Example of the snowmelt tubing under pavers or in concrete slabs.

13.0 Driveways and Surface Parking

13.1 Minimize the visual impacts of a parking area.

The concept design shows that we are parking underground and enclosed on the ground floor. Parking will be accessed from Howard Drive to help reduce impacts on the busy one-way Picabo Street. Currently we show 63 parking spaces on the below grade parking area as well as 14 additional on the ground floor as well as additional spaces for motorbikes and bicycles. A total of 77 parking spaces onsite as well upgraded curb-gutter and street parking. Residents in this project will have outdoor toys (kayaks, bikes, etc.) and we are planning for additional storage accordingly.

13.2 Minimize interruptions in the streetscape.

The project has two curb cuts that are within the allowed 35% of street frontage on the Howard Drive facade. We have located the access point into the garage as far away from the Skiway Drive and Howard Drive intersection to limit interaction with vehicles and pedestrians for safety reasons. The driveway material will be concrete to the street. Brushed finish.

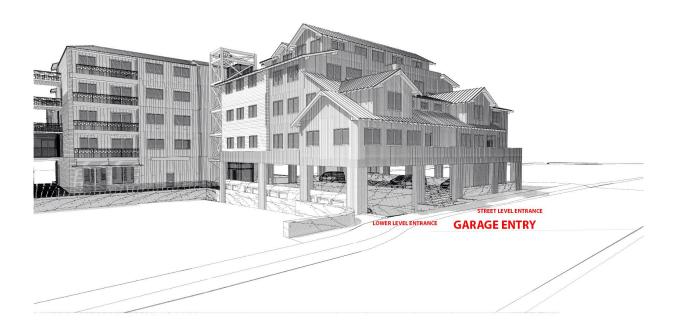
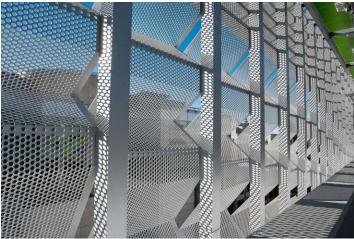


Image above shows the two access and egress points for car traffic for the project on/from Howard Street.

13.3 Set back and screen parking areas from sensitive open space areas.

The upper parking level will be screened, but still allow natural light into the area, as shown below, to not require the use artificial lighting during the day.



Example of screening material of ground level parking garage.

13.4 In sloped areas consider terracing parking areas.

Not applicable, as site is flat.

13.5 Provide access to alternative transit modes for projects with large parking and traffic demands.

As stipulated in chapter 17.100 WSBA Overlay district guidelines, the project will have a Transit Demand Management (TDM) plan which will demonstrate that all alternative strategies will offset the demand for parking reduction. Bicycle amenities such as bike racks & bike lockers will be incorporated into the design.





Proposed Bike Rack alternatives

14.0 Structured Parking

14.1 Minimize the visual impacts of a parking structure.

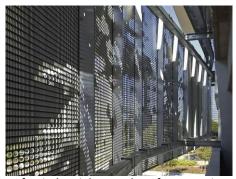
See Section 13 response above.

14.2 Provide an active and pedestrian-friendly street front.

See Section 13 response above.

14.3 Minimize negative impacts of parking structure access to the character of the streetscape.

See Section 13 response above.



Potential perforated metal screening of garage at ground level.

15. Service Areas

15.1 Screen a service area from view of a pedestrian route, public way or adjacent property.

All utility and service areas will be screened or placed below grade where possible.

15.2 Locate a service area internally to the site.

We will work closely with MEP Engineers, local gas and electrical companies and waste management provider to locate all service activities within building footprint. Where needed there will be use of such screening devices as called out above.

15.3 Service areas should be appropriately scaled for the size of the development.

Similar response above 15.2.

V. Building Design Guidelines

16.0 Building Height

16.1 Provide variety in building heights across all façades.

The the 3D model images, demonstrate the varying building heights as well as building mass. The tower element at the main entry point off of Skiway Drive will serve as landmark for the site as well as the old mining lift surround one of the other stair/elevator components.

16.2 Step down building facade height and scale toward setbacks.

The 3D model images, show a "wedding cake" structure. The "wedding cake" design approach was promoted in Ketchum in the 1990's from recommendations by consultants Norie Winter and Tom Hudson. This helps break down the building mass as well as allowing light, air and views for all the structures and open areas of the project. The building elements along Picabo Street will also have awnings and decks above to break up the facade to create spaces of refuge and convey human scale for the pedestrian.



SE elevation along Picabo Street showing building step backs



East Elevation along Skiway Drive showing building step back

16.3 Locate taller portions of a building:

The highest part of the project is the tower element mentioned above @ 65' above grade. It is setback from Picabo Street by 30-35. It is recessed into the building footprint away from corners. The recess and tower will be the major way-finder into the entry of the project.



16.4 Maintain the distinction between the street level and upper floors.

This will be done with fenestration and material choice. The concepts are showing stone and storefront type windows. Proposed 13' floor to floor height for ground floor and then 11' floor to floor on the upper levels.

17.0 Building Mass and Scale

17.1 Design building massing to support green building strategies.

It is every project's desire to design a building that optimizes energy efficiency. The project faces predominately West and South. The "wedding cake" design of the facades provides natural solar gain to outside spaces located on the upper floors.

17.2 Arrange building masses to provide weather protection.

The predominant winds at this particular site are from the west in the morning and then reversed from the east in the afternoons. The building layout limits any negative effects caused by potential wind tunnels. The street facade along Picabo Street utilizes awnings for points of refuge for winter or warm summer solar access. We are hopeful all pedestrian areas will have snowmelt capabilities to tap into the natural geothermal resource found on this site.

17.3 Articulate a building's mass to create visual interest, reflect human scale and reduce the overall perceived mass.

The building mass undulates in both plan and elevation. The use of awnings along the street, together with possible street level or roof top hot tub and landscape elements, create a more pedestrian / human scale to the project. This building design avoids the single mass hulking as seen in the Limelight and other proposed new buildings on Main Street. Building materials and roof lines will also help with visual interest. We are proposing a mixture of common gabled roof shapes as well as flat roof areas for open decks, mechanical and entertainment areas like the roof top pool and hot tub.



Awnings located along Picabo street will create places of refuge from different weather conditions as well as human scale for the pedestrian.

17.4 Design building massing to have a horizontal emphasis with vertical accents.

The first three floors of the project accounts for around 65,000 sf of the overall project total. The 'wedding cake' massing prevents significant mass on the upper floors.

18.0 Facade Character

18.1 Articulate a building façade to minimize the perceived scale of the overall mass.

As the design progresses from the ground floor, the building facade will be designed to minimize perception of overall building scale and mass. Building materials and color will be detailed to break up the form visually. Decks and patios protruding from the building on upper levels do the same. Window fenestration will assist in breaking up the form. The design concept shows the mass undulating above the ground floor, such undulation results in more costly construction, but breaks up the building mass.

18.2 Incorporate material detailing to create a sense of human scale.

Human scale on all floors is a significant aspect of a large project. Upper floor deck and patio elements like handrails and window trim details provide human scale to the user. The roof fascia will have multiple layers of finish so the mass of the roof will seem smaller. Soffit finish will be timber siding (1x6) instead of large panels. Variations in materials like natural stone (Basalt), wood siding (Montana Timber product) and glazing will be used as well.

18.3 Provide a pedestrian-friendly character on a street level building façade where it fronts a street or pedestrian circulation route.

The combination of storefront windows and display windows for the restaurant and retails components will be employed. The use of awnings at street level will also assist in providing human scale at the street level. As mentioned previously, the project needs to have a strong landscape presence at the ground level to soften the building edges. The integration of planter boxes along street facades will provide a pedestrian friendly aspect to the project.

18.4 Locate a primary entrance to be clearly visible and accessible from the street.

The main pedestrian entrances are located off of Picabo Street and Skiway Drive. Vehicle access will be from Howard Drive. A restaurant patio will be located on the south west corner of the site. The main building access is highlighted by a cantilevered pool on the 2nd floor. This covered area combined with the tower element of the stair and elevator core this will clearly designate the entry point.

19.0 Roofscape Design

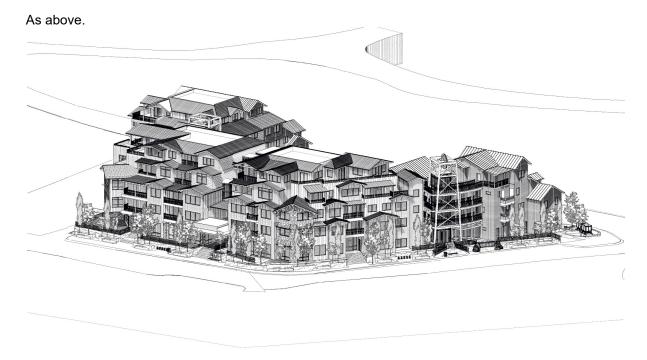
19.1 Design a roofscape with the same attention as the secondary elevations of the building.

The roofscape is a combination of gabled roofs, common to cold weather locations; shed roofs to open up to the extensive views and flat roof areas used for upper roof decks/patios and mechanical areas. There will be an opportunity for great southern solar access for potential solar collectors across the project. Sloped roof finish has not been established yet but will be in the realm of a class A shingle or standing seam finish. Flat areas will be a pedestal paver system or ballast. A combination of mansard style roofs will help hide the roof top mechanical areas as well.

19.2 Minimize the use of flat roofs.

The use of flat roof areas will break up building mass. For the most part, flat roofs are for decks/patios or mechanical areas necessary for all large projects. The 3D model images shows a roof system that is not monolithic.

19.3 Provide a variety of roof planes.



3D Concept model shows a variety of roof planes, roof decks and patios

19.4 On larger roofs use dormers to help break up the mass and provide a sense of scale.

On the upper floors, dormers are being used for shade and refuge areas for the users. See the 3D images.

19.5 Design roof slopes, overhangs and setbacks to minimize impacts of snow shedding.

For the most part, roofs will shed snow onto to upper decks and where we needed snow retention bars will be specified for safety. All decks/patios on the ground and upper floor will have snowmelt capabilities.

20.0 Building Materials

20.1 Building materials should have the following features:

- · Reduce the perceived scale of the building;
- Enhance the visual interest of the façade;
- Be predominantly natural materials, such as wood and stone;
- Be of high quality and have proven durability and weathering characteristics within the local climate; and
- Facilitate low levels of energy use for the building.

We are considering several building materials: natural stone (Basalt), timber siding, Stonewood products (which gives the impression of real wood without the extensive maintenance) and some areas of stucco. All of these products can be seen in the Warm Springs Village area.

20.2 Use sustainable materials to the maximum extent feasible.

Potential Material list:

Stonewood is a phenolic resin product, recycled plastic with a wood veneer on the outside that is impregnated with a UV coat. Scratch resistant, this material does not need constant maintenance like real wood.

Montana Timber products have been kiln dried and last up to 15 years without any maintenance. A variety of colors and finishes of the timber old style look for the project.

Natural Stone (Basalt) is mined in the Snake River area and known to be durable and long lasting.

20.3 Applications of materials should support sustainable building systems and functionality.

The products mentioned above can all be applied through the use of a rainscreen detail, which allows the building to breathe and mitigate any mold potential. Natural Stone products have the characteristic of enabling walls to have thermal mass storage. The project will have an energy consultant on board throughout design and construction schedule. This consultant will facilitate all necessary specifications for a sustainable and energy efficient project.

20.4 Use building materials that help establish a human scale.

The careful integration and detailing of materials will define human scale. Scale, texture and color will create a visually sensitive project. The materials and proposed finishes on the ground floor will facilitate a human scale to pedestrians/skiers. On the upper floors, we might propose using a panelized look in limited areas.

20.5 Use building materials which convey a sense of belonging in the village's natural setting.

The building products mentioned above are all present in the Warm Springs Village except for Stonewood. Stonewood is found on most larger scale projects like The Onyx, The Lofts @ 660, The Advocates phase 1 & 2 and the Mrytle mixed use project in Hailey.

All materials are consistent with the local fabric in terms of colors, directions of finish and massing.

We hope this answers any questions you have about the concept design and how we have used the WSBA design guidelines to influence the proposed project. Please let us know if you have additional questions and we can answer them during the design review meeting.

Thank you.

Sincerely,

Daniel Hollis, Principal

Duellell

Attachment B5 Draft Condominium Declaration

[logo]

CONDOMINIUM DECLARATION

FOR

BALDY MOUNTAIN HOUSE

100-106 Picabo Street Ketchum, Idaho 83840

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EXHIBITS

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Exhibit G -	Description of Limited Common Areas
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CONDOMINIUM DECLARATION

FOR

BALDY MOUNTAIN HOUSE

This Condominium Declaration for Baldy Mountain House (this "**Declaration**") is made effective as of the date that this Declaration is recorded in the real property records of Blaine County, Idaho (the "**Effective Date**"), by Baldy Mountain House, LLC, an Idaho limited liability company ("**Declarant**").

ARTICLE 1 RECITALS

- 1.1 The Declarant; the Real Property. Declarant is the Owner of certain real property commonly known as 100 and 106 Picabo Street within the City of Ketchum, Blaine County, Idaho ("Property"), legally described in Exhibit "A" hereto, and more particularly as shown on the final plat for Baldy Mountain House, a copy of which is attached hereto as Exhibit "B" ("Plat").
- <u>Marm Springs Base Area Overlay District</u>. The Property is located in the Warm Springs Village at the base of Bald Mountain Ski Resort within the City of Ketchum Tourist Zone and the Warm Springs Base Area Overlay District (WSOD"). The WSOD was adopted in 2008 to revive and reinvigorate Warm Springs Village as a viable commercial area at the base of a world class ski mountain. The Baldy Mountain House is the first project to come before the City of Ketchum under the WSOD. Pursuant to the purposes of the WSOD, the Baldy Mountain House addresses the needs of condominium owners, tourists, remote workers and locals seeking a base facility across the street from the Sun Valley Company Warm Springs Lodge and the Challenger and Squirrel ski lifts. The Baldy Mountain House Condominium Hotel concept will encourage social and après ski interaction, foster a sense of community and provide residential living coupled with a place for food, fun and merriment while addressing the urgent hospitality and housing needs in Warm Springs Village while also creating a reliable investment opportunity.
- 1.2 <u>Mixed Use</u>. Declarant intends to develop the Property as a mixed-use condominium hotel development including residential, hospitality, commercial and parking uses, in accordance with this Declaration, the Plat, the Governing Documents and the development approvals now or hereinafter obtained from the City of Ketchum and other governing authorities.
- 1.3 Purpose. Declarant, as the developer of the Baldy Mountain House has created this declaration to provide a governance structure and a flexible system of standards and procedures for the overall development, administration, operation, maintenance and presentation of the Baldy Mountain House to be operated as a condominium-hotel for the benefit of, the owners, the owner's guests, other third party hospitality guests, and the general public. The purpose of this Declaration is to provide for condominium ownership of the Project pursuant to the 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 rules, regulations, restrictions, covenants, limitations, easements, conditions, and equitable servitudes that apply to and are unique to the Project and condominium ownership.

ARTICLE 2 DECLARATION

Declarant hereby declares the Property, together with all buildings, structures, improvements and Common Area, and every Unit and portion thereof is and will be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied, and improved in accordance with this Declaration, 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; (b) to protect, enhance, and preserve the value, amenities, desirability and attractiveness of the Project; and (c) to ensure a well-integrated, high quality mixed use condominium hotel development. This Declaration will run with the Property and each and every Unit and every interest therein or pertaining thereto, and shall be mutual and equitable, servitudes, burdening and benefiting Declarant its successors and assigns and any Owner, occupant, or other person, including their assigns, tenants, subtenants, heirs, executors, personal representatives, devisees and successors acquiring, leasing, subleasing or owning an interest in the Property and the improvements comprising the Project and Units.. Each Owner of any Unit shall by acceptance of a deed or other conveyance of any Unit, be conclusively deemed to have consented to and agreed to each and all of the protective covenants, conditions, restrictions, rules, regulations and hospitality procedures, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Project and be binding on all parties having or accruing any right, title and interest in a Unit, or any part thereof, and their heirs, successors, and assigns, and to observe, perform and be bound by each and all of said covenants, conditions, restrictions, rules, regulations and hospitality procedures.

ARTICLE 3 ADDITIONAL DEFINITIONS

In addition to other defined terms in this Declaration and the exhibits attached hereto, the following terms will have the indicated meanings.

- 3.1 "**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.
- 3.2 "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 in accordance with the provisions thereof; provided, however, in order to be effective, the amendment must reference this Declaration, as amended, and be recorded in the real property records of Blaine County, Idaho.
- 3.3 "Assessments" mean the Regular Assessments, Commercial Assessments, Special 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.
- 3.4 "Association" means the Baldy Mountain House Owners' Association, Inc., an Idaho nonprofit corporation.
- 3.5 "Association Rules and Regulations" or commonly referred to herein as the Rules and Regulations means the rules and regulations relating to the Project that Declarant or the Board may adopt, amend or repeal from time to time, relating to the operation, possession, use and enjoyment of the project, as more particularly described in <u>Section 8.16.3</u> hereof.
- 3.6 "Baldy Mountain House Condominiums" means the Project as defined herein and commonly referred to herein as "the Baldy Mountain House.

- 3.7 **"Bike Storage Space"** means each of those bike storage areas, identified with signage, and located in the Bike Storage Area identified on the Plat.
- 3.8 "Board" "Board", "Board of Directors" or "Directors", means the governing board of the association, appointed or elected in accordance with this Declaration, the Articles and Bylaws.
- 3.9 "**By-laws**" mean the By-laws of the Association, as the same maybe amended from time to time in accordance with the provisions thereof.
- 3.10 "Commercial Assessments" means a limited assessment by the Association to provide for the payment of all estimated expenses growing out of or connected solely to the Commercial Units.
- 3.11 "Commercial Owner" means any person or entity, including Declarant, at any time owning a Commercial Unit. The term "Commercial Owner" will not refer to any Mortgagee, as herein defined unless such Mortgagee has acquired title pursuant to foreclosure or any other proceeding in lieu of foreclosure.
- 3.12 "Commercial Unit or Commercial Units" means each of or collectively individually-owned condominiums units designated on the condominium plat as commercial units each of which will be occupied and used by unit owner and occupants for office, retail, restaurant, spa, employee housing and general hotel operation purposes only or such other uses permitted by applicable zoning ordinances and not otherwise prohibited by this Declaration or the governing documents without limiting the foregoing, the particular or use for any particular commercial unit may be expanded or restricted pursuant to the Declarant's reserved rights in Article 18, or duly adopted resolution of the Board from time to time.
- 3.13 "Common Area" means the entire Project except all commercial units, residential units and local housing units as designated on the Plat or provided herein. Without limiting the generality of the foregoing, the Common Area shall include (i) the driveway and parking areas, the land, courtyards, lobbies and corridors; (ii) all appurtenances; (iii) all pipes, ducts, flues, chutes, heating and cooling systems, conduits, wires and other utility installations; (iv) all hallways, lobbies, elevators and other corridors; (v) any public restrooms, and (vi) such components parts of walls, floors, ceilings, columns, roofs and other structures and installations that are outside of the Unit boundaries as delineated or described herein or on the Plat. Common Area shall further include the (a) 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 the area on the Plat, by granting or reserving it in a deed or other instrument, or by designating it as Common Area in this Declaration. In addition, the Association may acquire any Common Area that the Association deems necessary or beneficial to the Project. Each Owner shall own an undivided interest in the Common Area as a tenant in common with all the other Owners of the Property in proportions provided in Exhibit "D" hereto, and except as otherwise limited in this Declaration, shall have the right to use the Common Area for all purposes incident to the use and occupancy of such Owner's Unit, which right shall be appurtenant to the Unit.
- 3.14 **"Community Expenses"** means those expenses subject to regular assessment by the Association defined in Section 9.2 of this Declaration
- 3.15 "Community Wide Standard" means the standard of quality of the Project, including the quality of FF&E, the level of maintenance, the conduct or other activity generally prevailing throughout the Project, which at a minimum shall be the standard required to operate the Baldy Mountain House in a condition and at a level of quality no less than that which existed at the time the Project initially completed (ordinary wear

and tear excepted). Such standard shall be initially established by Declarant, and is more specifically defined by the Governing Documents.

- 3.16 "Condominium Act" means the Condominium Property Act of the State of Idaho, Idaho Code Section 55-1501 *et seq.*, as it may be amended from time to time.
- 3.17 "Condominium Plat" shall mean the map or plat of survey of the Baldy Mountain House Condominiums recorded in the official records of the office of the Recorder of Blaine County, Idaho contemporaneously with the recordation of this Declaration, consisting of a map or plat of survey of the Property, showing the legal description thereof, the location of the buildings with respect to the boundaries of the Property, together with diagrammatic floor plans of the building showing the boundaries of each Unit with in the respective buildings, including horizontal and vertical locations and dimensions of all boundaries of each Unit, Unit numbers identifying the Units, the general Common Area, and limited Common Area, together with such other information as may be included in the discretion of Declarant.
- 3.18 "Declaration" shall mean the condominium Declaration for the Baldy Mountain Houses.
- 3.19 "Declarant" shall mean Baldy Mountain House, LLC an Idaho Limited Liability Company, its successors or assigns including any person or entity acquiring all but not less than all of the interest of Declarant in the Property whether by purchase; pursuant to foreclose proceedings; transfer or otherwise, and its functions in the role of Declarant as contemplated by this Declaration.
- **3.20** "FF&E" means furniture, fixtures, equipment and décor, including without limitation all free-standing lamps, artwork, draperies, but excluding without limitation all decorative lighting, hardware, housewares, linens and finished materials, including without limitation countertops, tile, flooring, attached to the building, as well as appliances, and heating and plumbing fixtures.
- 3.21 "Financing Programs" means any financing programs offered or supported by the Federal Housing Finance Agency ("FHFA"), Federal National Mortgage Association ("FNMA" or "Fannie Mae"), the Federal Home Loan Mortgage Corp ("FMCC" or "Freddie Mac"), the Government National Mortgage Association ("GNMA" or "Ginnie Mae"), the Federal Housing Administration ("FHA"), the Veterans Administration ("VA"), Idaho Housing and Finance Association ("IHFA") or any similar federal, state or local governmental or quasi-governmental program.
- 3.22 "Financing Rider" means the document attached hereto as Exhibit F.
- 3.23 "Governing Documents" shall mean the Articles, the Bylaws, this Declaration, the Plat and the Rules and Regulations as the aforementioned documents may be amended or supplemented from time to time, as well as any minutes and resolutions of the Board or the Association duly adopted pursuant to the Bylaws.
- 3.24 "Limited Assessment" means a charge against a particular Owner for an expense directly attributable to the Owner, equal to the cost incurred or estimated to be incurred by the Association in connection with corrective action or maintenance, repair, replacement and operation activities performed pursuant to the provisions of this Declaration, including damage to or maintenance, repair, replacement and operation activities performed for any Common Area or the failure of an Owner to keep the Owner's Condominium in proper repair, and including interest thereon as provided in this Declaration or for any goods or services provided by the Association benefiting less than all Owners, as more particularly described in Section 9.6 herein.

- 3.25 "Limited Common Area" means those portions of the Common Area designated on the Plat as Association Limited Common Area, Commercial Limited Common Area, Residential Limited Common Area and Parking Limited Common Area for use of an Owner or Owners to the exclusion, limitation, or restriction of other Owners, including, but not limited to, those items identified on Exhibit_G. Limited Common Area may be established from time to time by Declarant or the Association on any portion of the Project by describing the area on the Plat, by granting or reserving it in a deed or other document or instrument, or by designating it as Limited Common Area in this Declaration. The term Common Area as used in this Declaration will include Limited Common Area.
- (1) "The Association Limited Common Area" means those Limited Common Areas for the exclusive use of the Association as shown on the Plat, which Association Limited Common Areas may be leased, licensed or otherwise allowed to be used by the Management Company to further the provision of services to the Owners or guests to maintain the Community-Wide Standard or by an individual Owner(s) all in the discretion of the Board and subject to any limitations duly adopted by the Board.
- (2) "Commercial Limited Common Area" means those Limited Common Areas for the exclusive use of the Owners and Occupants of that Unit(s) designated as Commercial Unit(s) as shown on the Plat, designated by the Association, or as may be described herein.
- (3) "Residential Limited Common Area" means those Limited Common Areas for the exclusive use of the Residential Unit(s), as may be described herein and as shown on the Condominium Plat.
- (4) "Parking Limited Common Area" means those Limited Common Areas reserved for the exclusive use of the Declarant pursuant to Article 18 thereof, which Limited Common Area Parking may be licensed by the Declarant to the Association or to one or more, but not all, of the Owners pursuant to written license agreements between Declarant and such Owner(s).
- 3.26 "Management Agreement" means any agreement and all amendments thereto entered into by Declarant or 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.
- 3.27 "Management Company" means means any individual or company with which the Declarant or the Association contracts or assigns any or all of its rights, duties or obligations for the more efficient management of the Project or the affairs of the Association. The Managing Company may also be called the "Property Manager, " Manager, or the "Management Agent", The Management Company may be an affiliate of the Declarant
- 3.28 "Material Amendment" means any amendment that adds, deletes or materially modifies any of the following provisions of this Declaration (provided, however, a Material Amendment does not include any amendment that is reasonably necessary, in the reasonable opinion of the Association, to comply with Applicable Law):
 - (1) assessment basis (except as required by Idaho Code § 55-1505(1)(c) or its successor, which amendment may be done by the Board);
 - (2) assessment liens (except as may be reasonably necessary or convenient to comply with Applicable Law for the creation, filing and enforcement of assessment liens);
 - (3) any method of imposing or determining any charges to be levied against individual Unit owners:
 - (4) reserves for maintenance, repair or replacement of Common Area improvements;

- (5) the maintenance obligations of the Association or Owners;
- (6) allocation of rights to use Common Areas;
- any scheme of regulation or enforcement of standards for maintenance, architectural design or exterior appearance of improvements on Units;
- (8) reduction of insurance requirements;
- (9) limiting the restoration or repair of Common Area improvements;
- (10) the addition, annexation or withdrawal of land to or from the Project;
- (11) voting rights of the Members;
- (12) restrictions affecting leasing or sale of a unit; or
- (13) any provision which is for the express benefit of mortgagees.
- "Minor Amendment" means any amendment other than a Material Amendment.
- 3.29 "Mortgage" means any mortgage, deed of trust, or other security instrument by which a Unit or any part thereof is encumbered.
- 3.30 "Mortgagee" means any Person or any successor to the interest of the Person named as the mortgagee, trust beneficiary, or creditor pursuant to any Mortgage under which the interest of an Owner's interest in its Unit, or successor to the interest of the Owner, is encumbered.
- 3.31 "Occupant" means any person or persons in procession of a Unit, or a portion thereof, including Unit Owners, Owner's guests, hospitality guests, long-term tenants, remote workers and invitees of such Owner or Occupant.
- 3.32 "Owner" means any person or persons as defined, herein including Declarant, holding fee simple title to a Unit. For purpose of the Governing Documents, each Unit shall have one "Owner" and the term "Owner" shall refer to all individuals and entities collectively owning a Unit. The term "Owner" shall not refer to any mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any procedure in lieu of foreclosure.
- 3.33 "Parking Spaces" means each of the seventy-seven (77) vehicular parking spaces shown on the Plat. The Parking Spaces will be Parking Limited Common Area as defined by Section 3.25(4). by Declarant.
- 3.34 "DeckDeck" means each of the decks identified on the Plat. A Deck includes the railings or fences thereon. Each Deck will be Limited Common Area appurtenant to, and for the exclusive use of, the Unit with the corresponding Unit number (e.g. Deck 101 is Limited Common Area for the exclusive use of Unit 101, and so forth), to the exclusion of all others. Decks may not be conveyed separately from the Unit to which they are appurtenant, and any attempt to do so will be void.
- 3.35 "Percentage Ownership" means, for each Unit, the Unit's respective Percentage Ownership in the Common Area for the Project, as set forth in Exhibit "D" as the same is amended from time to time. The Percentage Ownership is the percentage of ownership interest in the Common Area which is allocated to each Condominium as a whole for purposes of Assessments, tax assessment under Idaho Code § 55-1514, and liability as provided by Idaho Code § 55-1515.
- 3.36 "**Person**" means any individual, governmental unit or agency, entity (of any kind), estate, joint venture, partnership, trust, and any other legal formation or entity. Any reference to a Person includes the Person's heirs, successors and permitted assigns.

- 3.37 "**Project**" means the entire Property, together with every building, improvement or structure thereon, and every easement or right appurtenant thereto.
- 3.38 "Property" means the real property described in Exhibit "A".
- 3.39 "Qualified Meeting" means a meeting for a Material Amendment (or Extraordinary Action, if required by the Financing Rider). A Qualified Meeting must: (a) have at least twenty-five (25) days advance notice thereof to all members (at least seven (7) days' advance notice is required in the case of a meeting for other purposes); (b) be called by notice that states the purpose of the meeting and contains a summary of any Material Amendments or Extraordinary Actions proposed; (c) be called by notice that contains a copy of the proxy that can be cast in lieu of attendance at the meeting; and (d) have a quorum as set forth in the Bylaws of the Association.
- 3.40 "**Regular Assessment**" means an assessment by the Association to provide for the payment of all estimated expenses growing out of or connected with the Project as a whole, as more particularly described in Section 9.2.
- 3.41 "Remote Worker" means any person renting all or any part of a residential Unit for a period in excess of one (1) week and for not more than thirty (30) days.
- 3.42 "**Residential Assessment**" means a limited assessment by the Association to provide for the payment of all estimated expenses growing out of or connected solely to the Residential Units.
- 3.43 "Residential Owner" means any person, including Declarant, at any time owning a Residential Unit as designated on the Plat. The term "Residential Owner" will not refer to any Mortgagee, as herein defined unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- 3.44 "Residential Unit" means each Unit individually owned by a Residential Owner. A Residential Unit shall be either a Hotel/Residential Unit or a local workforce Residential Unit as designated on the Plat. All Residential Units shall be occupied and used by Owners and Occupants for residential and residential purposes only. The Hotel Residential Units shall limit Owner use and include short- and medium-term transient hotel and remote worker guest purposes as set forth in the Rules and Regulations for uses of Residential Units. The Local Workforce Residential Units shall provide long-term tenant Local Workforce housing as set forth in the Rules and Regulations for Local Workforce Residential uses.
- 3.45 "Ski Lockers" means each of those ski locker areas, identified with signage, and located in the Ski Storage Area identified on the Plat.
- 3.46 "**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 9.4.
- 3.47 "Storage Unit" means each of the storage units identified on the Plat. The Storage Units are contained within the garage or certain Parking Spaces and will be part of the applicable Parking Space Limited Common Area as designated and assigned by Declarant pursuant to deed or other recorded document or instrument. A Storage Unit may not be conveyed separately from the Parking Space within which it is located. A storage Unit may also be used for bike and ski storage.

- 3.48 "**Tenant**" means any Person renting long-term all or any part of a Local Workforce Residential Unit from any Owner. There are _____ Local Workforce Residential Units in the Project as designated on the Plat. In accordance with Rules and Regulations for local workforce residential uses.
- 3.49 "Transient Hotel Guest" means any person renting all or any part of a Residential Unit for a minimum on one (1) day and a maximum of fourteen (14) days. There are ______ Transient Hotel Guest Residential Units to be rented short-term in the Project as designated on the Plat.
- 3.50 "Unit" means the separate ownership interest component of a Condominium, as bounded by the unfinished interior surfaces of the perimeter: (a) walls (from the centerline of a wall between 2 Units; inside exterior face of the studs forming a wall for a wall between and Unit and interior Common Area; and from the inside face of the glazing or wall between a Unit and exterior Common Area); (b) floors; (c) ceilings; (d) windows (including window frames and window trim); and (e) 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 boundaries of each Unit as shown on the applicable Plat: (i) all finishes and coverings on the interior surfaces of the 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 and plumbing fixtures, pipes, and all other related equipment required to provide heating, air-conditioning, hot and cold water, 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; (F) elevator equipment and shafts; (G) central heating, central refrigeration and central air-conditioning equipment, reservoirs, tanks, pumps and other central services that serve more than one Unit, except the outlets thereof when located within the Unit; and (H) pipes, ducts, flues, chutes, 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 will not include any of the structural components of the Project or utility or service lines located within a Unit that serve more than one Unit.

ARTICLE 4 NATURE AND INCIDENTS OF CONDOMINIUM OWNERSHIP

- **Estates of an Owner of a Unit**. The Project is hereby divided into Units, each consisting of a separate interest in a Unit and an undivided tenant-in-common interest in the Common Area in accordance with the Plat which sets forth the Common Area and Limited Common Area appurtenant to each Unit.
- **1.2** <u>Title.</u> Title to a Unit 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 Ownership of Common Area and Assessments. Each Owner shall be entitled to a percentage of undivided interest in and the nonexclusive right to use and enjoy the Common Area appurtenant to each Unit, as set forth on the schedule attached hereto as Exhibit "D" and incorporated herein by this reference, and the exclusive right to use any Limited Areas appurtenant solely to a specific Unit, as designated on the Plat or elsewhere in the Governing Documents. The percentage ownership interest in the Common Area allocated to each Unit for purposes of tax, assessments and other changes under Idaho Code Section 55-1505 (1)(C) and for purposes of liability under Idaho Code Section 55-1515 shall be the same as set forth in Exhibit "D". Such undivided interest in the Common Area are hereby declared to be appurtenant to each respective Units. Subject to Declarant's reserved right to annex property in Article 18, the percentage of undivided interest in the Common Area appurtenant to any Unit shall not be

changed except with the unanimous consent of all the Owners expressed in an amendment to this Declaration, duly executed by all such Owners and recorded. Each Owner's voting percentage and share of the Assessments shall be determined by their percentage of the undivided interest in the Common Area appurtenant to each Unit, as set forth on the schedule on the attached Exhibit "D".

- 4.4 **Inseparability of Units.** No part of a Unit, or of the legal rights comprising ownership of a Unit may be separated from any other part thereof during the period of Unit ownership prescribed herein, so that each Unit and the undivided interest in the Common Area appurtenant to the Unit will always be conveyed, devised, encumbered, transferred, and otherwise affected only as a complete Unit and will not be transferred in any way resulting in the division of the Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of the Unit or any part thereof will be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Unit together with all appurtenant rights created by law or this Declaration or by the Governing Documents. Notwithstanding the foregoing, if all Owners determine it is in their best interest to develop, alter, or convey a portion of the Common Area and such development or alteration requires a conveyance of such portion of the Common Area, then upon the vote and action of all Owners, such portion of the Common Areas shall be severable from the Units and conveyed to the Association for disposition as the Owners have unanimously agreed and required an amendment to Exhibit "D" of this Declaration setting forth the reallocation of percentage Ownership.
- <u>4.5</u> <u>Partition of Common Area Not Permitted</u>. The Common Area will be owned in common by all of the Owners of Units, and such ownership is appurtenant to the Unit, and no Owner may bring any action for partition thereof.
- <u>Taxes and Assessments</u>. All taxes, assessments and other charges of the State of Idaho or of any political subdivision or of any special improvement district or of any other taxing or assessing authority shall be assessed against and collected on each Unit separately, not on the Project as a whole, and each Unit shall be carried on the tax records as a separate and distinct parcel.

In furtherance of the foregoing, 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 Unit and the appurtenant Common Area. If any taxes or special district or other assessments may, in the opinion of the Association, nevertheless be a lien on the Project or any part thereof, the Association shall pay the same and assess the same to the Owner or Owners responsible therefor. Each Owner shall pay taxes or assessments assessed against his/her Unit, or interest therein, or his/her interest in the Common Areas or any part of any or all of the foregoing.

The lien for taxes assessed to any Unit shall be confined to that Unit. No forfeiture or sale of any Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Unit.

- **4.7 Owner's Voting Rights.** The relative voting rights of the Owners, as members in the Association, shall be as set forth on the schedule attached hereto as Exhibit "D" and in the Bylaws, and are not divisible, no matter how many individuals may own a Unit.
- **<u>4.8</u>** <u>**Declarant's Reserved Right to Combine Units.**</u> Declarant reserves the right to physically combine the area or space of one Unit with the area or space of one or more adjoining Units.

Such combination shall not prevent separate ownership of such Units in the future. Declarant reserves the right to designate and convey to any purchaser of such combined Units as additional Limited Common Areas any walls, floors, or other structural separations between Units so combined, or any space which would be occupied by such structural separations but for the combination of the Units. Such structural separations and such space may be utilized by the Owner of the adjoining Units, except to the extent that any such structural separations are necessary or contain facilities necessary for the support, use or enjoyment of other parts of the Project. Such structural separations and such space shall automatically become Common Areas in the combined Units and become subject to separate Ownership in the future.

- 4.9 Declarant's Reserved Right to Divide Units. Declarant reserves the right to physically divide the area or space of one Unit into two or more Units. Such division shall no prevent separate ownership of such Units in the future. Declarant reserves the right to designate and convey to any purchaser of such divided Unit additional Limited Common Areas any walls, floors, or other structural additions necessary to create additional Units and necessary for creating additional Units containing additional facilities as needed for the support, use and enjoyment of other parts of the Project.
- 4.10 <u>Separate Mortgages.</u> Each Owner shall have the right to mortgage or otherwise encumber his/her Unit; however, no Owner shall attempt to or shall have the right to mortgage or otherwise encumber the Common Areas or any part thereof except the undivided interest therein appurtenant to his/her Unit. Any mortgage or other encumbrance of any Unit within the Project shall be subordinate to all of the provisions of this Declaration, and in the event of foreclosure the provisions of this Declaration shall be binding upon any Owner whose title is derived through the foreclosure by private power of sale, judicial foreclosure or otherwise.
- Mechanic's and Materialmen's Lien Rights. No labor performed or materials furnished for 4.11 use in connection with any Unit with the consent or at the request of the Owner thereof or his/her agent, contractor or subcontractor, shall create any right to file a statement of mechanic's or materialmen's lien against the Unit of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Areas except as to the undivided interest therein appurtenant to the Unit for which such labor shall have been performed or such materials shall have been furnished. Each Owner shall indemnify and hold harmless each of the other Owners from and against liability or loss arising from any claim against the Unit of the Owner, or any part thereof, for labor performed or materials furnished in work on such Owner's Unit. At the written request of any Owner, the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien, and all costs incidental thereto, including attorney's fees, whether or not such amount shall be dispute between the Owner for which the labor was performed or the materials furnished and the mechanic or materialman who provided such labor or materials, and whether or not such amount shall ultimately be determined to be owed by the Owner to the mechanic or materialman. If not promptly paid, the Association may collect the same in the manner provided herein for collection of assessments for the purpose of discharging the lien.
- 4.12 <u>Title; Prohibition on Timeshares and Third-Party Property Management.</u> Title to a Unit may be held or owned by a person and in any manner which title to any other real property may be held or owned in the state of Idaho. Notwithstanding the foregoing or anything provided herein to the contrary, no Unit may be owned or subdivided into timeshares, interval ownerships, fractional ownerships, use periods, or any similar property interest commonly considered to fall

within the general concept of timesharing or fractional ownership, including without limitation, any membership equity or non-equity vacation club, without the express written consent of the Declarant and if the Declarant no longer owns any interest in the Property, by the affirmative vote of the members of the Association pursuant to the procedures provided in the Governing Documents. In addition, as provided in Section 7.8, the Management Company shall have exclusive authority to lease all Units within the Project. Third-party property managers or a company operating an online marketplace such as VRBO and Airbnb are hereby strictly prohibited from leasing or renting a Unit in the Project for an individual Owner. If this provision is violated in any manner, at the expense of the violating Owner, the Association shall have the right to suspend all rights and privileges under Section 8.17(b) and impose a limited assessment against the Owner under Section 9.6. Notwithstanding the foregoing, the Management Company may use such online marketing services as it deems appropriate.

ARTICLE 5 <u>USE AND OCCUPANCY OF COMMON AREAS AND OTHER RIGHTS AND EASEMENTS</u>

- 5.1 <u>Use of General Common Areas</u>. Subject to other provisions of this Declaration and the Governing Documents, each Owner shall have a non-exclusive right to use and enjoy the General Common Areas as may be required for the purpose of access an ingress and egress to, use, occupancy and enjoyment of the respective Unit by such Owner. Such right to use the General Common Areas shall extend to each Owner and its agents, servants, tenants, family members, guests, and invitees, including personnel, contractors and management employees and hotel guests of the Association or it agents or assigns. Such rights to use shall be consistent with the rights of use and enjoyment of the other Owners and shall be subject to and governed by the Governing Documents, which may in some instances restrict or otherwise forbid such use in part, and such use shall be appurtenant to the Unit and shall pass with, and not be severable from, any conveyance or lease of such Unit.
- 5.2 <u>Use of Limited Common Areas</u>. Subject to the other provisions of this Declaration and the other Governing Documents, each Owner, as well as their agents, servants, contractors, employees, tenants, family members, guests and invitees shall have the exclusive right to use and enjoy Limited Common Areas designated herein or on the Plat or pursuant to the Governing Documents as exclusively appurtenant to the Unit(s) owned by such Owner(s), which shall include without limitation decks; and, with regard to the Association Limited Common Area and Parking Limited Common Area assigned or licensed to individual Owners.

Any parking space that is designated as Parking Limited Common Area shall be reserved to the Declarant until such time Declarant enters into a written license agreement, assigning for consideration the exclusive use of such parking space to the Association or to one or more of the Owner(s) or the Manager, at which time such Parking Limited Common Area shall be for the exclusive use of that Owner or the Manager and such use shall be indivisible from the ownership of the Unit to which the parking space was assigned, subject to the right to transfer such Parking Limited Common Area to another Unit within the Project. The use of the Parking Limited Common Areas shall be subject to the Rules and Regulations and the license agreements relevant thereto, which shall be permitted to restrict the use of the Parking to certain types of vehicles as necessary to maintain the orderly use of the parking areas.

Any Residential Limited Common Area not specifically assigned to an individual unit is for the exclusive, undivided use of all of the Owners of Residential Units. Any Commercial Limited Common Areas not specifically assigned to an individual unit is for the exclusive, undivided use of all of the Owners of Commercial Units. Any Association Limited Common Area shall be reserved for the use by the Association and may be assigned by the Board for the use by the Manager or a specific Owner or Owners or otherwise made available for use of the Owners subject to any limitations set forth in the Rules and Regulations or otherwise by the Board.

- 5.3 Association's Right to Use Units and General and Limited Common Areas. The Association shall have a nonexclusive easement to make such use of Units, General Common Areas, Limited Common Areas, the Residential, Commercial and Parking Limited Common Areas as may be necessary or appropriate to perform the duties and functions that it is obligated or permitted to perform pursuant to this Declaration or the Governing Documents, including without limitation the right to construct and maintain maintenance and storage facilities for use by the Association in the General Common Areas, and the right to provide room service, maintenance services and porter services to the Units. The Association, through its Board, shall have the right to make changes to the Common Area for the benefit of the Owners. Such easement may be assigned or leased, in whole or part, by the Association to the Managing Company or other entity for the operation of a hotel on the Property or otherwise as necessary to perform the Association's duties and provide the level of service required to maintain the Community-Wide Standard.
- Owner's Right in Unit and with Respect to Interiors. The FF&E in each of the Residential Units is uniform and an Owner may not change the FF&E in their Residential Unit, including without limitation, paint, repaint, tile, carpet, wallpaper, hang or remove artwork, remove or replace furnishing or appliances, or otherwise change the appearance of their Residential Unit without the prior express written consent and approval of the Board. If this provision is violated in any manner, at the expense of the violating Owner, the Association shall have the right to restore the Unit to its original condition and assess the cost of such restoration to the Owner as a Specific Assessment. Upon the sale of a Unit by an Owner, such Owner shall leave the FF&E intact. If such Owner fails to do so, the repair and replacement of the FF&E shall be a Specific Assessment charged against the new Owner. Subject to the foregoing and the other provisions of this Declaration and the Governing Documents, each Owner shall have full and complete dominion and ownership of his Unit and each Owner and such Owner's agents, servants, tenants, family members, guests and invites shall have the right to use and enjoy the same subject to occupancy limitations contained in the Rules and Regulations.
- hereinafter encroach upon a Unit or Units, including without limitation utility wiring and piping service the Unit(s), an easement for such encroachment and for the maintenance of the same shall and does exist in favor of the Association. If any part of a Unit encroaches or shall hereafter encroach upon the General Common Areas, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist in favor of such encroaching Owner. Such encroachments shall not be considered to be an encumbrance either on the General Common Areas or the Units. Encroachments referred to herein are limited to encroachments caused by engineering errors, settling, rising or shifting of the earth, or by changes in position caused by construction, repair or reconstruction of the Property or any part thereof in accordance with the original plans for the Property, the reserved rights of the Declarant as set forth in Section XV, and any encroachment due to building overhangs or projection.
- **Easements of Access for Cleaning, Repair, Maintenance, and Emergencies.** The Declarant, until the expiration of the Declarant's Reserved Rights Period pursuant to Article 18 hereof, and the Association shall have a perpetual nonexclusive easement of access to each Unit and to all

Common Areas from time to time during such reasonable hours as may be necessary for the cleaning, maintenance, repair, or replacement of the Units and any of the Common Areas located therein or accessible therefrom or for making emergence repairs therein necessary to prevent damage to the Common Areas or to any Unit or Units. The Management Company shall each have a master key to all Units for the purpose of gaining access to any Unit for cleaning, repairs, maintenance and emergencies as provided herein. Such entry shall be made with as little inconvenience to the Owner, his guests, and rental guests as practicable. Any damage to the interior of any part of a Unit or Units resulting from the cleaning, repair, maintenance, or an emergency of any Unit or any of the Common Areas or as a result of emergency repairs within another Unit at the direction of the Association or of any Owner shall be an expense of all Owners of the Common Areas; provided, however, that if such damage is the result of negligence of the Owner of a Unity, its invitees, guests, tenants or assigns, then such Owner shall be financially responsible for all of such damage, including any insurance deductibles due related to such damage. Any amount owed to the Association by an Owner pursuant hereto shall be collected by the Association by assessment pursuant to Article 9 below.

- **Owner's Right to Ingress, Egress, and Support.** Each Owner will have the right to ingress and egress over, upon, and across the Common Area necessary for access to that Owner's Condominium, and will have the right to the horizontal and lateral support of the Owner's Condominium, and the rights will 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.
- 5.8 <u>Declarant's Easement Incident to Construction</u>. Declarant, and Persons it will select, will have the express and unconditional temporary easement 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 Project and Units shown on the Plats or any amendment thereto and the completion of all Units for use and occupancy; provided, however, that none of the rights will be exercised by Declarant in a way that is expected to unreasonably interfere with the occupancy, use, enjoyment, or access to an Owner's Unit by that Owner or the Owner's Occupants, invitees, or licensees. This easement shall terminate upon completion of the Project, and the neighboring properties, if any, to be annexed hereto in the sole and absolute discretion of the Declarant and the lapse of Declarant's reserved rights pursuant to Article 9.
- **Certain Easements Benefit**. The easements herein granted to an Owner for ingress and egress to and from the Owner's Unit over, upon, and across the Common Area are hereby recognized to be a condition of approval the Project imposed by the City of Ketchum. The easements will not be dissolved or altered in any material way that would prevent their beneficial use for their intended purposes without the express written consent of the City of Ketchum.
- Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance, and all other similar emergency agencies or persons to enter upon all streets and property within the Project in the proper performance of their duties. The easement granted herein is recognized to be a condition of the approval of the Project imposed by the City of Ketchum. The easement will not be dissolved or altered in any material way that would prevent its beneficial use for its intended purpose without the written consent of the City of Ketchum. The Owners expressly acknowledge that the Association and the Ketchum City Fire Department will each have one master key capable of accessing all doors connected to the common security system or access system of the Project. The Owners expressly agree to notify the Association

prior to re-keying any lock in the Project controlled by a common security or access system and agree to use a locksmith approved by the Board.

- **Recorded Easements**. The Project, and any applicable portions thereof, will be subject to the easements shown on any recorded Plats affecting the Project, or any applicable 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 easements shown on the applicable Plat.
- **Easements for Annual Inspection**. Any Person authorized by the Board will have the right (but not the obligation) of access to all Units on an annual basis for the purpose of inspecting the Units for compliance with the terms and conditions of the Condominium Documents.
- **Easements Deemed Created**. Any conveyance of Units hereafter made, whether by the Declarant or otherwise, will be construed to grant and reserve reciprocal easements as will give effect to Sections 5.1 through 5.14 above, even though no specific reference to the easements appear in the conveyance.

ARTICLE 6 DESCRIPTION OF CONDOMINIUM

Every contract for the sale of a Condominium and every other instrument affecting title to the Condominium will describe that Condominium by the Unit shown on the applicable Plat with appropriate reference to the applicable Plat and to this Declaration, as each appears on the records of Blaine County, Idaho, substantially in the form of the following:

Unit as shown on the final plat of,
recorded in the real property records of Blaine County, Idaho, on
, 202, as Instrument No
(as amended and supplemented from time to time), and as each are further
defined and described in that certain Condominium Declaration for Baldy
Mountain House recorded in the real property records of Blaine County,
Idaho, on, 202, as Instrument No
(as amended and supplemented from time to time).

The description will be construed to describe the separate ownership interest in the identified Unit, together with the appurtenant undivided tenant-in-common interest in the Common Area (including its appurtenant Deck, Parking Space(s) and Storage Unit, as applicable), and to incorporate all rights incident to ownership of a Condominium interest and all the limitations on the Ownership as described in this Declaration and the Governing Documents or any amendments or supplements thereto, whether or not so specified in the instrument.

ARTICLE 7 USE AND MAINTENANCE OF UNITS

Framework for Regulation. The Governing Documents establish, as part of the general plan of development for the Property, a framework of affirmative and negative covenants, easements and restrictions which govern the Property. However, within that framework, the Declarant, and Board and the members of the Association must have the ability to respond to unforeseen problems and changes in the circumstances, conditions, needs, desires, trends and technology which inevitably will affect the Baldy Mountain House, its Owners, residents, and guests.

Therefore, this article establishes procedures for establishing, modifying and expanding the Rules and Regulations.

Recognizing the off season or slack seasons of mountain resorts, it is the intent of Declarant and the Governing Documents that, though hotel and commercial operations will meet the intent of the WSOD to revive and invigorate Warm Springs Village by promoting year-round occupancy of all residential and commercial units of the Project. To achieve this intent, the rules and Regulations shall include occupancy limitations on all Owners and provide ability to Management Company to rent all Units to Hotel Guests when no occupied by Owners as provided in Section 7.8.

- **Rule Making Authority** Subject to the terms of this Article and the Declarant and Board's duty to exercise business judgement and reasonableness on behalf of the Association and its members, the Declarant shall establish initial Rules and Regulations, and the Board may establish, modify, cancel, limit, create exceptions to, or expand the Rules and Regulations, which change to the initial Rules and Regulations shall be effective thirty (30) days after written notice of such change is sent to the Owners via U.S. Mail to the address maintained by the Association for such Owners.
- **Allocation of Burdens and Benefits.** No rule shall alter the allocation of financial burdens among the various Units of the rights to use the Common Areas to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Areas available to the Owners, from adopting generally applicable rules for use of the Common Areas, or from denying use privileges to those who abuse the Common Areas or violate the Governing Documents. This provision does not affect the right to increase the number of assessments as provided by Article 9.
- Owner's Acknowledgement and Notice to Purchasers. All Owners are given notice that use of their Unit is limited by the Governing Documents, specifically including without limitation the Rules and Regulations, as they may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a deed for their Unit acknowledges and agrees that the use and enjoyment and marketability of his Unit can be affected by the Governing Documents and that the Governing Documents may change from time to time. Buyers of Commercial Units specifically are given notice that the use of such Commercial Unit,, including without limitation the type of business allowed or the appearance of the Unit, may be limited by the Declarant pursuant to the Declarant's reserved rights in Article ____ or pursuant to duly adopted resolutions of the Board. All purchasers of a Unit are on notice that changes may have been adopted by the Association that are not recorded in the Public Records. Copies of the current Governing Documents may be obtained from the Association.
- 7.5 <u>Displays</u> Without prior written consent of the Board, Owners shall not permit any sign to be displayed to the public view, either from within the Unit or from the appurtenant Common Areas, including without limitation commercial, political, "for sale", "for rent", informational or directional signs, devices or nameplates. This restriction shall not apply to Commercial Units for Board-approved signage, or to the hotel or property management activities of the Board or its assignees or lessees, or to the Declarant during the construction or sales period, or to traffic signs, unit designations, project designations, or similar signs displayed by the Board or the Declarant, or to temporary signage to caution or warn of danger.
- **Nuisance** No noxious or offensive activity shall be carried on within or upon any Unit or Common Areas, nor shall anything be done or placed thereon which may be or become a

- nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owner(s) in the enjoyment of their Unit(s), or in their enjoyment of the Common Areas. No sounds shall be emitted on any part of the Property that is unreasonable loud or annoying.
- 7.7 <u>Residential Units</u>. All Residential Units will be used as a) single-family residential purposes by an Owner as such use may be limited and restricted by the Governing Documents; b) short-term hotel use; c) medium-term remote work use, or long-term local workforce use, as provided in the Governing Documents on the Plat. No Residential Unit will be used at any time for Commercial or business activity.
- **Residential Unit Restrictions**. The Management Company shall have the sole right to lease all Residential Units when not occupied by Owner. No Owner may lease, in whole or part, the Owner's Residential Unit to any Person. For purposes of this Section 7.8 the term "lease" as applied to a Unit will be deemed to include, without limitation, any rental, letting, licensing, subletting, demising or assignment of any interest, estate or right to use, enjoyment, occupancy or possession of any Unit (or portion thereof).
- Workforce Use. Declarant shall include designated residential Units for a Local Workforce Housing Program within the Project. There shall be a minimum of two (2) Residential Units of Local Workforce Units as designated on the Plat. At Declarant's sole option, it may designate additional Residential Units in the Project as Local Workforce Units. The Local Workforce Units may be owned by Declarant, or the Management Company or sold to third parties provided the tenants of such Workforce Housing are full-time employed in Blaine County or live full-time in the City of Ketchum and work remotely. The term of the lease of such Local Workforce Units shall not be less than six (6) months. The minimum two (2) Residential Local Workforce Housing Units shall be restricted to use as Local Workforce Housing for a ten (10)year period. Declarant may add additional Local Workforce Housing Units as Declarant in its sole discretion deems appropriate.
- **7.10** No Animals in Rental Units. Except as required by Applicable Law or otherwise approved by the Board, no animals will be allowed in a leased Residential Unit.
- **7.11** Owner's Responsibility for Local Housing Unit. An Owner who leases a Residential Unit will be fully responsible for the actions and inactions of, and damage caused by, the occupants of the leased Residential Unit as if the actions, omissions or damages were caused by the Owner. Any Owner who leases a Residential Unit will comply with this Declaration and all Applicable Laws.
- 7.12 <u>Leases Subject to Declaration</u>. Each lease must (i) be in writing; (ii) provide that the lease will be subject in all respects to the Condominium Documents; and (iii) provide that any failure by the Tenant to comply with the terms of the Condominium Documents will be a default under the lease. Upon execution of any lease of a Residential Unit, the Owner (or operator of the Workforce Housing Program, as applicable) of the leased Residential Unit will provide the Association with a copy of the lease and the name and contact information of the Tenant.
- **7.13** Commercial Units. Commercial Units and their appurtenant Limited Common Areas are restricted to those hospitality, office, commercial, retail, restaurant, service and other uses permitted under applicable City of Ketchum ordinances subject to the restrictions set forth in this Article 7 or elsewhere in this Declaration. Commercial Units may be leased, provided each lease must (i) be in writing; (ii) provide that the lease will be subject in all respects to the

Condominium Documents; (iii) provide that any failure by the Tenant to comply with the terms of the Condominium Documents will be a default under the lease; and (iv) be in compliance with Applicable Law. Upon execution of any lease of a Commercial Unit, the Owner of the leased Commercial Unit will provide the Association with the name and contact information of the tenant.

- 7.14 Obstructions of Common Area. Except to the extent installed or placed by the Association in a manner that is not expected to create a life safety issue, there will be no obstruction of the Common Area, nor will anything be stored on any part of the Common Area without the prior written consent of the Association. Nothing will be altered on, planted in, constructed on, or removed from the Common Area except upon the prior written consent of the Board.
- 7.15 Maintenance of Interiors and Limited Common Area. Except as otherwise set forth herein, or except as otherwise agreed by the Association, each Owner will, at its sole expense, keep the interior of the Unit and the equipment, appliances, and appurtenances relating thereto, in a good and sanitary condition, free of rodents, pests and mold, in good order, condition, repair and appearance in accordance with maintenance schedules contained in any preventative maintenance manual provided by the Declarant or the Association containing minimum maintenance or other standards applicable to the individual Units and/or the Limited Common Area appurtenant thereto (an "Owner Maintenance Manual"), and will do all decorating and painting at any time necessary to maintain the good appearance and condition of the Unit. The requirements set forth in any Owner Maintenance Manual are in addition to the requirements of any warranty or other operating guidelines and instructions. Each Owner will be responsible for the maintenance, repair or replacement of: the sliding deck doors and related door hardware and door jams; plumbing lines, hoses and fixtures; water heaters, fans, heating, cooling, or other equipment; fireplace flues (including required inspections and cleaning); and electrical fixtures or appliances which may be in, or are part of, the Owner's Unit. The Association may, as a Common Area expense, provide for the inspection of any Unit or Limited Common Area, where the failure to maintain the same may cause damage to the Common Areas or any other Unit or cause unnecessary expenses, including water heaters, toilets, sinks, showers, bathtubs, deck drains, deck surfaces, flashing, membranes, other weatherproofing components, fireplace flues, and plumbing and electrical fixtures (referred to herein as "High-Risk Components"). The Association will give written notice to the Occupant at least three days before entering, stating the items to be inspected and time of the inspection. The Association may impose any reasonable requirements for the purpose of mitigating the risk of damage from High-Risk Components including: (i) installation protective pans and alarms; (ii) imposing a schedule for inspections or replacement at specified times; (iii) establishing minimum standards for replacements of the High-Risk Components; (iv) imposing standards for those people performing any inspections, repairs or replacements; (v) requiring notice to the Board and the opportunity for the Board to supervise all work relating to the High-Risk Components; and (vi) provide the Board with any evidence the Board may reasonably request to confirm that the Owner has complied with its obligations regarding the High-Risk Components. Each Owner will notify the Association of any unsafe condition existing in, on, or around the Limited Common Area. In addition, nothing unsightly, in the reasonable opinion of the Board, will be kept on any exterior Limited Common Area (including, without limitation, all Decks).
- **7.16** Window Washing. Each Owner of a Commercial Unit will be responsible for washing its own windows (interior and exterior). The Association will be responsible for washing the exterior of all other windows in the Project, the cost of which will be allocated to the Owners of the

Residential Units. Each Owner of a Residential Unit is responsible for washing the inside of the windows for such Unit.

7.17 Prohibition of Damage and Certain Activities.

- 7.15.1 <u>Damage or Waste</u>. No damage to, or waste of, the Common Area or any part thereof will be committed by any Owner or the Owner's Tenants, Occupants, invitees, or licensees, and each Owner will indemnify and hold the Association and the other Owners harmless against all loss resulting from any damage or waste caused by the Owner or the Owner's Tenants, Occupants, invitees, or licensees. Not by way of limitation of the foregoing, each Owner will pay the cost to repair any damage caused to a Unit or Common Area as a result of the Owner's moving in or out of the Unit.
- 7.18 Trash Removal and Nuisances. Each Owner will be responsible for removing all trash and garbage from its Unit and depositing it promptly in proper receptacles as designated by the Association in accordance with such rules and regulations as the Board may adopt. No rubbish or debris of any kind will be placed or permitted to accumulate anywhere upon the Project or any portion thereof, except in such receptacles, and no odor will 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 exterior fires and no obstructions of pedestrian walkways will be permitted to exist at the Project. No business, no noise, vibrations, unsightliness or other nuisance will 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 their Occupants or to other property in the vicinity Project. Without limiting the generality of any of the foregoing, no Owner will 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. Owners will keep music, subwoofers and other noises at a level so as not to be audible outside such Owner's Unit. No unsightly articles will be permitted to remain on any Unit so as to be visible from any other portion of the Project. Without limiting the generality of the foregoing, refuse, garbage, trash, equipment, gas canisters, propane gas tanks, heat pumps, compressors, and containers will be kept in the containers and other areas designated for that purpose by Declarant or the Board. No clothing or fabric may be hung, dried, or aired in a way that is visible from the exterior of the Unit in which it is hung, dried or aired. Window air-conditioning units are not allowed.
- **7.19** <u>Violation of Law</u>. Owners will not use or suffer or permit any Person to use any Condominium or any part thereof for any use or purpose in violation of Applicable Law.
- **7.20** <u>Violation of Governing Documents</u>. Owners will not use or suffer or permit any Person to use any Condominium or any portion thereof, for any use or purpose in violation of any of the terms and conditions of the Governing Documents.
- 7.21 Advertising. Except as allowed by Association Rules or by prior written approval of the Board, Owners will not display or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways of the Residential Units. Owners of Commercial Units may use exterior Limited Common Areas appurtenant to their Units and, subject to Applicable Law and/or permitting, sidewalks, for commercial uses allowed under this Declaration. Owners further agree not to install any exterior lighting, shades or awnings, amplifiers or similar devices or use in or about the Project, or any

advertising medium or promotional materials or facilities which may be distributed, heard or seen outside the Unit, such as flyers, flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts, or make any changes to the facade of the Project or operate any customer service windows without Board's prior written consent. Owners will not conduct or permit to be conducted any sale by auction in, upon or from the Units, whether the auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other solvency proceeding.

- **7.22** Increase in Insurance Rates. Except with the prior consent of the Association, no Owner may do or permit anything to be done in or about any Unit or Common area that would result in the cancellation of, or an increase in the rate of, the insurance on the Project. Any Owner taking or permitting any such action with Board approval will be solely responsible for the payment of any increase in insurance premiums.
- **7.23 Disruption.** Owners will not do or permit anything to be done in or about the Unit or Common Area which will in any way obstruct or interfere with the rights of other Owners or Occupants in the Project, create undue noise and disruption, or injure or annoy them or use or allow the Unit to be used for an unlawful or objectionable purpose, nor will Owner cause, maintain or permit any nuisance in, on, or about the Project.
- **7.24** <u>Commercial Unit Restrictions</u>. In addition to the other restrictions set forth in this Article 7, Commercial Units will be subject to the following requirements:
 - 7.24.1 Commercial Units will not be used for any of the following: copy center; medical laboratory; food processing; manufacturing activities; wholesale or retail sales of pornographic literature, photographs or movies; card room; dance hall, pool hall; video arcade or other similar form of amusement center; musical school or studio; adult motion picture theater; laundry; dry-cleaning (drop off and pick up facility is permitted), dyeing or rug cleaning plant; jail; hotel, apartment hotel or motel; taxidermy shop; retail pet shop or animal clinic (a pet supply store which does not sell live animals is permitted); work release center, drug rehabilitation center or social service agency; tattoo parlor or body piercing business (a beauty shop offering ear piercing services is permitted); church, synagogue, mosque or place of religious worship; any public meeting place or place of public assembly; mortuary, crematorium or funeral home; automobile, truck, trailer or recreational vehicle sales, leasing or display or body shop repair operation; pawn shop; or flea market, except for designated restaurant Unit. Unless the Board allows longer operating hours, the Commercial Units will maintain hours of operation no earlier than 8:00 AM and no later than 10:00 PM
 - 7.24.2 The delivery or shipment of merchandise, supplies, and fixtures to and from a Commercial Unit will be accomplished in a manner that will not unreasonably interfere with the quiet enjoyment or the security of the Residential Units.
 - 7.24.3 The Owner of any Commercial Unit will not allow or permit any continuing vibration or any offensive or obnoxious and continuing noise or any offensive or obnoxious and continuing odor to emanate from the Commercial Unit into the Residential Units or other Commercial Units, nor will the Owner allow or permit any machine or other installation therein to constitute a nuisance or otherwise to unreasonably interfere with the safety or comfort of any of the Owners of other Units. Upon the failure of the Owner of any Commercial Unit to remedy any such noise, vibration or odor, then the Board may at its

- option either: (1) cure such condition at the Owner's cost and expense; or (2) pursue any other available legal or equitable remedy.
- 7.24.4 The Owner of any Commercial Unit will bear the expenses relating to any changes in electrical, gas or water service necessitated by the use of the Unit.
- 7.24.5 The Owner of any Commercial Unit must screen the interior of the Unit from public view when those Units are vacant to keep those Units from appearing abandoned and to otherwise make those Units compatible with the nature of the community.
- 7.24.6 The Owner of any Commercial Unit, with appropriate permits from the City, may use the sidewalk adjacent to the Unit for outdoor seating, sidewalk sales, or similar uses relating to the business conducted at the Unit. The Owner will be responsible for complying with all requirements of the City regarding its use and will perform any clean up required by its
- 7.25 No Hazardous Activities. No activities will be conducted on the Project which are or might be unsafe or hazardous to any Person or property including, without limitation, any open fires (except in a contained in a Declarant or Board-approved barbecue or gas fireplace or fire pit) and/or the discharge of firearms.
- Over the Air Reception Devices. All Owners who desire to use any device or antenna to receive 7.26 over the air transmissions will be required to use one Declarant or the Association may one common antenna or other device to receive over the air transmissions, which antenna or device will be located on the Project in a location designated and approved by the Declarant or the Board (a "Common Antenna"). In the event a Common Antenna is installed, all Owners who desire to use any antenna or device to receive over the air transmissions will be required to use the Common Antenna, subject to reasonably restrictions related thereto established by Board. the Notwithstanding the foregoing, no portion of this restriction will apply to the extent that it conflicts with any Applicable Law governing such antenna or devices. Those Owners using the Common Antenna will share the costs and expenses associated therewith in the manner reasonably determined by the Board. In the event a Common Antenna has not been installed. Owners will be permitted to install small satellite dishes or other devices within the service well on the roof of the Project for cable services using the electrical conduit system located in the core of the Project, subject to the prior written approval of the Board. In the event that a satellite dish or other device is approved by the Board, it (and any related equipment) must be installed and/or screened in the manner approved by the Board.
- **7.27** Energy Devices, Outside. No energy production devices or generators of any kind (including without limitation solar energy devices and windmills), will 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.
- **7.28** Signs. No signs of any kind, including, without limitation, "for sale," "for lease," "for rent," and "open house" signs, holiday signs, social commentary signs, decorations, or banners, or political or commercial signs, will be displayed on or from any portion of the Project except as approved by the Board in its reasonable direction, except that political signs in support of or opposition to any candidate for office or a ballot measure may be displayed thirty (30) days prior to the date on which votes are cast for such candidate or ballot measure, and will be removed within two (2) days after

any such date. Notwithstanding the foregoing, no portion of this restriction will apply to the extent that it conflicts with any Applicable Law governing signs, and provided, further, Commercial Units may display signs identifying the businesses located therein as allowed under Applicable Law.

- 7.29 Window Treatments. No window or glass tinting or coverings will be permitted, including any appliqués, decals, or other materials, that would be visible from the exterior of any Unit, or that would otherwise in any manner change the exterior appearance of any glass or window in terms of color, reflectivity, tint, or appearance, except as otherwise may be permitted by the Board. In the event replacement of any glass pane constituting Common Area will become necessary, such glass will be replaced by the Association; provided, however, an Owner may be required to pay for such replacement pursuant to Section 9.5. This paragraph will be interpreted in such manner as to favor and facilitate a uniform appearance of the Project from the exterior thereof. Each Unit will be equipped with appropriate shades selected by Declarant. No Owner may change the shades in its Unit, except to replace damaged or malfunctioning shades with either the same shade or a substantially similar shade approved by the Board. Owners may install interior drapes, so long as the color and material of the drapes are either set forth as approved items in the Association Rules or are otherwise approved by the Board. Items including, but not limited to, paper shades, aluminum foil, newspaper, sheets, cardboard, reflective tint, paint, etc. are not permitted to be used as window covering.
- **Sewer System Restrictions.** No Owner or other Person will deposit any glass, metal, seafood shells, diapers, clothing, rags, plastic, sanitary napkins, tampons, flammable material, oil, gas, grease, chemicals or other objects or materials other than natural human waste and generally accepted household cleaners into the sewer system either directly or through any Owner's waste disposal unit(s). The cost of any and all damage sustained by the sewer system caused by an Owner's deposit in the sewer system of any of the items listed above will be the sole responsibility of the Owner.
- 7.31 No Smoking. The Project is hereby designated as "smoke free," and no smoking of any kind is allowed at the Project, including without limitation "vapor" smoking. Notwithstanding the foregoing, the Board may from time to time designate certain outdoor areas of the Project as "Permitted Smoking Areas," in which event smoking will be allowed only in such designated areas. Neither Declarant nor the Association guarantees a smoke free environment at the Project or any portion thereof.
- 7.32 Parking Restrictions. Parking Spaces may be used only for the parking of operable vehicles in good condition, and then only in accordance with the Association Rules. No recreational vehicles, camper vans or similar vehicles may be stored in the Parking Spaces without the prior consent of the Board. Each Parking Space (which specifically exclude all handicapped parking spaces identified on the Plat) will initially be designated and assigned by Declarant pursuant to a deed or other recorded document or instrument, and once so designated and assigned, such Parking Space will be Limited Common Area appurtenant to, and for the exclusive use of, the Unit to which the Parking Space is designated and assigned, to the exclusion of all other Unit Owners. The Association will keep a list of the Parking Spaces so assigned and designated by Declarant. After being assigned and designated by Declarant, Parking Spaces will not be conveyed separate and apart from the Unit to which they are appurtenant, and any attempt to do so will be void ab initio; provided, however, that certain of the Parking Spaces may be assigned and kept by Declarant, which Parking Spaces may be used as determined by Declarant, which uses may include excess parking for visitors, friends, guests or Declarant, or for the exclusive use of a Unit (with or without rental payment), and the Declarant will have the further right to convey such spaces by deed to an

Owner of a particular Unit, in which event such Parking Space will be Limited Common Area appurtenant to, and for the exclusive use of, the Unit to which the Parking Space is designated and assigned, to the exclusion of all other Unit Owners.

- 7.33 Deck Restrictions. Decks will not be used for storage purposes, including for the storage of pets, pet equipment, bicycles, boxes, storage sheds, and so forth, except that Deck furniture will be permitted on Deck in accordance with this Section. Any plants or similar items kept on a Deck will be in accordance with the approved plant list or otherwise subject to approval by the Board, will be watered and maintained in good condition, and dead plants, leaves, and other items will be promptly removed and discarded. No over-watering of any plants located on a Deck (i.e., of such a nature to cause water run-off) will be permitted. Deck furniture as approved by the Board or that otherwise complies with the Association Rules will be permitted on the Decks. Decks will be kept in a clean and orderly fashion. Owners will not hang any items from the Decks or the railings thereon, and Residential Owners will not place any temporary lighting, whether electric, battery-operated, solar, or otherwise, on the Residential Owner's Deck. Commercial Owners may put lighting on Decks, subject to compliance with Association Rules. No shelving, storage devices or apparatuses, or other improvements or alterations will be permanently affixed to any Deck, except upon the prior written approval of the Board. No gas or charcoal grills are permitted on Decks or in any Unit.
- **7.34** Storage Areas. All storage areas (excluding Storage Units) made available by the Association to the Owners will be used only for the storage of non-combustible and otherwise non-hazardous items. To the extent such storage areas contain enclosed units, then Owners will only store items that will fit therein when the door to such enclosed area is closed, and such doors will remain closed at all times except when depositing or retrieving items therefrom.
- **7.35 Bike and Ski Spaces.** Bike and Ski Spaces will be used by their respective Owners only for the storage of storage of bicycles, skis and accessories. The right to use each Bike and Ski Space will be assigned to a Unit by the Association, and once so assigned, such Bike and Ski Space will be Limited Common Area appurtenant to, and for the exclusive use of, the Unit to which the Bike and Ski Space is assigned, to the exclusion of all other Unit Owners. The Association will keep a list of the Bike and Ski Spaces so assigned. After being assigned by the Association, the right to use the assigned Bike and Ski Spaces will not be conveyed separate and apart from the Unit to which they are appurtenant, and any attempt to do so will be void *ab initio*. Unit Owner may request a reassignment of Bike and Ski Spaces by the Association, which the Association may grant with the consent of any affected Units.
- 7.36 Animals/Pets. No animals, livestock, or poultry of any kind will be raised, bred, or kept on or in any portion of the Project except that Household Pets (defined below) may be kept for an Owner's personal use provided that: (a) such Household Pets are not bred or maintained for any commercial purpose; (b) no more than one (1) Household Pet may be kept in a Unit; and (c) all Household Pets must be properly restrained and controlled at any time they are within the Project. "Household Pets" means indoor domesticated dogs, indoor domesticated cats and indoor parrots, parquets and similar birds (but not any domestic birds, such as any type of chicken), and any other animal specifically approved by the Board to be a Household Pet. Any Household Pet which, in the reasonable opinion of the Board, is vicious or excessively noisy, or which damages or destroys property will be deemed a nuisance and will be removed from the Project upon the written request of the Board. An "excessively noisy" Household Pet is any Household Pet that habitually or frequently disturbs the sleep, peace, or quiet of any Occupant. Owners will contact the local animal control agency regarding noisy Household Pets prior to complaining to the Board about such animals. Any costs associated with responding to complaints relating to animals (including without

limitation Household Pets), livestock, or poultry at the Project may be levied as a Limited Assessment against the Owner of the Unit in which such animals, livestock, or poultry are being kept. The Owner of the Unit where a Household Pet is kept, as well as the legal owner of the Household Pet (if not the Owner), will be jointly and severally liable for any and all damage and destruction caused by the Household Pet, and for any clean-up of any portion of the Project necessitated by such Household Pet. Household Pets will not be allowed on any Common Areas unless they are on a leash and accompanied by their owner or handler. The Owner of any Household Pet will be responsible for any damage to person or property caused by the Household Pet and will defend, indemnify and hold the Association and the Board harmless from all liability arising from or caused by the Household Pet. Subject to the requirements of Applicable Law, the Board may adopt rules and regulations prohibiting Household Pets over a particular size or weight, or Household Pets wholly or partially of breeds which the Board deems inappropriate for condominium living.

- Assistance Animals. Notwithstanding anything to the contrary contained in this Section hereof, 7.35 assistance animals are welcome in the Project in accordance with the Fair Housing Act (42 U.S.C. § 3601 et seq., as amended) and the implementing regulations promulgated thereunder. An assistance animal will be as defined in the Fair Housing Act, which is currently any animal needed by a disabled individual to have an equal opportunity to use and enjoy a dwelling. Examples of assistance animals are guide animals, animals that alert people who are deaf, animals that pull a wheelchair, animals that alert and protect a guest who is having a seizure, animals that remind an individual with mental illness to take prescribed medications, animals that calm an individual with Post Traumatic Stress Disorder (PTSD) during an anxiety attack and animals that provide comfort or emotional support. Assistance animals in training are to be treated as assistance animals, even if the handler is not disabled. An assistance animal need not be licensed or certified by any government. Individuals with assistance animals will not be treated less favorably than other Occupants or charged fees that are not charged to other Occupants without animals. The Association will have the right, to the extent permitted under the Fair Housing Act, to prohibit or restrict any assistance animal that: (a) is out of control and the handler does not take effective action to control it; or (b) the animal's behavior poses a threat to the health or safety of others. The Owner of the Unit where an assistance animal is kept, as well as the legal owner of the assistance animal (if not the Owner), will be jointly and severally liable for any and all damage and destruction caused by the assistance animal, and for any clean-up of any portion of the Project necessitated by such assistance animal.
- **Right to Enjoy and Use Units**. Each Owner will be entitled to use and enjoy the Owner's 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 will be entitled to use the Owner's Unit for any uses not allowed under the Ketchum Municipal Code or otherwise limited by this Declaration or any other Condominium Documents.

ARTICLE 8 BALDY MOUNTAIN HOUSE OWNERS ASSOCIATION

8.1 <u>Creation and Designation of Association</u>. 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 will, for any reason, be amended or otherwise changed or interpreted so as to conflict with this Declaration.

8.2 Management, Control and Maintenance of the Common Elements. The Association, subject to the rights and duties of the Owners set forth herein, shall be responsible for the exclusive management, control, housekeeping, maintenance, repair and replacement of the Common Areas and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, safe, sanitary and attractive condition, order and repair consistent with or exceeding the Community-Wide Standard. The cost of such management, control, housekeeping, maintenance, repair and replacement by the Association shall be paid by the members of the Association as Regular Assessments, Special Assessments or Specific Assessments as provided herein.

The Association shall have the right to grant easements for utility and access purposes over, upon, across, under, or through any portion of the Common Elements and each Owner hereby, and by acceptance of a deed for a Unit hereafter, irrevocably appoints the President of the Association as their attorney-in-fact for such purpose.

8.3 Maintenance and Repair of Units and Maintenance, Repair and Replacement of FF&E Therein. The Association has the responsibility and power to maintain and repair each Unit and to maintain, repair or replace the FF&E therein at or exceeding the Community-Wide Standard. All maintenance, repairs and replacements to or cleaning of Units or the FF&E therein which is not covered by the Common Expenses shall be assessed to the Owners of the Units being maintained, repaired or replaced as a Specific Assessment for all routine, non-routine and preventative cleaning (including, without limitation, biannual deep cleans), maintenance, repairs or replacements.

Notwithstanding the Association's responsibility to maintain the Units, each Owner shall keep their Unit and its appurtenant Limited Common Area in good, clean, safe, sanitary and attractive condition, order, and repair during any period of Owner use, and shall promptly notify the Association of any need for maintenance, repair or replacement to the Unit or its FF&E.

- 8.4 <u>Delegation of Powers and Responsibilities of Association</u>. The Association or the Board may obtain and pay for the services of the Managing Company to manage its affairs, or any part thereof, including, without limitation legal, accounting, management, marketing, maintenance, housekeeping, electrical, water, sewer, and trash collection services, to the extent it deems advisable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Association or any other person or entity with whom or which it contracts, including without limitation Declarant.
- 8.5 **Personal Property for Common Use.** The Association may acquire and hold for the use and benefit of all the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon lawful rights of the Owners, and subject to the limitations on use contained within the Governing Documents.
- 8.6 <u>Association Rules and Regulations.</u> The Association Rules and Regulations governing the use of the Units, the General Common Areas and the Limited Common Areas, which Rules and Regulations shall be consistent with the rights and duties established in this Declaration. The initial Association Rules and Regulations adopted by Declarant are attached hereto as Exhibit H. Powers of the Board relating to the Association Rules and Regulations is set forth in Section 8.16.3.

- 8.7 <u>Implied Rights.</u> The Association may exercise any other right or privilege given it expressly by this Declaration or the Bylaws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.
- 8.8 <u>Transfer, Assignment or Lease.</u> Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Declarant and the Association set forth herein or reserved herein may be transferred, assigned or leased to any other person or entity; provided, however, that no such transfer, assignment or lease shall relieve the Association of any of the obligations set forth herein. No such transfer, assignment or lease shall revoke or change any of the rights or obligations of any Owners as set forth herein.
- 8.9 <u>Amplification.</u> The provisions of this Article are amplified by the Bylaws; provided, however, that no present or future provision of such Bylaws shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.
- 8.10 <u>Limitation on Association's Liability.</u> The Association shall not be liable for any failure of water service or any other service to be obtained and paid for by the Association, or for injury or damage to person or property caused by the elements or by another Owner or person in the Building, or resulting from the electricity, water, rain, snow, or ice which may leak or flow from outside or from any parts of the Buildingof the Common Areas including any pipes, drains, conduits, appliances or equipment thereof, or from any other place, unless caused by the gross negligence of the Association. No diminution or abatement of any assessments under this Declaration shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs, maintenance or improvements to the Property of the Common Areas or any part thereof, or from any action taken to comply with any law, ordinance or orderd of a governmental authority.
 - 8.11 Membership and Voting. "Member" means each Person holding a membership in the Association, including Declarant. Every Owner of a Condominium is a Member of the Association and has one (1) membership for each Condominium in the Project owned by the Owner. If the Owner of a Condominium will be more than one (1) Person, all such Persons will have a membership in the Association and be deemed Members, but the voting rights in the Association attributable to that Condominium may not be split and will 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 will be cast, such Persons will 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 Condominium. To this end, only one (1) vote is allocated to each Condominium, regardless of the number of Persons that hold an ownership interest in such Condominium. Memberships in the Association will be appurtenant to the Unit owned by the Owner. The membership in the Association will 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 will be void and will not be reflected on the books of the Association. The Association will have two (2) classes of membership as follows:
 - 8.11.1 Owner Members. "Owner Members" will be the Owners of the Units, with the exception of the Declarant for so long as the Declarant Member exists. Upon the Declarant Member Termination Date (defined below), at all meetings of the Association each Member will be entitled to the number of votes allocated to each

- Owner's Unit, as identified on <u>Exhibit D</u>, representing that Owner's Percentage Ownership. Prior to the Declarant Member Termination Date, Owner Members are not entitled to vote.
- 8.11.2 <u>Declarant Member</u>. The "**Declarant Member**" is Declarant. Until the Transfer of Control Date (the "**Initial Development Period**"), the Declarant Member will be entitled to (a) to the exclusive power to appoint, remove and replace directors of the Association; and (b) three (3) votes for each Unit until the Unit is conveyed to an Owner Member. The Declarant Member will cease to exist upon the earlier to occur of the following: (a) one hundred twenty (120) days after Declarant has conveyed seventy-five percent (75%) of the Units in the Project; (b) three (3) years after completion of the Project as evidenced by the first conveyance of an Unit to an Owner; or (c) the date that Declarant informs the Board that Declarant no longer wishes to exercise its rights as the Declarant Member (as applicable, the "**Transfer of Control Date**").
- **8.12** Member Meetings. The Association will hold an annual meeting of the members and periodic special meetings of the members as set forth in the Governing Documents.
- **Proxies.** A membership in the Association will be appurtenant to and inseparable from the Condominium owned by such Member. A membership in the Association will 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 Unit and then only to the transferee of title to the Unit. Any attempt to make a prohibited transfer of a membership will be void and will 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 Unit or to any Person that has assumed by contract, or otherwise, liability for paying Assessments of any Owner.
- **Board of Directors**. The business and affairs of the Association are managed by the Board. The Board will consist of not less than three (3) directors and no more than five (5) directors. 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 will be filled by a plurality of the votes cast by the remaining Directors through a special election at any meeting of the Board.
- **8.15 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.
- **8.16** Powers of the Association. The Association will 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:

- 8.16.1 <u>Assessments</u>. 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.
- 8.16.2 <u>Right of Enforcement</u>. 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:
 - 8.16.2.1 The right to remove, alter, rebuild, or restore any improvements constructed, reconstructed, refinished, added, altered, or maintained in violation of the Governing 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.
 - 8.16.2.2 The right to enforce the obligations of the Owners to pay each and every Assessment or charge provided for in the Governing Documents.
 - 8.16.2.3 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 the 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 five (5) days and not to exceed thirty (30) days) to cure prior to exercising its power and authority hereunder.
 - 8.16.2.4 The right to authorize variances from the requirements of this Declaration when required by Applicable Law (such as the Fair Housing Act) or when needed to prevent the requirements would impose an undue hardship on an Owner that would be inequitable for the 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.
- Association Rules and Regulations. The power and authority to amend, and repeal the Association Rules and Regulations as the Board deems reasonable and appropriate to govern the Project, including rules and regulations regarding: (a) the use of the Common Area; (b) imposition of fines for violations of the Governing Documents (subject to Applicable Law, such as Idaho Code § 1501et.seq.); and (c) procedures in the conduct of business and affairs of the Association. 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 and Regulations as they may from time to time be adopted, amended or repealed, will be mailed or otherwise delivered to each Owner.

- 8.16.4 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 will be made with as little inconvenience to the Owners as practicable and any damage caused thereby will be repaired by the Association, except as otherwise provided herein. Owners acknowledge that the Ketchum City Fire Department and the Association may have a master key to all locks in the Project. Owners further agree to notify the Board and employ a locksmith approved by the Board before any locks may be changed to preserve the system.
- 8.16.5 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.
- 8.16.6 <u>Licenses, Easements and Rights-of-Way</u>. 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:
 - 8.16.6.1 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;
 - 8.16.6.2 Sewers, storm drains, water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes; and
 - 8.16.6.3 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.
- 8.16.7 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 those Owners within a particular Condominium, 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 will be deemed to be owned by the Owners in the same proportion as their respective interest in the Common Area.
- 8.16.8 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. Without limiting the generality of the foregoing, and only by way of example, the Association may enter into such

- agreements with others for the use of any recreational amenities or facilities, including clubhouses and swimming pools, by the Owners on such terms as the Board deems reasonable or prudent.
- 8.16.9 <u>Inspection</u>. The power and authority to enter a Unit for the purpose of conducting a regular maintenance inspections.
- 8.16.10 <u>Taxes</u>. 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.
- 8.16.11 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.
- 8.16.12 <u>Financing</u>. 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.
- 8.16.13 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 Unit is in default of the Governing 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 the Owner's Unit, 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.
- 8.16.14 <u>Development Agreement and Improvements in Public Right-of-Way</u>. The power and authority to enter into a Development Agreement and license and easement agreements with the City of Ketchum (or assume the duties and obligations under any such Development Agreement and license agreements entered into by Declarant) to develop the Property and install, maintain, improve, irrigate, trim, repair, and replace improvements and landscaping in the public rights-of-way (including sidewalk easements and planter strips).
- 8.16.15 <u>Implied Rights.</u> 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 will include without limitation the right to acquire water meters for each Unit.

- 8.16.16 <u>Use of Association Powers</u>. Notwithstanding the foregoing, the Association will not take any action that would impair an Owner's right to enjoy and use his/her Unit as set forth herein, in particular Section 7.27.
- 8.16.17 Power to Levy Fines. The power to impose reasonable monetary fines which will constitute a lien upon the Unit owned or occupied by the Owner, Lessee, or other Person determined by the Board to be in violation of the Governing Documents (each a "Violation"). Provided, however, the Association will not impose a fine on an Owner for a Violation unless: (a) the Board votes to impose the fine at any regular or special meeting of the Board or the Association (individually, a "Levy Meeting"); (b) the Owner is provided at least thirty (30) days advance notice of the Levy Meeting by personal service or certified mail at the last known address of the Owner as shown in the records of the Association; and (c) the Owner is given a reasonable opportunity to respond to the Violation during the Levy Meeting. Provided further, the Association will not impose a fine on an Owner if the Owner, prior to the Levy Meeting, begins resolving the Violation and continues to address the Violation in good faith until the Violation is fully resolved (the "**Remedial Period**"). For purposes of this Section, the phrase "address the violation in good faith until the Violation is fully resolved" means the Owner must resolve the Violation within thirty (30) calendar days of the Notice; provided, however, if the nature of the Violation is such that more than thirty (30) calendar days are required for its resolution, then the Owner must diligently prosecute the same to completion within sixty (60) calendar days. All such fines will be deemed to be a part of the Assessments to which the Owner's Unit is subject under this Declaration. In all events, no portion of such fines may be used to increase the compensation to the Board or agent thereof.
- 8.16.18 Common Parking Spaces. The power to manage and regulate the use of any Parking Spaces owned by the Association as Common Area in any manner the Association deems appropriate, including (a) the power to lease or sell the Parking Spaces to any Unit Owners; (b) the power to reserve or limit the spaces for guests, employees, disabled persons, charging station use or other users or uses. The Association may designate the Parking Spaces that are Common Area for the primary or exclusive use of parking and/or charging of electric vehicles. If the Association provides for electric vehicle charging, the Association may elect the have some or all of the cost of electricity be an Expense, and the Association may elect to charge some or all of the cost of electricity to the users thereof on such terms as the Association deems appropriate.

8.17 Enforcement of Governing Documents.

a. <u>In General.</u> In the event that any Owner or any other Person fails to comply with any of the provisions of the Governing Documents, the Association any any Owner shall have the full power and authority to enforce compliance with such instruments or documents in any manner provided for therein, at law or in equity, including without limitation, the right to enforce the Governing Documents by commencing an action for damages, to enjoin the violation or specifically enforce the liens provided for herein and any statutory lien provided by law, including the foreclosure of any such lien and the appointment of a receiver for an Owner and the right to take possession of the Unit of any Owner in any lawful manner.

All sums payable pursuant to this Declaration that become delinquent shall bear interest at a rate determined by the Board, but in no event shall such rate be more than 1.5 percent per month, or the then-maximum rate permitted by law., whichever is less, commencing on the date such payment becomes delinquent or, if advanced or incurred by the Association or another Person pursuant to authorization contained in this Declaration, commencing 30 days after repayment is requested.

Each Person who becomes delinquent in the payment of any amount due the Association shall pay to the Association a late charge of \$100.00, or such other amount as may be determined by the Board from time to time, for each payment that is delinquent. Each Person who becomes delinquent in the payment of any amount due the Association shall be liable for all reasonable costs and attorney's fees incurred by the Association with respect to collection of all delinquent amounts, which costs and fees shall be the personal obligation of each Owner at the time each Assessment becomes due and payable and shall be a lien and charge upon the Unit against which the Assessment is made.

All enforcement powers of the Association shall be cumulative. The failure of the Association to enforce any provision of the Governing Documents shall not operate as a waiver by the Association to enforce such provision or any other provision of the Governing Documents in the future against the violating Owner or other individual or against any individual in the future.

b. <u>Suspension of Rights and Privileges.</u> In amplification of, and not in limitation of, the general powers specified in this Declaration, the Association through its Board shall have the following rights and powers, in addition to those set forth in the Act:

If a Person shall be in breach of the Governing Documents, including but not limited to the failure of that Owner to pay any Assessment attributable to, or incurred in connection with, a Unit on or before the dure date therefore, or for failure of a successor-in-title of a Unit to promptly cure any past due Assessments of other amounts due and owing to the Association, whether or not the obligation to pay such Assessments or other amounts due arose prior to the time such successor-in-title obtained such Unit, the Association may suspend that Owner's rights and privileges arising from the ownership of such Unit including, but not limited to, the right to participate in any vote or other determination provided for herein and the right to any nonessential services including cable or satellite television service or internet access or the like, and may assess monetary penalties as may be provided herein or in the Bylaws or other Governing Documents.

No suspension of rights and privileges, except a suspension of privileges for the failure of a Person to pay any Assessments, any portion thereof or any other amount due on or before the due date therefore, and no imposition of monetary penalties shall be made except after a meeting of the Board duly called and held for such purpose.

Written notice of such meeting, the purpose thereof, including the reasons for the suspension sought or the monetary penalties sought to be imposed, and whether the Person's defense shall be oral or written, shall be given to the Person at least 15 days prior to the date of the meeting. The Person shall be entitled to appear at that meeting and present his or her case, either orally or in writing as designated by the Board, as to why his or her privileges should not be suspended or monetary penalties imposed.

The decision as to whether rights and [privileges should be suspended or monetary penalties imposed shall be made by a majority of the Board present at the meeting. Written notice of suspension or monetary penalties imposed, the reasons therefor and the length or amount thereof shall be given to the Person, and the suspension or penalties shall become effective on the date such notice is given, which date shall not be less than three days (3) after the date of such meeting.

If a suspension of rights and privileges or imposition of monetary penalties is based

- (i) on the failure of a Person to pay Assessments or any other amount due attributable to, or incurred in connection with, a Unit, the suspended rights and privileges of that Person with respect to the Unit shall be reinstated automatically at such time as payment is received by the Association, in cash or by electronic funds transfer or certified check, of all amounts past due as of the date of the reinstatement and all monetary penalties imposed, together with accrued and unpaid interest and any late charges imposed which are attributable to, or were incurred in connection with, such Unit.
- (ii) on any act or omission other than the failure of a Person to pay Assessments or any other amount due when due, the suspended rights and privileges shall be automatically reinstated upon the earlier of expiration of the period stated in the suspension notice or the payment of the monetary penalties imposed.
- **8.18 Duties of the Association**. In addition to the power delegated to it by the Governing Documents, the Association or its agents will have the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:
 - 8.18.1 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 (subject to exclusions in this Declaration), including parking areas, landscaping, drive lanes, common seepage beds and the exterior of the Project, including the repair and replacement of property damaged or destroyed by casualty loss and all other property acquired by the Association, and will maintain the same in a good, clean, attractive and sanitary condition, order and repair. The Association will obtain a capital reserve study at least every three (3) years and maintain sufficient reserves to offset major common area expenditures.
 - 8.18.2 <u>Taxes and Assessments</u>. 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 will 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 will 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.
 - 8.18.3 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.

- 8.18.4 <u>Insurance</u>. Obtain, from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the policies of insurance described in Article 13 hereof.
- 8.18.5 <u>Maintenance of Exteriors and Improvements</u>. Maintain and repair the exterior surfaces of the Project and improvements in the Project. The exterior maintenance will include: painting, staining, repairing, replacing and caring for all exterior surfaces including roofs and exterior portions of doors as necessary to maintain them in good condition consistent with similar properties in the location of the Project.
- 8.18.6 <u>Inspection and Maintenance Guidelines</u>. The Board will 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 three (3) years, will review and update the inspection and maintenance guidelines. The Board will take all appropriate steps to implement and comply with the inspection and maintenance guidelines, and will keep records of such implementation and compliance.
- 8.18.7 Maintenance of Records and Right of Inspection. The Association will 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 will be available at the Association's regular offices for inspection and copying by any Owner at the 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 8.18.7. 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.
- 8.19 **Immunity and Indemnification**. Each Owner understands and agrees that: (a) Declarant and its members, managers, agents, and employees, and (b) the Association, its directors, officers, agents, employees, and committee members (each individually a "Released Party") will be immune from personal liability to the Owner, and the 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 Governing Documents to the extent that such acts or failures to act do not constitute willful misconduct on the part of such Released Party. The Association will 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 Governing Documents; provided, however, the Association will not be obligated to indemnify, defend, and hold harmless any Released Party for their own gross negligence or willful misconduct. Further, except to the extent covered by insurance obtained by the Board, none of the Association, the Board, or the Declarant will be held liable for: the failure of any utility or other service obtained and paid for by the Association; any injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, snow, dust, or sand which may lead or flow from outside or from any parts of the Project, or from any of their pipes, drains, conduits, appliances, or equipment, or from any other place; or inconvenience or discomfort resulting from any action taken to comply with any law, ordinance, or orders of a governmental authority. No

diminution or abatement of Assessments will be claimed or allowed for any such liability or service failure, or for such injury or damage, or for such inconvenience or discomfort.

8.20 Waiver of Consequential Damages. Neither the Declarant nor the Association will be liable to any Owner for, and each Owner releases the Declarant and the Association from, any form of indirect, special, punitive, exemplary, incidental, consequential, or similar costs, expenses, damages, or losses.

ARTICLE 9 ASSESSMENTS

- 9.1 Member's Obligations to Pay Assessments and Other Amounts. Declarant, for each Unit owned by it within the Property, and for and as the Owner of the Property and every part thereof, hereby covenants for itself and for each Owner of any Unit, by the acceptance of instruments of conveyance and transfer therefore (whether or not it be so expressed in such instruments) shall be deemed to covenant and agree with each other and with the Association, to pay the Association all assessments, whether Regular Assessments, Special Assessments or Specific Assessments, made by the Association for the purposes provided in this Declaration, as well as such reasonable and uniformly applied charges for use of the Property and reasonable and uniformly applied fines imposed for violation of the Rules and Regulations adopted by the Association as provided in this Declaration. Such Assessments shall be fixed, established and collected from time to time, as provided in this Declaration.
- 9.2 **Regular Assessments.** The regular assessment against all Units within the Property (The "Regular Assessments") shall be based upon advance estimates of cash requirements of the Association to provide for the payment of all costs and expenses arising out of or connected with the following: (i) the administration and/or management of the Property; (ii) the maintenance and operation (including without limitation road maintenance, snow removal and landscaping services, equipment and materials), repair and replacement, and insuring of the Common Areas; (iii) the furnishing of utility services, including without limitation sewer, water, propane gas, trash removal, electricity, basic or IP telephone (or other advanced technology for the provision of television services), and high-speed internet access, and other common items to the Units and Common Areas; (iv) furnishing security systems and services; (v) the payment of any sums due under any management contract for the operation of the hotel within the Property (which sums may include the provision of some or all of the services enumerated herein); (vi) taxes and special assessments from governmental or quasi-governmental entities or agencies unless and until Units are separately assessed; (vii) premiums for all insurance which the Association is required or permitted to maintain hereunder; (viii) wages of and other costs associated with Association managers, employees or contractors; (ix) legal, audit and accounting fees; (x) amounts necessary to eliminate any deficit remaining from a previous period; (xi) creation of a reasonable reserve fund for periodic maintenance, repair and replacement of the Common Areas and for future capital expenditures; (xii) replacement of housewares and linens; (xiii) all costs associated with the Annual Meeting; (xiv) any other operating, administrative and management costs, expenses and liabilities which may be incurred by the Association for the benefit of all Owners or by reason of this Declaration or pursuant to the affirmative vote of the members of the Association pursuant to this Declaration or the Bylaws; (xy) the provision of the services to the Owners as shown on the Association Budget, including without limitation the costs and expenses associated with the housekeeping and deep cleaning of the Common Areas, and as the same scope of services may be expended from time to time by the vote of the Owners hereunder or by the Managing Company; (xvi) the Hotel Services Fee and the Reserve Fund (both as defined below). All of the

foregoing shall be referred to herein as the <u>"Common Expenses"</u>, which Common Expenses shall be assessed to the Owners in the following three general categories:

- a. <u>General Common Expenses.</u> The General Common Expenses shall include the Common Expenses less the Hotel Services Fee and Reserve Fund.
- b. <u>Hotel Services Fee.</u> The <u>"Hotel Services Fee"</u> shall include the amount of costs and expenses normally associated with the operation of a full-service hotel, including without limitation front desk, concierge, administration, accounting, management fees and other general costs and expenses, consistent with the Community-Wide Standard.
- c. Reserve Fund. The "Reserve Fund" shall include sums reserved for future capital expenditures, funds to pay insurance deductibles, long-term maintenance and the replacement of FF&E for the Common Areas and the individual Residential Units, as required from time to time, to maintain the Community-Wide Standard. The Reserve Fund shall be further divided in to reserve funds, one of which shall be a general reserve fund for capital expenditures, long-term maintenance and the replacement of FF&E pertaining to the General Common Areas, which general reserve fund shall be assessed to all Units (the "General Reserve"), and a residential reserve fund for the replacement of FF&E for the Residential Units, which residential reserve fund shall be assessed to the Residential Units only (the "Residential Reserve"). There will be no portion of the Reserve Fund allocated to the replacement of FF&E in the Commercial Units. It shall be the responsibility of the individual Commercial Unit Owners to adequately provide for the maintenance and replacement of FF&E in their respective Commercial Units to maintain the Commercial Units at or exceeding the Community-Wide Standard.
 - 9.3 Apportionment of Regular Assessments. The Regular Assessments pertaining to the General Common Expenses shall be apportioned among the Owners pursuant to their percentage interest in the General Common Elements as set forth on **Exhibit "D"** hereof. The Regular Assessments pertaining to the Hotel Services Fee and the Residential Reserve portion of the Reserve Fund shall be apportioned among Residential Unit Owners according to their percentage interest in the Limited Common Areas – Residential as set forth on Exhibit "D" hereof. The General Reserve portion of the Reserve Fund shall be apportioned among the Owners pursuant to their percentage interest in the General Common Areas as set forth on Exhibit "D" hereof, or pursuant to a percentage allocation determined by the Board from time to time. Any Regular Assessments that may reasonably be estimated and allocated solely to the Commercial Units shall be apportioned to each Commercial Unit pursuant to their percentage interest in the Limited Common Areas – Commercial, as set forth in Exhibit "D" hereof. Any Regular Assessments that may reasonably be estimated and allocated solely to the Residential Units shall be apportioned to each Residential Unit pursuant to their percentage interest in the Limited Common Areas – Residential, as set forth in Exhibit "D" hereof. Notwithstanding the foregoing or anything provided herein to the contrary, the Board may, in the exercise of its reasonable good faith judgment, adjust the billing formula on a "blended" basis to reflect the higher relative costs for larger units or to adjust the assessments between Residential Units and Commercial Units.
 - 9.4 Special Assessments. In the event that the Board will 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 will determine the approximate amount necessary to defray such Expenses and levy a Special Assessment for such amount. The Board will, in its discretion, determine the schedule under which such Special Assessment will be paid.

If such Special Assessment affects more than one Unit or group of Units (but not all Units), the Owners of the affected Units will pay those costs associated solely with their Units in proportion to their Percentage Ownerships, as among each other, as set forth on Exhibit D, while all Owners will share such costs associated with the Common Area in proportion to their respective Percentage Ownerships.

- Assessments and Special Assessments, the Association may levy a Limited Assessment against an Owner: (a) for any fines (in accordance with Section 8.17 hereof), fees or charges levied against the Owner under the Governing Documents; (b) to reimburse the Association for any costs incurred to bring the Owner's Unit or any improvements therein into compliance with the Governing Documents; (c) to reimburse the Association for any damages caused by an Owner or the Owner's Tenants, Occupants, invitees, or licensees to any Common Area or improvements or other property owned or maintained by the Association; and (d) for the cost of providing any goods or services under the Governing Documents that benefit the Owner or Owner's Unit, but less than all Owners or all Owners' Units. If such Limited Assessment will affect more than one (1) Unit, but not all Units, the Owners of the effected Units will pay those costs associated solely with their Units in proportion to their percentage ownership, as among each other, while all Owners will share such costs associated with the Common Area in proportion to their respective Percentage Ownerships.
- **Specific Assessments.** The Association shall have the power to levy Specific Assessments (individually, the "Specific Assessments") against a particular Unit or limited number of Units as follows:
 - **a.** To cover the costs, including overhead and administrative costs including property loss insurance, and other costs of providing service to a Unit upon request of an Owner pursuant to any menu of special services which may be offered by the Association. Specific Assessments for special services may be levied in advance of the provision of the requested service; and
 - **b.** To cover costs incurred by the Association, including the payment of insurance deductibles on insurance policies help by the Association, to maintain or repair damage to a Unit or the Common Areas caused by negligence or as a consequence of the conduct or lack of conduct of the Owner, their family members, agents, contractors, employees, licensees, invitees, or guests; provided, the Board shall give the Owner prior written notice and an opportunity for a hearing before levying any Specific Assessment under this Subsection (b).
- **Transfer Assessments.** Upon the transfer of fee simple title to a Unit to an Owner, and upon each subsequent transfer of the Unit thereafter, the transferee will pay a transfer assessment to the Association in an amount determined by the Board from time to time (the "**Transfer Assessment**"). Each Transfer Assessment will be paid to the Association at the closing of the transfer of the Unit. The Transfer Assessments are to be used to pay for Expenses and are not used for any purpose prohibited by law. Transfer Assessments are not 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.
- 9.9 <u>Notice and Assessment Due Date</u>. The Association shall assess Owners for Regular Assessments consistent with the annual budget duly adopted by the Board and any Special Limited, Specific or Transfer Assessments as defined herein. Unless the Board establishes a different schedule for the payment of Regular Assessments, monthly installments of the Regular

Assessments will be paid on or before the 1st of each month. The Board will, in its reasonable discretion, determine the schedule under 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 will be charged to the Owner. Each Assessment, other than a Regular Assessment, will 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 will pay to the Association a late payment charge equal to 5% of the delinquent amount; and (ii) interest will accrue on the delinquent amount at the rate of twelve percent (12%) per annum until paid in full. In the event an Owner's payment is returned for any reason, the Owner will pay to the Association an administrative fee in an amount set by the Board and thereafter the Association will have the right to require future Assessments due from the 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. Failure of the Association to give written notice on an assessment shall not affect the liability of the Owner of any Unit for such an assessment, but the date when payment shall be due in such case shall be deferred to a date thirty (30) days after such notice is sent to the Owner.

9.10 <u>Declarant's Exemption from Assessments</u>. During the first two (2) years following the date Assessments are first assessed against the Owners of Units, Declarant will not be assessed any Regular, Special, Limited, Specific or Transfer Assessments for any Units owned by Declarant. If Declarant owns at least one Unit during such period, Declarant will pay the shortfall, if any, in the operating Expenses of the Association; provided, however, such obligation will 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 Units owned by Declarant on the date Regular Assessments or Special Assessments are assessed against the Owners of Units. After the foregoing period, Declarant will be assessed Regular Assessments and Special Assessments for each Unit owned by Declarant.

ARTICLE 10 ENFORCEMENT OF ASSESSMENTS; LIENS

- 10.1 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 will 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 the 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 will be maintainable without foreclosing or waiving the lien hereinafter provided.
- 10.2 <u>Assessment Liens</u>. There is hereby created a claim of lien with power of sale on each and every Unit to secure payment of any and all Assessments levied against such Unit 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 will constitute a lien on such respective Unit upon recordation of claim of lien with the Blaine County Recorder, which claim of lien will be the "notice of assessment" described in the Condominium Act. Each delinquency will 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 will prepare and record a release of such claim of lien.

- 10.3 <u>Method of Foreclosure</u>. 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 will 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.
- **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 Unit(s).
- **Subordination**. Upon recordation of a claim of lien for delinquent Assessments in accordance with Applicable Law, such lien will 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 Unit prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in this Section 10.5, the sale or transfer of any Unit will 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 will such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Declaration.
- 10.6 Personal Obligation of Owner. The amount of any Regular Assessment, Special Assessment, Limited, Specific, or Transfer Assessment against any Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgement for such personal obligation shall be maintainable by the Association without foreclosure or waiver of the lien securing the same. No owner may avoid or diminish such personal obligation by waiver of the use and enjoyment of any of the Common Areas or by abandonment of his/her Unit. Any purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.
- 10.7 <u>Estoppel Certificate.</u> Upon payment of a reasonable fee and upon five (5) business days written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, the Association shall issue an estopple certificate setting forth the amount of the unpaid assessments including penalties, fees and interest accrued and due, if any, with respect to such Unit, whether Regular Assessments, Specific Assessments, Special Assessments, Limited Assessments, or Transfer Assessments the amount of the current Regular Assessment, Specific

Assessments, Special Assessments, Limited Assessments, or Transfer Assessments and the date that such assessment becomes or became due, credit for advanced payments or prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums, which certificate shall be conclusive upon the Association in favor of persons who rely thereon in good faith that no greater amounts were then due or accrued and unpaid, with the exception that any FF&E removed from a Unit or damage done to a Unit after the date of the estopple certificate shall create an assessment against the Unit and shall not be foreclosed by the change in ownership of such Unit or the insurance of the estopple certificate and shall be assessed to the Unit, regardless of the ownership thereof, pursuant to this Declaration.

Assessment for Payment of Insurance Deductible. The deductible, if any, on any insurance policy held by the Association or the Board shall be paid by the Association and assessed to the Owners as a Common Expense in the event that the cause of any damage or destruction of any portion of the Project originated in or through the Common Areas or an apparatus located withing the Common Areas; provided, however, the Association or the Board may assess any deductible amount necessitated by whether the intentional act or omission, negligence, abuse, misuse or neglect of an Owner, or his or her family, guest, tenant of the family or guest of such tenant, against such Owner as a Specific Assessment hereunder. In the event that the cause of any damage or destruction to any portion of the Project originated in or through a Unit or any component thereof, then the deductible shall be paid by the Association and the amount therefore shall be assessed against the Owner of such Unit as a Specific Assessment hereunder.

ARTICLE 11 RIGHTS TO COMMON AREAS

- 11.1 <u>Use of Common Area</u>. Every Owner will have a nonexclusive right and easement to use the Common Area (exclusive of 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 will be appurtenant to and will pass with the title to every Condominium, subject to the following provisions:
 - 11.1.1 <u>Assessments</u>. The rights of the Association to levy Assessments as provided herein and the payment by an Owner of all such Assessments;
 - 11.1.2 <u>Voting</u>. 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 the Owner's Unit remains unpaid;
 - 11.1.3 <u>Dedication or Transfer</u>. 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 will be effective unless an instrument is executed and recorded by the Association verifying that such dedication or transfer has been approved by: (i) the vote or written consent of Owners representing more than sixty-five percent (65%) of the total voting power in the Association, and (ii) more than sixty-five percent (65%) or more of all Mortgagees; and
 - 11.1.4 <u>Association Rules and Regulations</u>. The right of the Association to establish and enforce such Association Rules and Regulations as the Association deems proper regarding the Project and use of Common Area.

- **11.2** <u>Delegation of Right to Use</u>. Any Owner may delegate in accordance with the respective Governing Documents, the Owner's reasonable right to the use and enjoyment of the Common Area to the Owner's Tenants, Occupants, invitees, or licensees.
- 11.3 <u>Damages</u>. To the extent permitted by law, each Owner will be liable for expenses for corrective action necessitated by violation of the Declaration or Association Rules and Regulations or for any damage to such Common Area which may be sustained by reason of the Owner's Tenants, Occupants, invitees, or licensees. In the case of joint ownership of a Condominium, the liability of the Owners will be joint and several. The cost of corrective action will be assessed as an Assessment against the Unit and may be collected as provided herein for the collection of other Assessments.

ARTICLE 12 MECHANIC'S LIEN RIGHTS

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

ARTICLE 13 INSURANCE

- 13.1 <u>Types and Form of Insurance</u>. The Association shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in the State of Idaho.
 - **Property Insurance.** The Association shall obtain a policy or policies of insurance against damage or destruction of the Common Areas and the portion of the Units considered to be attached to the Building (including without limitation the interior walls and partitions, ceilings, cabinetry, fixtures, carpeting and other flooring, windows and doors, and excluding without limitation artwork, appliances and mirrors that are attached to the interior of the Units) and the equipment, supplies and other personal property of the Association. Such property insurance shall be in accordance with the coverage customarily maintained by other condominium properties similar in construction, design, and use, and at least equal to such coverage as is commonly required by prudent institutional mortgage investors in the area. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, theft, and such other risks and hazards against which the Association shall deem appropriate to provide insurance protection, but in any event shall consist of a policy written on an open perils basis to provide the broadest coverage possible. The Association may comply with the above requirement by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice. The policy shall be in an amount equal to 100% of current replacement cost of the Property, exclusive of land, foundation, excavation and other items normally excluded from coverage.

The Property Insurance shall be carried in a form or forms naming the insured as the Association for the use and benefit of all Owners. The loss payable shall be in favor of the Association as trustee for each Owner and the Owner's Mortgagee(s), as their interest may appear, and the parties shall be beneficiaries of the policy base upon ownership percentages of the General Common Areas pursuant to Exhibit "D" attached hereto, prior to any ratio adjustments. Each policy shall provide a standard, non-contributory mortgagee clause in favor of each Mortgagee or insurer or guarantor of a Mortgage, in a form commonly accepted by private institutional mortgagors in the area. Each policy shall also provide that is cannot by cancelled by either the insured of the insurance company until after forty-five (45) days prior written notice is first given to the Association. If the foregoing terms are not commercially feasible, then the Association shall be permitted to negotiate the best commercially reasonable terms available. The Association shall, upon request, furnish to each Owner or Mortgagee a certificate of coverage, including an identification of such Owner's interest.

The property insurance will, at a minimum, provide special cause of loss coverage in an amount equal to the full replacement cost of the Common Areas, the Limited Common Areas, the Units, and personal property of the Association. The property insurance will also cover betterments and improvements including permanently installed wall and floor coverings, equipment, fixtures (such as cabinets) and appliances, and replacements or upgrades of the same, in or serving the Units, whether installed by the Declarant, Owners, or their tenants, with an "Agreed Amount" or equivalent endorsement. Each Owner of a Unit will promptly inform the Board in writing of any betterment or improvement intended as a permanent part of its Unit which cost in excess of \$5,000. The cost of any such increase in insurance may be assessed to the affected Owner as a Specially Allocated Expense as provided in Section 9.7 above. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage to be purchased by FNMA (regardless of whether or not such property is part of the Common Areas) must be covered by such policy. The Association's policy must provide for the recognition of any insurance trust agreement. The policy will provide a separate loss payable endorsement in favor of the Mortgagee of each Unit. The Association or insurance trustee, if any, will hold insurance proceeds in trust for the Owners and their Mortgagees, as their interests may appear. Each Owner and the Owner's Mortgagee, if any, will be beneficiaries of the policy in accordance with the Allocated Interest allocated to the Owner's Unit. Certificates of insurance will be issued to each Owner and Mortgagee upon request. The name of the insured under such policy must be the Association for the use and benefit of the Owners. A loss payable will be in favor of the Association as a trustee for each Owner and each Mortgagee of a Unit. The Association or such trustee will hold any proceeds of insurance in trust for Owners and Mortgagees of a Unit, as their interests may appear. Each Owner and each Mortgagee of a Unit, if any, will be beneficiaries of the policy in accordance with their Allocated Interests. Such policy will contain a standard mortgagee clause or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in Blaine County, Idaho, which appropriately names FNMA if FNMA is a Mortgagee or Owner of a Unit.

b. General Liability Insurance. The Association shall obtain a broad form of comprehensive general liability insurance coverage in such amounts and in such forms as it deems advisable to provide adequate protection. Coverage shall include, without limitation, all of the Common Areas and public ways of the Property, including death, liability for personal injuries, property damage, liability of the Association, its officers, Directors, employees and the Managing Company arising with the ownership, operation, maintenance, administration, management, use or occupancy of the Property, and liability arising out of lawsuits related to employment contracts of the Association, as well as such other riders customarily covered with

respect to similar condominiums. The combined single limits of such insurance policies shall be not less than five hundred thousand dollars (\$500,000.00) with respect to personal liability and with limits of not less than five hundred thousand dollars (\$500,000.00) for each accident with respect to property damage liability. The Association shall obtain an automobile endorsement which shall cover all automobiles on behalf of the Association.

The general liability insurance shall name the Association, its directors, officers, managers and assignees, each Owner, a and the declarant, whether or not the Declarant is an Owner, and shall protect each insured against liability for acts of the Association in connection with the ownership, operation, maintenance or other use of the property or the building. Each such policy shall provide that it cannot be cancelled either by the insured or by the insurance company until after forty-five (45) days written notice to the Association. If the foregoing terms are not commercially feasible, then the Association shall be permitted to negotiate the best commercially reasonable terms available.

- c. <u>Fidelity Insurance</u>. The required fidelity insurance will afford coverage to protect against dishonest acts on the part of officers, directors, trustees, employees or the Association and Manager and all other persons who handle or are responsible for handling funds of or administered by the Association. All such fidelity insurance will name the Association as obligees and will be not less than the estimated maximum of funds, including reserve funds, in custody of the Association at any time during the term of each policy, but, in no event, will the aggregate amount of insurance be less than three months' aggregate Assessments including reserve funds. The policy will contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.
- d. <u>Boiler and Machinery coverage</u>. If the Project has central heating or cooling, the Association will maintain coverage at least equal to the lesser of \$2,000,000 per accident or the insurable value of the building(s) housing the boiler or machinery.e.

<u>Flood Insurance</u>. The Association will obtain flood insurance if the Project is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which flood insurance has been made available under the National Flood Insurance Program ("NFIP"). Such insurance will be obtained by the Association, as a Common Expense, under a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy (herein "insurable property"), in an amount deemed appropriate by the Association, but not less than the lesser of: (a) the maximum coverage available under the NFIP for all buildings and other insurable property within the Condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) 100% of current replacement costs of all such buildings and other insurable property within such area. Such policy will be in a form which meets the criteria set forth in the most recent guidelines on the subject issued by the Federal Insurance Administrator.

- **f.** Officers and Directors Coverage. To the extent not otherwise provided, the Association shall obtain errors and omissions or similar insurance coverage protecting the officers and directors of the Board of the Association.
- **g**. **Details of All Policies.** The Association shall be required to secure insurance policies that will provide for the following:

- (i) that the insurer shall waive subrogation as to any claims against the Association, the Declarant, the Owners and their respective servants, agents and guests;
- (ii) The policy or policies on the Property cannot be cancelled, invalidated or suspended on account of the conduct of one or more individual Owner not in control of the Owners collectively;
- (iii) that the policy or policies on the Property cannot be cancelled, invalidated or suspended on account of the conduct of any director on the Board, officer or employee of the Association without prior demand in writing that the Association cure the defect;
- (iv) that any "no other insurance" clause in the policy or policies on the Property exclude individual Owner's policies from consideration;
 - (v) a "special condominium endorsement: or its equivalent;
- (vi) if available, the policies shall contain an "agreed amount endorsement" and an "inflation guard endorsement."
- f. Additional Coverage. The provisions of this Declaration shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required by this Declaration, in such amounts and in such forms as the Association shall deem appropriate from time to time, including without limitation garage keepers insurance for insurance coverage of any valet activities undertaken by the Association or the Manager on behalf of the Owners and their guests, tenants, patrons and invitees.
- 13.2 Owner's Individual Insurance. Each Owner shall obtain content insurance coverage for such Owner's Unit in an amount no less than \$50,000.00 for a one-bedroom Unit, \$75,000.00 for a two-bedroom Unit or \$100,000.00 for a three-bedroom or larger Unit, or in some greater amount reasonably determined to replace contents of the Unit and to the extent not covered by the Association's insurance in the event of damage or destruction. In addition, each Owner shall obtain public liability insurance in an amount of no less than \$500,000.00, or in some greater amount determined by such Owner, to supplement the insurance coverage provided by the Association sufficient to cover the liability of the Owner within the Owner's Unit or not covered by the Association's insurance as provided herein. The premium and deductible costs associated with such Owner's individual insurance shall be paid by the Owner. No Owner shall be entitled to exercise his right and obligation to maintain insurance coverage in such a way as to decrease the amount that the Association may realize under any insurance policy the Association may have in force on the Property at any particular time. Any such insurance of the Owner's Unit shall waive the insurance company's right of subrogation against the Association, the Declarant, the other Owners, and the servants, agents, and guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver of rights of subrogation. Each Owner shall be responsible for providing proof of such insurance to the Association; provided, however, that the Association shall not be responsible for ensuring that each Owner has such insurance. Any minimum dollar amount limitations provided herein may be increased from time to time by resolution of the Association to account for increases in costs of replacement or reconstruction or increases in the perceived levels of liability.

- **13.3 Adjustment.** Exclusive authority to adjust losses under policies hereafter in force on the Property shall be vested in the Board.
- 13.4 <u>Contribution.</u> In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by the individual Owners or their Mortgagees.
- 13.5 Review of Insurance. The Board shall review annually the coverage and policy limits of all insurance coverage on the Building and adjust the same at its discretion. Such annual review may, but shall not be required to, include an appraisal of the improvements on the Property by a representative of the insurance carrier or carriers providing the policy or policies on the Property, or such other qualified appraisers as the Board may select, and the cost thereof shall be assessed to the Owners as a Common Expense hereunder.
- **Actions Affecting Cost and Coverage of Insurance.** No Owner shall permit anything to be done or kept in such Owner's Unit or in General Common Areas which will result in increase of the cost or cancellation of insurance on nay Unit or any part of the General Common Areas.
- 13.7 <u>Insurance Proceeds.</u> The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Article. The Association shall apportion the proceeds to the portions of the Property that have been damaged and shall determine the amount of the proceeds attributable to damage to the General Common Areas. To the extent that reconstruction is required herein, the proceeds shall be used for such purpose. To the extent that reconstruction is not required and there is a determination that he Property shall not be rebuilt, the proceeds shall be distributed in the same manner herein provided in the event of sale of the obsolete Units. Each Owner and each Mortgagee shall be bound by the Apportionments of damage and of the insurance proceeds made by the Association pursuant hereto.
- **Attorney in Fact.** Where appropriate under applicable law, each Owner hereby, and by acceptance of a deed or other conveyance for a Unit thereby, appoints the Association, as attorney-in-fact for the purpose of purchasing and maintaining insurance, which shall include the power to collect and appropriately dispose of the proceeds thereof, negotiate losses and execute releases of liability, execute all documents and perform all other acts necessary to accomplish the provision and settlement of insurance coverage for the Property.
- **Additional Provisions.** The Board of Directors will, to the extent they are reasonably available, obtain insurance policies containing (or omitting, as indicated below) the following provisions:
 - 13.9.1 Each Owner of a Unit is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Areas or membership in the Association.
 - 13.9.2 The policy will not provide for contribution by or Assessment against Mortgagees or become a lien on the Project superior to the lien of a First Mortgage.
 - 13.9.3 A provision that the liability of the insurer thereunder is primary and will not be affected by, and that the insurer will not claim any right of set-off, counterclaim, apportionment, proration, or contribution by reason of, any other insurance obtained by or for any Owner or any Mortgagee;

- 13.9.4 Coverage will not be prejudiced by (a) any act, omission or neglect of an Owner when such act or neglect is not within the scope of the Owner's authority to act on behalf of the Association, or (b) failure of the Association to comply with any warranty or condition regarding any portion of the Premises over which the Association has no control;
- 13.9.5 A waiver of subrogation by the insurer for any and all claims against the Association, the Owner of any Unit and/or their respective household members, agents, employees or tenants, and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured.
- 13.9.6 A provision prohibiting the insurer from electing to restore damage in lieu of making a cash settlement without first obtaining the written approval of the Association or, if the Association is a party to an insurance agreement, the written approval of the trustee.
- 13.9.7 A provision that the insurer issuing the policy may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with Applicable Law pertaining to the cancellation or non-renewal of contracts of insurance.
- 13.9.8 The standard mortgagee clause included with the Association's property insurance policy will: (a) Provide that any reference to a mortgagee in the policy will mean and include all Mortgagees of any Unit in their respective order of preference, whether or not named therein; (b) Provide that such insurance as to the interest of any such Mortgagee will not be invalidated by any act or neglect of the Board or any persons under any of them; (c) Waive any provision invalidating such mortgage clause by reason of the failure of any such Mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that such Mortgagee pay any premium thereon, and any contribution clause; and (d) Provide that, without affecting any protection afforded by such mortgagee clause, any proceeds payable under such policy will be payable to the Association or the insurance trustee.
- 13.9.9 An "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement," which increases coverage and policy limits to the same extent inflation causes the value of the dollar to decrease.
- 13.9.10 Each Owner appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance provided for under this Article 13, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose.

ARTICLE 14 CASUALTY, DAMAGE OR DESTRUCTION

- **Affects Title.** Title to each Unit 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 Unit.
- **14.2** 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 Unit upon the Unit's damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner will constitute such appointment.
- 14.3 General Authority of Association. As attorney-in-fact, the Association will 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 Units, 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 will be available to the Association for the purpose of repair or reconstruction unless: (a) Owners representing eighty percent (80%) or more of the total voting power in 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.
- **14.4** Estimate of Costs. As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Association will obtain estimates that it deems reliable of the costs of repair or reconstruction of that part of the Project damaged or destroyed.
- 14.5 Repair or Reconstruction. As soon as practicable after receiving these estimates and subject to receiving all governmental approvals, the Association will 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 will be necessary in connection therewith. Such repair or reconstruction will 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 will be substantially the same as prior to damage or destruction.
- 14.6 Funds for Reconstruction. The proceeds of any insurance collected will 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 9.4 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 will 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.
- 14.7 <u>Disbursement of Funds for Repair or Reconstruction</u>. The insurance proceeds held by the Association and the amounts received from the assessments provided in <u>Section 14.6</u> constitute a fund for the payment of costs of repair and reconstruction after casualty. It will be deemed that the first money disbursed in payment for the cost of repair or reconstruction will be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance will be distributed to the Owners requiring repair and/or reconstruction of the Owner's Unit in proportion to the contributions by the Owner pursuant to the assessments by the Association under Section 14.6 of this Declaration.

14.8 <u>Decision not to Rebuild</u>. If eighty percent (80%) or more of the Owners and more than fifty-one percent (51%) of the first priority Mortgagees agree not to rebuild, the Project will be sold. All insurance proceeds and all sale proceeds will be apportioned among the Owners in the same proportions as their respective Percentage Ownerships; and such apportioned proceeds will be paid into separate accounts, each such account representing one (1) Condominium. Each such account will remain in the name of the Association, and will be further identified by the Condominium designation and the name of the Owner. From each separate account the Association, as attorney in fact, will 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.

ARTICLE 15 CONDEMNATION

- **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 will 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 will apply.
- **Proceeds**. All compensation, damages, and other proceeds therefrom, the sum of which is hereinafter called the "**Condemnation Award**," will be payable to the Association.
- 15.3 <u>Complete Taking</u>. 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 will terminate. The Condemnation Award will be apportioned among the Owners in the same proportions as their respective Percentage Ownerships, provided that if a standard different from the value of the Units 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 will be employed to the extent it is relevant and applicable. On the basis of the principle set forth in this <u>Section 15.3</u>, the Association will, 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.
- **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 Unit ownership regime hereunder will not terminate. Each Owner will be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association will, reasonably and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and will apportion the amounts so allocated among the Owners as follows:
 - 15.4.1 <u>Allocation to Common Area</u>. The total amount allocated to taking of or injury to the Common Area will be apportioned among the Owners in the same proportions as their respective Percentage Ownerships;
 - 15.4.2 <u>Allocation to Condominiums</u>. The total amount allocated to severance damages will be apportioned to those Units 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 will be apportioned to the particular Unit involved; and (b) the total amount allocated to consequential damages and any other takings or injuries will 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 will employ such allocation to the extent it is relevant and applicable.

- **Reorganization**. In the event a partial taking results in the taking of a complete Unit, then, upon the distribution of the Owner's apportioned proceeds, the Owner thereof automatically will cease to be a member of the Association. Thereafter the Association will 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 will submit such reallocation to the remaining Owners for approval and amendment of this Declaration as provided in Section 20 hereof.
- **Reconstruction and Repair**. Any reconstruction and repair necessitated by condemnation will be governed by the procedures specified in Article 14 above.

ARTICLE 16 DISCLAIMERS, WAIVERS, AND ACKNOWLEDGMENTS

Without limiting any other provision in this Declaration, by acceptance of deed to a Unit, each Owner will conclusively be deemed to understand, and to have acknowledged and agreed to, all of the following:

- 16.1.1 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 Unit, each Owner waives and releases Declarant with respect to any such warranties;
- 16.1.2 That the Project is located in Warm Springs Village across the street from Sun Valley Resort Ski Base Facility and adjacent to or nearby roadways and subject to levels of traffic thereon, and to noise, dust, and other nuisances arising from such snow making, snow grooming, 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 ski resort activities 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 ski resort activities, roadways and levels of traffic:
- 16.1.3 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;
- 16.1.4 That construction is an industry inherently subject to variations and imperfections, and items that do not materially affect safety or structural integrity will 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
- 16.1.5 That creation of the Project will 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.
- 16.1.6 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 this Declaration or any other written 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.

ARTICLE 17 RESOLUTION OF DISPUTES

- 17.1 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 Governing 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 Governing 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 Governing Documents or the rights, obligations, or duties of any Bound Party under the Governing Documents, or any disputes among the Bound Parties relating to the Common Area (each a "Claim" and collectively, "Claims") will be subject to the provisions of Section 17.3 unless exempt under Section 17.2. All Claims will be subject to resolution pursuant to this Article 17 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.
- **Exemptions**. None of the following Claims will be subject to this <u>Article 17</u> unless all Bound Parties thereto agree to submit such Claim to the dispute resolution procedures set forth in this Article 17:
 - 17.2.1 Any Claim by the Association against any Bound Party to enforce the obligation to pay any Assessment to the Association under the Condominium Documents;
 - 17.2.2 Any Claim by Declarant or the Association to obtain injunction or equitable relief to enforce any provision of the Condominium Documents;

- 17.2.3 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;
- 17.2.4 Any Claim in which any indispensable party is not a Bound Party;
- 17.2.5 Any Claim against a Released Party that would be barred by Section 8.9;
- 17.2.6 Any Claim which otherwise would be barred by Applicable Law (such as, for example, the applicable statute of limitations); or
- 17.2.7 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 will control the resolution of any claims or disputes related thereto.

17.3 Dispute Resolution.

- 17.3.1 <u>Direct Discussions</u>. Any Bound Party having a Claim against any other Bound Party will notify such party(ies) of the Claim, 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 will 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.
- 17.3.2 <u>Dispute Resolution</u>. 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, do any of the following. If the Board fails to notify the Bound Parties within thirty (30) days of its receipt of a request for assistance, the Board will be deemed to have elected to exempt the Claim from this Article 17.
- 17.3.3 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;
 - 17.3.3.1Order the Bound Parties to mediate the Claim with an independent real estate attorney, real estate professional, or judge selected by the Board. The mediator will 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 will share the mediator's fee and any filing fees equally. Unless otherwise agreed, the mediation will be held within

- thirty (30) days of the order for mediation and will be held in a neutral location near the Project selected by the mediator. Agreements reached in mediation will 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;
- 17.3.3.2Order 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 will be any independent real estate attorney or judge appointed by the Board. The arbitrator will 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 will endeavor to hold the arbitration at mutually convenient times and locations; provided, however, the arbitrator will endeavor to complete the arbitration within forty-five (45) days after appointment of the arbitrator. The parties will 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 will be final, and judgment may be entered upon it in accordance with Applicable Law in any court having jurisdiction thereof
- 17.3.3.3If 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;
- 17.3.3.4Elect to exempt the Claim from this Article 17, at which time the Bound Parties are free to exercise any right or remedy in accordance with Applicable Law.
- 17.3.4 Enforcing Resolutions. If the Bound Parties resolve any Claim through mediation or arbitration pursuant to this Article 17 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 Article 17. In such event, the Bound Party taking action to enforce the resolution will be entitled to recover from any non-complying Bound Party all costs and attorneys' fees reasonably incurred in such enforcement.

ARTICLE 18 INITIAL DEVELOPMENT PERIOD AND RIGHTS RESERVED TO DECLARANT

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 Declarant Member.

The following rights are hereby reserved for the benefit of Declarant for the initial Development Period terminating on the date that is fifteen (15) years after the first conveyance of a Unit from Declarant to a person or entity not affiliated with Declarant (the "Declarant's Reserved Rights Period"): (i) to complete the improvements indicated on the Plat and the design and construction documents for the Property; (ii) to create restrictions on the uses of the Commercial Units through a separate recorded instrument prior to the sale of such Commercial Unit(s) by Declarant to a person/entity not affiliated with the Declarant; (iii) 18.2.2; (iv) to have an easement for access over, under and through the Common Areas and to use and grant easements through the General Common Areas and the Limited Common Areas - Parking or Limited Common Areas -Association to Declarant any Owner, neighboring properties or other persons; (v)to elect, appoint or remove members of the Board; (Vi) to alter, amend, expand, retract, eliminate, vacate or otherwise change the Common Areas, or any portion thereof, as necessary to enhance value of the Property or to exercise Declarant's reserved rights hereunder, including without limitation the right to eliminate walls, roofs, overhangs, conduit pipes and the like deemed to be Common Elements; (vii) to vacate and replat the Plat, or portions thereof, from time to time, to conform the same to the actual location of any of the constructed improvements and to establish, vacate and relocate utility easements, access easements, and on-site parking areas, and as necessary to exercise Declarant's reserved rights to change the Common Areas or to annex additional property as provided herein; (viii) to renovate, redesign, reassign, combine or make any changes to the Common Areas of the Property so long as any such changes to not diminish the overall square footage of all of the Common Areas by more than fifteen percent (15%); (ix) to convey, grant or otherwise transfer or retain use interests in the Limited Common Areas - Parking through license agreements or otherwise; (x) to annex additional property and Units to the Project, whether such property is owned by the Declarant or not and specifically including without limitation additional properties located in Warm Springs Village, Ketchum, Idaho, and to impose additional easements and covenants on such additional property; (xi) to amend the percentage of ownership in the Common Areas and voting percentages of the Owners consistent with such annexation of additional property and Units to the Project; (xii) to grant in connection with such annexation temporary construction easements as necessary to accommodate construction of or on any annexed or neighboring property and to grant in connection with such annexation permanent easements for utility lines and data transmission; (xiii) to submit the Project to a master association and to merge or consolidate like-kind associations; and (xiv) to retain any unused or unallocated development rights and entitlements appurtenant to the Property for the Declarant's own use, which rights and entitlements may be sold, assigned or otherwise transferred in the Declarant's sole discretion and to the Declarant's sole benefit.

For purposes of annexing additional property into the Project regime established by this Declaration and for purposes of making changes to the Common Areas for the benefit of some or all of the Owners, all of the Owners, hereby, and by acceptance of deed for a Unit hereafter, irrevocably appoint the Declarant their attorney-in-fact for purposes of amending the schedule of percentages of ownership in the Common Areas depicted on Exhibit "A" hereto, amending or supplementing the Declaration and all other Governing Documents, and vacating the Plat or portions thereof and filing additional Plat maps applicable to the Property. Such an appointment of the Declarant as the attorney-in-fact of each Owner shall remain effective and valid throughout the Declarant's Reserved Rights Period and each Owner, by acceptance of a deed for such Owner's Unit shall be deemed to consent to ratify such appointment and as necessary to appoint Declarant as such Owner's attorney-in-fact.

18.2 <u>Declarant Exemptions</u>. Declarant may, from time-to-time in Declarant's discretion and without first seeking or obtaining the approval of Association:

- 18.2.1 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;
- 18.2.2 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;
- 18.2.3 Use or allow any third party to use any Condominium as a model home, sales office, or construction office; or
- 18.2.4 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.
- 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 will be effective upon the recordation of such written instrument(s) recorded in the real property records of Blaine County, Idaho. Declarant will 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.

ARTICLE 19 TERM

The Declaration will be perpetual, subject only to termination at the removal of the Project from the Condominium Act in accordance with Applicable Law (i.e., Idaho Code Section 55-1501et.seq., or its successor provision), which termination must be separately approved and performed in the same manner as removal of the Project from the Condominium Act.

ARTICLE 20 AMENDMENT

- **Written Instrument; Recordation.** No amendment or termination of this Declaration will be effective unless in a written instrument, and will not take effect until the amendment or termination is recorded in the Blaine County Recorder's Office.
- **20.2** By Declarant Prior to Conveyance of First Unit. Prior to Declarant's conveyance of a Unit, Declarant may amend or terminate this Declaration by recording written instrument setting forth such amendment or termination in the Blaine County Recorder's Office.
- Material Amendments. Except as other amendments are permitted under this Declaration, any Material Amendment to this Declaration must be by a written instrument setting forth such amendment, signed and acknowledged by the president and secretary of the Association certifying and attesting that the amendment has been approved at a Qualified Meeting by members entitled to cast at least sixty-seven percent (67%) of the votes of members present, in person or by proxy, and if Declarant votes at the Qualified Meeting, that the amendment has been approved by the vote of a majority of all members other than Declarant. The amendment will be

effective upon the recordation thereof with the Blaine County Recorder's Office. Any Material Amendment which changes the rights of any specific class of members must also be approved by members entitled to cast at least fifty-one percent (51%) of the votes of all members of such class present, in person or by proxy, and voting at any Qualified Meeting, or at least fifty-one percent (51%) of the total authorized votes of all members of such class.

- **Minor Amendments**. The Association may make a Minor Amendment to this Declaration by a written instrument setting forth such amendment, signed and acknowledged by the president and secretary of the Association certifying and attesting that the amendment has been approved by the vote or written consent of Members representing a majority of the total voting power in the Association.
- **Financing Amendments**. Declarant and the Association will each have the power and authority, acting individually or collectively, to amend to this Declaration (including the Financing Rider) by a written instrument setting forth such amendment, if the amendment is necessary or convenient (in the reasonable opinion of Declarant or the Association) to allow Owners to take full advantage of, or secure the full availability of, any Financing Programs.
- 20.6 <u>Mortgagee Protection</u>. Any amendment that may have a material adverse nature to mortgagees must be approved by first priority Mortgage holders of Units that represent at least fifty-one percent (51%) of the voting power of Units that are subject to first priority Mortgages. Any Mortgage holder will be deemed to have given its implied approval of any amendment proposal if the Mortgage holder fails to submit a response to any written proposal for an amendment within sixty (60) days after the Mortgage Holder receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.
- **20.7 Effect of Amendment**. Any amendment of this Declaration approved in the manner specified in this Article 20 will be binding on all Owners, notwithstanding that some or all Owners may not have voted for or consented to such amendment. Such amendment may add to and increase the covenants, conditions, restrictions, and easements applicable to the Project but will not prohibit or unreasonably interfere with the allowed uses of the Owner's Condominium which existed prior to the amendment.

ARTICLE 21 FINANCING

- **Financing Rider**. The Condominium Documents are subject to the provisions of the Financing Rider. To the extent that any provision of the other Condominium Documents conflict with, or are inconsistent with, the provisions of the Financing Rider, then the provisions of the Financing Rider will govern.
- 21.2 Mortgage Protection. The Association must provide notice of the following to any holder, insurer or guarantor of any first position Mortgage, The notice will be delivered to the address for the holder, insurer or guarantor in the real property records of Blaine County, unless the holder, insurer or guarantor provides another address by notice to the Association. The Association need not send any notice to any holder, insurer or guarantor that is not of public record, or that has not provided its name, address and the Unit number or address of the Unit on which it has its first position Mortgage.
 - 21.2.1 Any condemnation or casualty loss that affects either a material portion of a Building or a Unit encumbered by such first Mortgage;

- 21.2.2 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;
- 21.2.3 A lapse, cancellation, or material modification of any insurance policy maintained by the Association; and
- 21.2.4 Any proposed action that requires the consent of a specified percentage of eligible Mortgage holders.

ARTICLE 22 NOTICES; REGISTRATION OF ADDRESSES

Each Owner must register the Owner's email address and mailing address with the Association, and update the addresses as frequently as necessary for the Association to always have the Owner's current addresses. All notices or demands intended to be served upon any Owner will be sent by United States Mail postage prepaid, addressed in the name of the Owner at such registered mailing address. If an Owner fails to provide the Association with a valid address, all notices will be sent to that Owner's address on record with the Blaine County Assessor's office. All notices or demands intended to be served upon the Association will be given by registered or certified mail, postage prepaid, to the address of the Association's registered agent on file with the Idaho Secretary of State. All notices or demands to be served on Mortgagees pursuant hereto will be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee at such address as the Mortgagee may have furnished to the Association. Unless the Mortgagee furnishes the Association such address, the Mortgagee will not be entitled to receive any of the notices provided for in this Declaration. Any notice referred to in this Section will be deemed given when deposited in the United States mail in the form provided for in this Section.

ARTICLE 23 MISCELLANEOUS

23.1 Enforcement and Non-Waiver.

- 23.1.1 Right of Enforcement. Except as otherwise provided herein, any Owner, the Association, and Declarant will 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 Occupant 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 Article 17) 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 will be entitled to recover any costs and attorneys' fees reasonably incurred therein
- 23.1.2 Non-Waiver. Failure of the Declarant or the Board to insist upon strict compliance with the Condominium Documents, or to exercise any right contained in such documents, or to serve any notice or to institute any action, will 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, will not be a

- waiver of the breach. No waiver by the Board of any requirement will be effective unless expressed in a writing signed for by the Board.
- **Interpretation**. The provisions of this Declaration will be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Project. This Declaration will be construed and governed under the laws of the State of Idaho without regard to its conflicts of law principles. Any legal action to interpret or enforce this Declaration must be filed exclusively in the state or federal courts situated in Blaine County, Idaho. The interpretation of this Declaration will also be governed by the following:
 - 23.2.1 <u>Restrictions Construed Together</u>. All of the provisions hereof will 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.
 - 23.2.2 <u>Restrictions Severable</u>. Notwithstanding the provisions of the foregoing <u>Section 23.2.1</u>, each of the provisions of this Declaration will be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof will not affect the validity or enforceability of any other provision herein.
 - 23.2.3 <u>Singular Includes Plural</u>. Unless the context requires a contrary construction, the singular will include the plural and the plural the singular; and the masculine, feminine or neuter will each include the masculine, feminine and neuter. As used herein, the word "including" will be deemed to be followed by "but not limited to" unless otherwise indicated.
 - 23.2.4 <u>Captions</u>. All captions, titles and the table of contents used in this Declaration are intended solely for convenience of reference and will not affect that which is set forth in any of the provisions hereof.
 - 23.2.5 <u>Board Interpretation</u>. In the event that any provision of this Declaration is deemed ambiguous on any matter (by the Board or any court of competent jurisdiction), the Board's interpretation of such provision will be given deference so long as the interpretation is not arbitrary, capricious or in direct conflict with the unambiguous express provisions of this Declaration.
- **Owner's Obligations Continue.** All obligations of the Owner under and by virtue of the provisions contained in this Declaration will continue, notwithstanding that the Owner may have leased, rented or entered a contract of sale of his interest as provided herein, but the Owner of a Condominium will have no obligation for Assessments or other obligations accruing after the Owner conveys such Condominium.
- **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 will control. Any reference to an exhibit (or a document in an exhibit) will mean the Exhibit or document as it is amended or supplemented from time to time.

[end of text; signature page follows]

SIGNATURE PAGE

This Declaration is executed effective as of the Effective Date.

"Declarant"	BALDY I company	BALDY MOUNTAIN HOUSE, LLC, an Idaho limited liability company	
STATE OF IDAHO)		
County of Dlains) ss.		
County of Blaine)		
This record was signed	before me on	, 2024 by Mountain House Building LLC.	
	N	otary Signature	
bmh_cc&r_august2024.docx			

LENDER CONSENT

(if the Property encumbered by mortgage or deed of trust prior to recordation)

The undersigned holder of a recorded security interest in the Property hereby consents to the recordation of the Plat and this Declaration.

	By: Name: Title:
STATE OF IDAHO)	
County of Blaine : ss.	
This record was signed before me on _ as of [, 2024 by
	Notary Signature

EXHIBIT A

LEGAL DESCRIPTION



EXHIBIT B

PLAT

[attach reduced size copies of the plat prior to recordation]



EXHIBIT C COPY OF ARTICLES OF INCORPORATION



EXHIBIT D

PERCENTAGE OF OWNERSHIP INTEREST IN THE COMMON AREA

Unit	Unit Type	Percentage Ownership in Common Area	Votes
1-R01	Commercial		
1-R02	Commercial		
1-R03	Commercial		
1-R04	Commercial		
U101	Residential		
U102	Residential		
U103	Residential		
U104	Residential		
U105	Residential		
U106	Residential		
U107	Residential		
U108	Residential		
U109	Residential		
U110	Residential		
U111	Residential		
U201	Residential		
U202	Residential		
U203	Residential		
U204	Residential		
U205	Residential		
U206	Residential		

Unit	Unit Type	Percentage Ownership in Common Area	
U207	Residential		
U208	Residential		
U301	Residential		
U302	Residential		
U303	Residential		
U304	Residential		

EXHIBIT E

PARKING GARAGE ASSESSMENTS

Parking Space	Number	Assessment
Turking Space	T (dillise)	
		(% of Total Parking Garage
		Assessments)
		7

Storage Area	
	·
TOTAL	100%

EXHIBIT F

FINANCING RIDER

The purpose of this Financing Rider is to set forth provisions that Declarant or the Association may (now or in the future) deem necessary or convenient (in the reasonable opinion of Declarant or the Association) to allow Owners to take full advantage of, or secure the full availability of, any Financing Programs. Capitalized terms not otherwise defined in this Financing Rider, and defined in the Declaration to which this Financing Rider is attached, will have the meaning set forth in the Declaration. To the extent that any provision of the other Governing Documents conflict with, or are inconsistent with, the provisions of this Financing Rider, then the provision of this Financing Rider will govern.

- F.1 **Compliance with Laws.** The Project has been created and exists in full compliance with the state law requirements of Idaho and all other Applicable Laws and regulations. To the extent the Governing Documents conflict with any Applicable Laws and regulations, the Applicable Laws and regulations will govern.
- F.2 **Limitations on Ability to Sell/Right of First Refusal.** Any limitations in the Governing Documents on the ability of an Owner to sell a Unit (including rights of first refusal, if any) will not adversely impact the rights of a Mortgagee or its assignee to:
 - (1) Foreclose or take title to a Condominium pursuant to the remedies in the Mortgage;
 - (2) Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or
 - (3) Sell or lease a unit acquired by the Mortgagee or its assignee.

F.3 Limitations on Amendments to Governing Documents

- (1) Any amendment to the Governing Documents of a material adverse nature to Mortgagees must be agreed to by Mortgagees that represent at least fifty-one percent (51%) of the votes of Unit estates that are subject to Mortgages.
- (2) Any action to terminate the legal status of the Project after substantial destruction or condemnation occurs or for other reasons to be agreed to by Mortgagees that represent at least fifty-one percent (51%) percent of the votes of the Unit estates that are subject to Mortgages.
- (3) A Mortgagee will be deemed to have given implied approval when a Mortgagee fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a "return receipt" requested.
- F.4 **Rights of Condominium Mortgagees and Guarantors.** The Association must provide each Mortgagee and guarantor of the Mortgage on any Unit in the Project timely written notice of:
 - (1) Any condemnation or casualty loss that affects either a material portion of the Project or the Unit securing its Mortgage;
 - (2) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Unit on which it holds the Mortgage;

- (3) A lapse, cancellation, or material modification of any insurance policy maintained by the Association; and
- (4) Any proposed action that requires the consent of a specified percentage of Mortgagees.
- F.5 **First Mortgagee's Rights Confirmed.** No provision of the Governing Documents gives a Unit owner or any other party priority over any rights of the first Mortgagee of the Unit pursuant to its Mortgage in the case of payment to the Unit owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Area.
- F.6 **Unpaid Dues.** Any first Mortgagee who obtains title to a Unit pursuant to the remedies in the Mortgage or through foreclosure will not be liable for more than six (6) months of the Unit's unpaid regularly budgeted dues or charges accrued before acquisition of the title to the Unit by the Mortgagee. If the Association lien priority includes costs of collecting unpaid dues, the lender will be liable for any fees or costs related to the collection of the unpaid dues.
- F.7 **Fidelity Insurance.** The Association must maintain fidelity insurance for all of its officers, directors and employees, and all other persons handling or responsible for funds administered by the Association. The insurance coverage must be the greater of (a) three(3) months of aggregate assessments on all Units plus reserve funds; or (b) the minimum required by state law. If the Association engages a management company, the policy must demonstrate that they must meet the standard for both the Association and the management company. Fidelity insurance is insurance that protects the Association against employee dishonesty, crime or other fraudulent acts by one or more employees.
- F.8 **Department of Veterans Affairs Financing.** To the extent that any provision of the Governing Documents is inconsistent with the requirements of guaranteed or direct loan programs of the United States Department of Veterans Affairs, as set forth in chapter 37 of title 38, United States Code, or part 36 of title 38, Code of Federal Regulations ("**DVA Financing**"), such provision will not apply to any Unit that is: (a) encumbered by DVA Financing or; (b) owned by the Department of Veterans Affairs.

F.9 Extraordinary Action Limitation.

- (1) If required by Applicable Law or the requirements of any then current Mortgagee of a Mortgage under the Financing Programs, any Extraordinary Action of the Association must be approved at a Qualified Meeting by Members entitled to cast at least sixty-seven percent (67%) of the votes of Members present, in person or by proxy, and if Declarant votes at the Qualified Meeting, that the Extraordinary Action must be approved by the vote of a majority of all Owner Members present. The following Extraordinary Actions must be approved by Members entitled to cast at least sixty-seven percent (67%) of the total authorized votes of all Members, including at least a majority of the total authorized votes entitled to be cast by Owner Members: (x) dissolution of the Association except pursuant to a consolidation or merger; and (y) conveyance of all Common Areas.
- (2) "Extraordinary Action" includes: (1) merging or consolidating the Association (other than with another nonprofit entity formed for purposes similar to the Association); (2) determining not to require professional management if that management is required by the Governing Documents, a majority of eligible Mortgagees or a majority vote of the Owners; (3) expanding the Association to include land not previously described as additional land

which increases the overall land area of the Project or number of units by more than ten percent (10%) percent; (4) abandoning, partitioning, encumbering, mortgaging, conveying selling or otherwise transferring or relocating the boundaries of Common Areas (except for (a) granting easements which are not inconsistent with or which do not interfere with the intended Common Area use; (b) dedicating common area as required by a public authority; (c) limited boundary-line adjustments made in accordance with the Governing Documents; or (d) transferring Common Area pursuant to a merger or consolidation with a nonprofit entity formed for purposes similar to the Association); (5) using insurance proceeds for purposes other than construction or repair of the insured improvements; or (6) making capital expenditures (other than for repair or replacement of existing improvements) during any period of twelve (12) consecutive months costing more than twenty percent (20%) of the Association's annual operating budget).

EXHIBIT G

Description of Limited Common Areas

A. Limited Common Areas Assigned to Each Commercial Unit:

- (1) Storefront.
- (2) Area reserved for signage.
- (3) Unit Entry.
- (4) Right to use the sidewalk immediately outside each Commercial Unit to the extent allowed by City of Ketchum ordinances including for outdoor seating, displays or sales.
- (5) Awning.
- (6) Assigned parking spaces and storage rooms, if any.

B. Limited Common Areas Assigned to Each Hospitality Unit:

- (1) Storefront.
- (2) Area reserved for signage.
- (3) Unit Entry.
- (4) Right to use the sidewalk immediately outside each Commercial Unit to the extent allowed by City of Ketchum ordinances including for outdoor seating, displays or sales.
- (5) Awning.
- (6) Assigned parking spaces and storage rooms, if any.

C. Residential Limited Common Areas:

- (1) Residential amenities on Level 1 including the residential entry, vestibule, and lobbies.
- (2) Electrical room and trash room on P1.
- (3) Stairs and corridors providing access to only the Residential Units.

D. Limited Common Areas assigned to certain Residential Units:

Parking spaces and storage rooms assigned to individual Units on Exhibit D.

Decks, terraces, Decks, or balconies designed to serve a single Unit.