

Summary Guide to Attachments

- A. **1994 Sagewillow Plat Maps**- Prepared by Benchmark Associates and on file with Blaine County, depicting the Sagewillow subdivision including the 5 lots in Arrowleaf Subdivision and all parcels making up the Sagewillow area. Arrowleaf lots are now proposed for rezoning by the Community School.
- B. **1995 Sagewillow Homeowner's Association Supplemental Declaration**- Specifies the covenants, conditions and restrictions for the Sagewillow Homeowner's Association, which includes lots 1 thru 5, also known as the Arrowleaf Subdivision.
- C. **1998 Gift Agreement**- An agreement between the Community School and Sagewillow, Inc, whereby parcels A and B of Sagewillow are gifted to the Community School. These parcels are the areas on which the soccer fields and Barn area are located.
- D. **2006 Settlement Agreement**- An agreement between the Community School and Sun Valley Elkhorn Association whereby the parties agree that parcels A and B are to be annexed into Elkhorn and governed by Elkhorn's Master Declaration. The parties also agree that a pre-school and/or elementary school are the only allowed commercial uses.
- E. **2007 Notice of Addition of Territory**- Made by the Community School and accepted by Sun Valley Elkhorn Association whereby parcels A and B of Sagewillow are annexed into Elkhorn and subject to Elkhorn's Master Declaration.
- F. **2011 Modification of Gift Agreement**- An agreement between the Community School, Sagewillow Charitable Trust and Sagewillow, Inc. whereby the School agrees to purchase the Arrowleaf Subdivision and Sagewillow, Inc. agrees to remove the restrictions and conditions previously set forth in the 1998 Gift Agreement.
- G. **2023 Community School Rezone Proposal**- Presentation to be considered by Sun Valley P&Z, including 2023 Hales Engineering Traffic Study. It requests that the zoning of Arrowleaf Subdivision be changed from Residential Single Family to Multi-family medium density. A total of 69 dwelling units are envisioned totaling 56,827 ft², to be used solely to house employees of the Community School.

Note: This is the most current list of relevant documents reviewed by SVEA at this time. Our due diligence is still in process and may result in additional documents being identified for review by SVEA.

ITEM

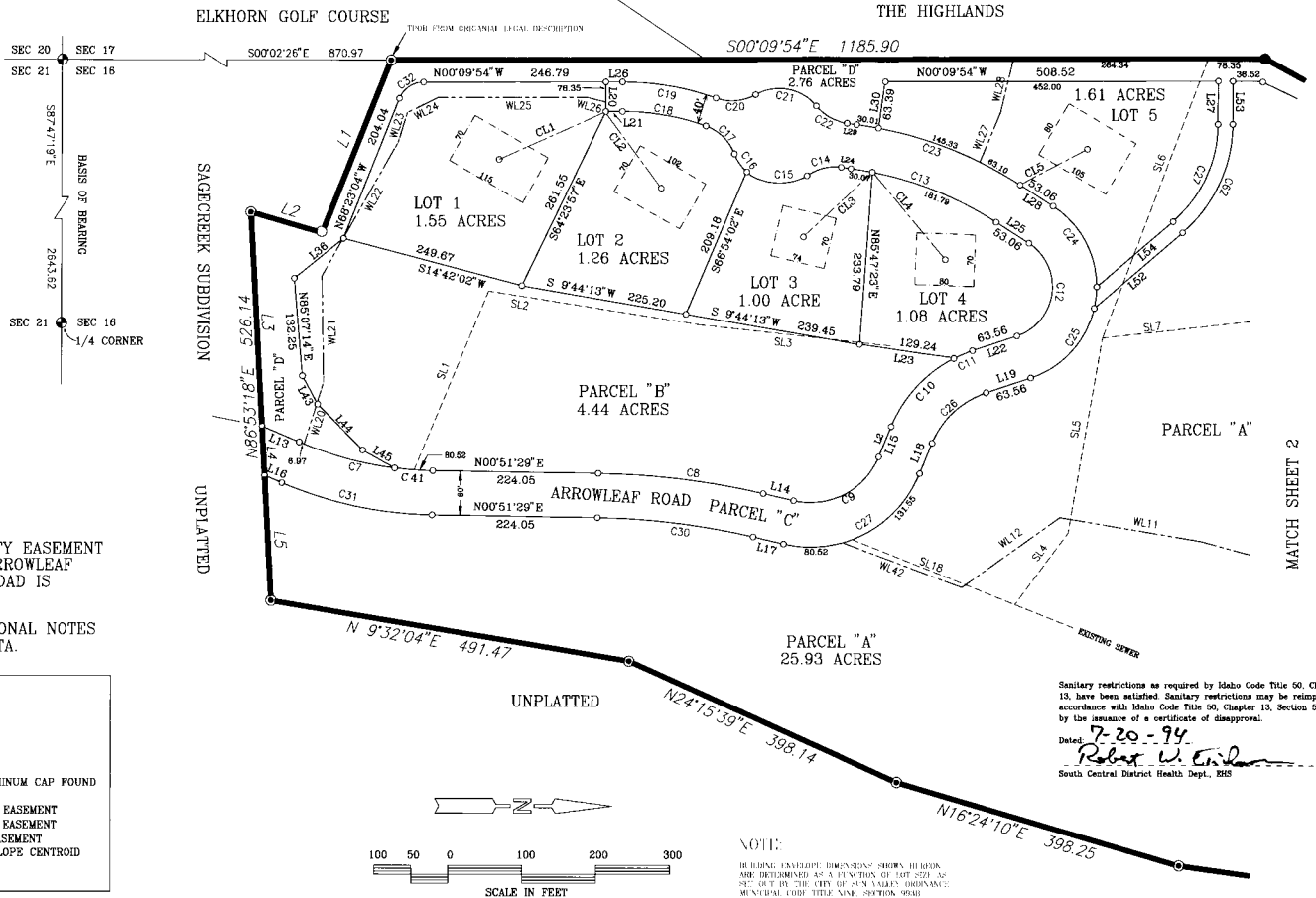
A

1994 Sagewillow
Plat Maps

SAGEWILLOW

LOCATED IN SECTION 16 AND SECTION 9, TOWNSHIP 4 NORTH, RANGE 18 EAST, B.M.
SUN VALLEY, BLAINE COUNTY, IDAHO

JULY 1994



A 60' WIDE PUBLIC UTILITY EASEMENT
ALONG CENTERLINE OF ARROWLEAF
ROAD AND SAGEWILLOW ROAD IS
GRANTED HEREON.

SEE SHEET 5 FOR ADDITIONAL NOTES
AND LINE AND CURVE DATA.

Sanitary restrictions as required by Idaho Code Title 50, Chapter 13, have been satisfied. Sanitary restrictions may be reimposed, in accordance with Idaho Code Title 50, Chapter 13, Section 50-1308, by the issuance of a certificate of disapproval.

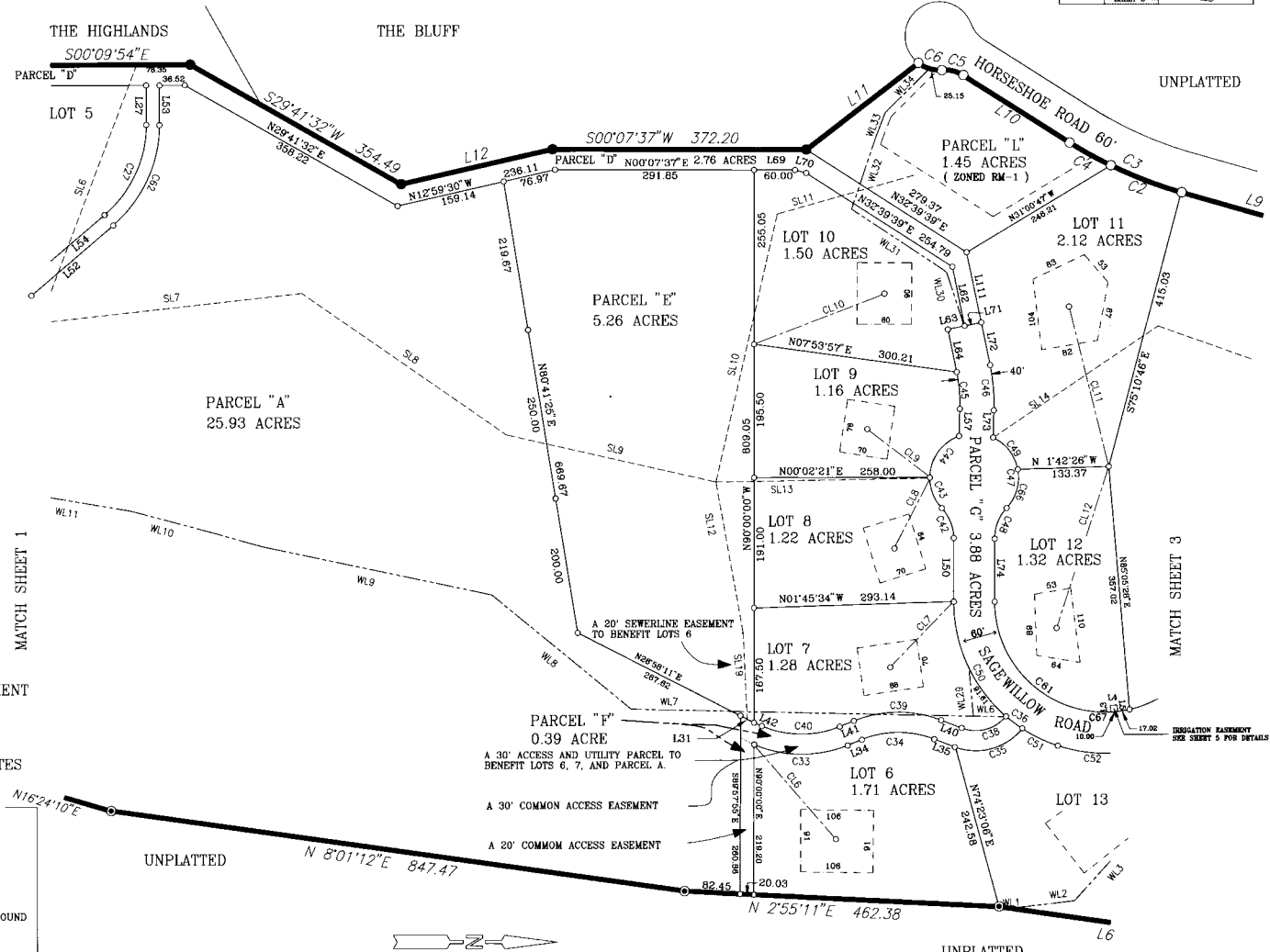
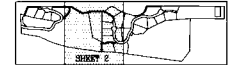
Dated: 7-20-94
Robert W. Enid
South Central District Health Dept., R45

NOTE:
ALL BUILDING ENVELOPE DIMENSIONS SHOWN HEREON
WERE DETERMINED AS A FUNCTION OF LOT SIZE AS
SET OUT IN THE CITY OF SUN VALLEY ORDINANCE
MUNICIPAL CODE TITLE NINE, SECTION 9940

PREPARED BY BENCHMARK ASSOCIATES, KETCHUM, IDAHO

SAGEWILLOW

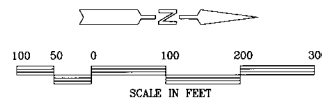
SHEET 2 OF 6



A 60' WIDE PUBLIC UTILITY EASEMENT
ALONG CENTERLINE OF ARROWLEAF
ROAD AND SAGEWILLOW ROAD IS
GRANTED HEREON.

SEE SHEET 5 FOR ADDITIONAL NOTES
AND LINE AND CURVE DATA.

LEGEND	
●	1/2" REBAR FOUND
○	5/8" REBAR FOUND
○	5/8" REBAR SET
○	1/2" REBAR SET
⊙	5/8" REBAR WITH ALUMINUM CAP FOUND
⊙	BRASS CAP
---	CENTERLINE 20' SEWER EASEMENT
---	CENTERLINE 20' WATER EASEMENT
---	ACCESS AND UTILITY EASEMENT
---	TIE TO BUILDING ENVELOPE CENTROID
---	BUILDING ENVELOPE



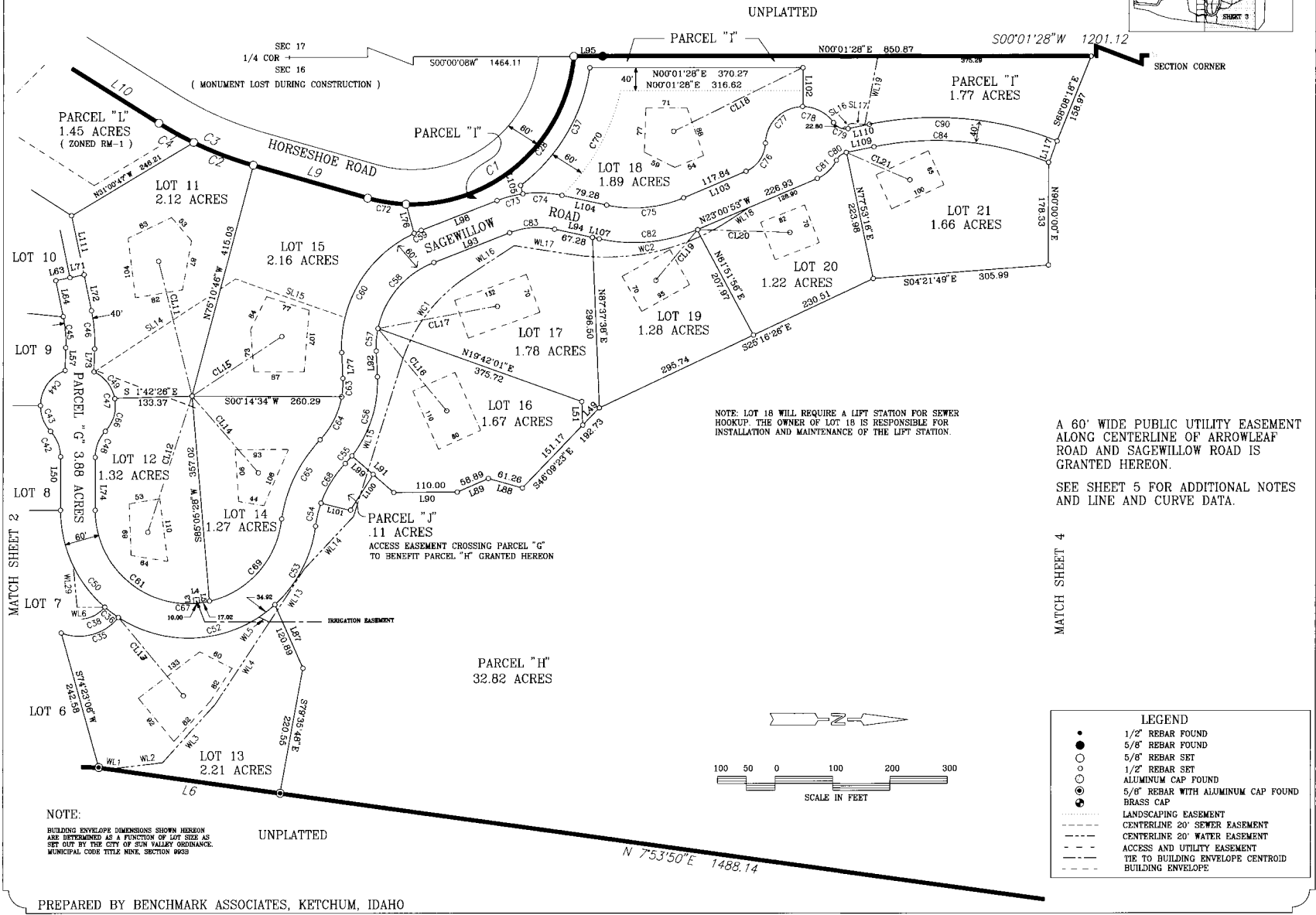
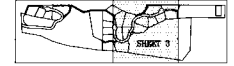
NOTE:

BUILDING ENVELOPE DIMENSIONS SHOWN HEREON
ARE DETERMINED AS A FUNCTION OF LOT SIZE AS
SET OUT BY THE CITY OF SALT LAKE ORDINANCE,
MUNICIPAL CODE TITLE NINE, SECTION 9903

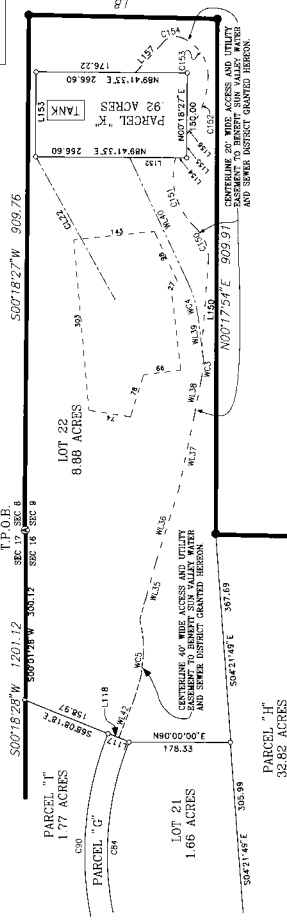
PREPARED BY BENCHMARK ASSOCIATES, KETCHUM, IDAHO

SAGEWILLOW

SHEET 3 OF 6



SHEET 4 OF 6



UNPLATTED

MATCH SHEET 3

A 60' WIDE PUBLIC UTILITY EASEMENT
ALONG CENTERLINE OF ARROWLEAF
ROAD AND SAGEWILLOW ROAD IS
GRANTED HEREON.

SEE SHEET 5 FOR ADDITIONAL NOTES
AND LINE AND CURVE DATA.

- LEGEND**
- | | | |
|------------------|----------------|------------------------------------|
| 1/2" BEAR. POUND | 1/2" BEAR. SET | 5/8" BEAR. WITH ALUMINUM CAP POUND |
| 5/8" BEAR. POUND | 5/8" BEAR. SET | ALUMINUM CAP POUND |
| | | BRASS CAP |
| | | CENTERLINE 20' SEWER EASEMENT |
| | | CENTERLINE 20' WATER EASEMENT |
| | | ACCESS AND UTILITY EASEMENT |
| | | TIE TO BUILDING ENVELOPE/ CENTROID |
| | | BUILDING ENVELOPE |

PREPARED BY BENCHMARK ASSOCIATES, KETCHUM, IDAHO

SHEET4.DWG 7-01-94

NOTE:
BUILDING ENVELOPE DIMENSIONS SHOWN HEREON
ARE DETERMINED AS A FUNCTION OF LOT SIZE AS
SET OUT BY THE CITY OF SAN VALLEY ORDINANCE.
MUNICIPAL CODE TITLE XXV, SECTION 993B



SEWER LINE TABLE

WATER LINE TABLE

LINE TABLE

WATER LINE CURVE TABLE

WATER LINE CURVE TABLE

NOTES:

1. A 20 FT. WIDE UTILITY EASEMENT IS GRANTED HEREON CENTERING

2. THE PURCHASER AND/OR OWNER OF ANY LOT OR PARCEL WITHIN THE SAGEWILLOW SUBDIVISION UNDERSTANDS AND AGREES THAT PRIVATE ROAD CONSTRUCTION, MAINTENANCE AND SNOW REMOVAL SHALL BE THE OBLIGATION OF THE OWNER, HIS SUCCESSORS IN INTEREST, OR THE HOME OWNERS ASSOCIATION, AND THE CITY OF SUN VALLEY SHALL NOT ACCEPT, MAINTAIN OR IMPROVE THESE ROADS FOR ANY REASON.

ALL ROADS WITHIN SAGEWILLOW ARE PRIVATE

SAGEWILLOW

SHEET 6 OF 6

OWNER'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS THAT SAGEWILLOW, INC., a Nevada Corporation does hereby certify that it is the owner of a certain parcel of land described as follows:

A parcel of land in Section 9 and Section 16, Township 4 North, Range 18 East, Boise Meridian, Sun Valley, Idaho, more particularly described as follows:

Commencing at the Southwest Corner of said Section 16, from which the South 1/4 corner is S87°47'19"E, 2643.62 feet; thence N00°02'26"W, 870.97 feet to an aluminium cap marking the True Point of Beginning:

Thence N00°09'54"W, 1185.90 feet; thence N29°41'32"E, 354.49 feet; thence N12°59'30"W, 227.84 feet; thence N00°07'37"E, 372.20 feet; thence N37°35'16"W, 207.24 feet; thence 36.49 feet along a curve to the left with a central angle of 41°49'03", a radius of 50.00 feet, and a long chord of 35.69 feet that bears N16°20'10"E; thence 32.17 feet along a curve to the right with a central angle of 36°52'10", a radius of 50.00 feet, and a long chord of 31.62 feet that bears N13°51'44"E; thence N32°17'49"E, 185.42 feet; thence 179.71 feet along a curve to the left with a central angle of 16°20'37", a radius of 530.00 feet, and a long chord of 179.10 feet that bears N24°07'32"E; thence N15°57'13"E, 207.17 feet; thence 485.41 feet along a curve to the left with a central angle of 101°22'34", a radius of 280.00 feet, and a long chord of 433.27 feet that bears N34°44'03"W; thence N00°01'28"E, 1201.12 to an aluminium cap marking the Northwest Corner of section 16; thence N00°18'27"E, 907.76 feet; thence S88°43'36"E, 334.82 feet; thence S00°17'54"W, 909.91 feet; thence S88°43'44"E, 877.54 feet; thence S52°36'11"E, 342.38 feet; thence S07°53'50"W, 1488.14 feet; thence S08°07'27"W, 317.58 feet; thence S02°55'11"W, 462.38 feet; thence S08°01'12"W, 847.47 feet; thence S16°24'10"W, 398.25 feet; thence S24°15'39"W, 398.14 feet; thence S09°32'04"W, 491.47 feet; thence S86°53'18"W, 526.14 feet; thence N16°13'26"E, 100.10 feet; thence N68°23'04"W, 251.77 feet to the True Point of Beginning.

Said parcel contains 127.23 acres.

It is the intention of the undersigned to and he does hereby include said land in this plat.

IN WITNESS THEREOF, I have hereunto set my hand this 30th day of JUNE, 1994.

Edmund W. Dumke President
EDMUND W. DUMKE
President, SAGEWILLOW INC.

ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss
COUNTY OF BLAINE)

On this 30th day of JUNE, 1994, before me, the undersigned, a Notary Public for said State, personally appeared EDMUND W. DUMKE, known to me to be the person whose name is subscribed to the within instrument as President of SAGEWILLOW INC., a Nevada corporation and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year in this certificate first above written.

My commission expires: 1/1/95
Notary Public



PREPARED BY: BENCHMARK ASSOCIATES, KETCHUM, IDAHO

SURVEYOR'S CERTIFICATE

I, GORDON K. WILLIAMS, a duly Registered Land Surveyor in the State of Idaho, do hereby certify that this is a true and accurate map of the land surveyed under my direct supervision, that the location of the lot has definitely been established and perpetuated in strict accordance with the State of Idaho Code relating to plats and surveys and it is, as shown hereon, a portion of Sections 9 and 16, T4N, R18E, B.M., Sun Valley, Blaine County, Idaho as shown in the certificate.

GORDON K. WILLIAMS

Gordon K. Williams
5/23/94
REGISTERED LAND SURVEYOR
STATE OF IDAHO
4566
GORDON K. WILLIAMS

CITY ENGINEER'S APPROVAL

I, Philip E. Buchner, City Engineer for Sun Valley, Idaho do hereby approve the foregoing plat.

BY

COUNTY SURVEYOR'S APPROVAL

This is to certify that I, Jim W. Kaonoe, County Surveyor for Blaine County, Idaho, have checked the foregoing plat and computations for making the same and have determined that they comply with the laws of the State of Idaho relating thereto.

Jim W. Kaonoe

SUN VALLEY PLANNING AND ZONING COMMISSION'S APPROVAL

The foregoing plat was accepted and approved this 30 day of JUNE, 1994, by the Sun Valley Planning and Zoning Commission, Sun Valley, Idaho.

By

SUN VALLEY CITY COUNCIL'S APPROVAL

The foregoing plat was approved and accepted this 30th day of June, 1994, by the Sun Valley City Council, Sun Valley, Idaho.

By

BLAINE COUNTY TREASURER'S CERTIFICATE

On this 27th day of July, 1994, the foregoing plat was approved and accepted by the Blaine County Treasurer, Blaine County, Idaho.

By: Heidi S. Rick by Neil Peterson

COUNTY RECORDER'S CERTIFICATE

I hereby certify that this instrument was filed at the request of Edmund W. Dumke at 29 minutes past 4 o'clock, P.M., on this 27 day of July, 1994, A.D., in my office and duly recorded in book 368709 of plats at page 15⁰⁰.

Instrument No. 368709

Fee: \$ 15⁰⁰

Mary Green
By mpp

ITEM

B

1995 Sagewillow HOA
Supplemental
Declarations

COPY

**NOTICE OF ADDITION OF TERRITORY
AND SUPPLEMENTAL DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
SAGEWILLOW HOMEOWNERS ASSOCIATION**

THIS NOTICE of Addition of Territory and Supplemental Declaration of Covenants, Conditions and Restrictions for Sagewillow Homeowners Association is made this 7th day of FEBRUARY, 1995 by Sagewillow, Inc. ("Declarant").

WHEREAS, Declarant, Sagewillow, Inc., is the owner of certain Real Property located in the City of Sun Valley, County of Blaine, State of Idaho and more particularly described in Exhibit "A", attached hereto and incorporated herein by reference ("Real Property").

WHEREAS, Declarant intends to develop the Real Property subject to the Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, dated March 22, 1972 and recorded March 24, 1972 as Instrument No. 142929, records of Blaine County Idaho, as amended ("Elkhorn Master Declaration"), and subject to this Notice of Addition of Territory and Supplemental Declaration of Covenants, Conditions and Restrictions for Sagewillow Homeowners Association ("Declaration").

NOW, THEREFORE, Declarant hereby declares that the Real Property is and shall be held, conveyed, encumbered, leased and used subject to the Elkhorn Master Declaration and this Declaration in furtherance of a plan for the subdivision, improvement and sale of the Real Property and to enhance the value, desirability and attractiveness of such Real Property. The restrictions set forth in the Elkhorn Master Declaration and this Declaration shall run with the Real Property described herein; shall be binding upon all persons having or acquiring any interest in such Real Property or any part thereof; shall inure to the benefit of every portion of such Real Property and shall inure to the benefit of and be binding upon Declarant, its successors and assigns; and may be enforced by Declarant, its successors, any Owner or any Owner's successors.

I. DEFINITIONS.

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meaning hereinafter specified.

Articles shall mean the Articles of Incorporation of the Sagewillow Homeowners Association, Inc., which have been filed with the Office of the Secretary of State of the State of Idaho.

Assessments shall mean assessments of the Association and includes both regular and special assessments.

Association shall mean the Sagewillow Homeowners Association, Inc., an Idaho nonprofit corporation, or any successors.

Association Property shall mean all real and personal property now or hereafter owned by or leased to the Association.

Association Rules shall mean any rules, including Design Committee Rules, adopted by the Board of Directors of the Association, as amended.

Board shall mean the Board of Directors of the Association.

Bylaws shall mean the Bylaws of the Association which have been or shall be adopted by the Board.

Declarant shall mean Sagewillow, Inc., a Nevada corporation authorized to do business in Idaho, or any successors.

Declaration shall mean this Declaration of Covenants, Conditions and Restrictions, as may be amended from time to time. Declaration shall include this Declaration together with any and all Supplemental Declarations which may be recorded by Declarant or its successors.

Design Committee shall mean the committee created pursuant to Article X hereof.

Design Committee Rules shall mean any rules adopted by the Board to govern the review of construction, alteration, installation or placement of any Improvement on any Lot or other parcel of real property controlled by this Declaration.

Elkhorn Master Association shall mean the Sun Valley Elkhorn Association, Inc., an Idaho nonprofit corporation, or any successors.

Elkhorn Master Declaration shall mean the Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, dated March 22, 1972 and recorded as Instrument No. 142929, records of Blaine county, Idaho, as amended.

Elkhorn Master Association Rules shall mean the rules adopted by the Board of Directors of the Elkhorn Master Association, as amended.

Improvements shall mean all structures and appurtenances thereto of every type and kind, including but not limited to buildings, outbuildings, garages, carports, roads, driveways, parking areas, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, solar equipment, antennae, satellite dishes, recreational structures and equipment, swimming pools and light fixtures or structures.

Lot shall mean Lots 1 through 22, as shown on the Sagewillow Subdivision Plat finally recorded with the Blaine County Recorder, Blaine County, Idaho, whether or not improved. Lot shall not include any other areas shown on the Sagewillow Subdivision, including any Common Areas, Public Areas or Open Space Areas.

Member shall mean any person who is a member of the Association.

Notice and Hearing shall mean no less than ten (10) days written notice and a hearing before the Board or its duly designated committee at which the Owner concerned shall have an opportunity to be heard in person or with counsel at the Owner's expense.

Owner shall mean (1) the Person or Persons, including Declarant, holding an aggregate fee simple interest in a Lot or (2) the purchaser of a Lot under a recorded executory contract of sale. An Owner shall not include any Person holding an interest merely as security for the performance of an obligation.

Person shall mean a natural person, corporation, limited liability company, partnership, trust or other legal entity.

Supplemental Declaration shall mean any declaration of covenants, conditions and restrictions which may be recorded by Declarant or its successors in accordance with this Declaration.

II. REAL PROPERTY SUBJECT TO DECLARATION AND CLASSIFICATIONS.

The Real Property subject to this Declaration and the classification of such Real Property, pursuant to the terms and provisions of the Elkhorn Master Declaration, are as set forth in this Article.

A. Residential Area. The residential Lots, shown as Lots 1 through 22 on the Sagewillow Subdivision Plat, shall be classified as Residential Area and used for residential purposes as set forth in Article V herein.

B. Residential Common Areas. The road rights of way, named Arrowleaf Road and Sagewillow Road, shown as Parcels C and G on the Sagewillow Subdivision Plat, shall be classified as Residential Common Areas and are private roads to be owned by the Association and shall be used for those purposes as set forth in Article V herein

C. **Open Space Areas.** The property, shown as Parcels E, H, D, I and F on the Sagewillow Subdivision Plat, shall be classified as Open Space Areas and are Areas to be owned by the Association and shall be used for those purposes as set forth in Article VI herein.

D. **Commercial Areas or Public Areas.** The property, shown as Parcels J and K on the Sagewillow Subdivision Plat, shall be classified as Commercial Areas and are to be owned by the Sun Valley Water and Sewer District and shall be subject to this Declaration as set forth in Article VI herein. Such Parcels may be also referred to herein as "Public Areas."

III. PROPERTY EXCLUDED FROM DECLARATION.

The real property which shall be expressly excluded from all provisions of this Declaration is described as follows. Neither of these Areas is described in the legal description attached hereto nor is encumbered in any manner by this Declaration.

A. **Horse Operation Area.** The Horse Operation Area, shown as Parcels A and B on the Sagewillow Subdivision Plat, are Parcels used in Declarant's commercial horse operation. The horse operation includes but is not limited to horse shows and competitions, breeding, boarding, selling, training and riding horses in and around the Horse Operation Area. Nothing in this Declaration shall restrict Declarant from continuing to operate its horse operation or from modifying its operation in any respect. Nothing in this Declaration shall restrict Declarant or any future owner from seeking a change in zoning of these Parcels, from subdividing these Parcels or from otherwise developing these Parcels according to the zoning thereon. Declarant reserves the right, in Declarant's sole discretion, to convey these Parcels to the Association and subject to this Declaration.

B. **Undeveloped Multifamily Residential Area.** The Undeveloped Multifamily Residential Area, shown as Parcel L on the Sagewillow Subdivision Plat, is an undeveloped Parcel zoned for multifamily residential development. At the date of recording this Declaration, the zoning on this Parcel is RM-1 under the City of Sun Valley zoning ordinance. This Parcel will be developed in the future. Nothing in this Declaration shall restrict Declarant or any future owner of this Parcel from seeking a change in the zoning of this Parcel, from subdividing this Parcel or from otherwise developing this Parcel according to its zoning. Declarant reserves the right, in Declarant's sole discretion, to convey this Parcel to the Association and subject to this Declaration.

IV. GENERAL RESTRICTIONS.

The Real Property subject to this Declaration shall be held, used and enjoyed subject to the following restrictions and limitations:

A. **No Further Subdividing.** No Lot or any other Area may be further subdivided. No easement or any other interest in any Lot or other Area less than the whole may be conveyed

without the prior written consent of the Board; provided, however, that nothing herein shall be deemed to prevent or require the approval of the Board for the sale, exchange or other conveyance of the entire interest in any Lot or the sale, transfer or other conveyance of any Lot to more than one person to be held by them as tenants in common, joint tenants, tenants by the entirety or as community property.

B. Animals. No animals of any kind shall be raised, kept or bred, except for dogs, cats and other reasonable household pets, provided they are not raised, kept or bred for commercial purposes. No horses shall be raised, kept or allowed on any Lot. Horses shall not be raised or kept on any Open Space Area.

C. No Harassment of Horses or Wildlife. No dogs or other pets shall be allowed to annoy, frighten or harass any horses or individuals in or around the Horse Operation Area or any Open Space Area. Owners of any Lots which are adjacent to the Horse Operation Area or Open Space Area must keep their pets away from such Areas so as to prevent their pets from annoying, frightening or harassing any horses or individuals, even though the pet may be entirely on or within the boundaries of the Owner's Lot. During the time any elk or other wildlife are wintering or feeding in any Open Space Area, Owners must exercise due care to prevent their pets from annoying, frightening or harassing such wildlife.

D. Alteration of Lots or Exterior Improvements. There shall be no excavation, alteration, construction or remodeling which in any way alters the exterior appearance of any Lot or any Improvements thereon without the prior written approval of the Design Review Committee. This restriction shall not apply to maintenance and repairs of any Improvement as long as such maintenance and repair shall not alter the appearance of the Improvement. This restriction shall not apply to interior alteration or remodeling of any residence or structure within any Area covered by this Declaration.

E. Maintenance of Improvements and Landscaping. No Improvement upon any Real Property within any Area covered by this Declaration shall be permitted to fall into disrepair. Each such Improvement shall at all times be kept and maintained in good condition and repair and adequately painted or otherwise finished by the Owner thereof. Any maintenance or repair of any Improvement shall not alter the exterior appearance or color of the Improvement without prior written approval of the Design Review Committee.

F. Violation of Declaration or Association Rules. There shall be no violation of this Declaration or any Association Rules. If any Owner, his family, lessee, licensee or invitee violates any provision of this Declaration or any Association Rules, the Board may impose a special Assessment on such person of not more than Fifty dollars (\$50.00) per day for each violation for a period not to exceed one (1) year for each violation. Before imposing any such Assessment, the Board shall give such person reasonable Notice and Hearing regarding such violations. Any Assessment imposed hereunder which remains unpaid for a period of ten (10) days or more shall become a lien upon the Owner's Lot upon the recording of a Notice of Assessment Lien.

G. Violation of Elkhorn Master Declaration or Elkhorn Master Association Rules. There shall be no violation of the Elkhorn Master Declaration or any Elkhorn Master Association Rules. The Elkhorn Master Declaration or any Elkhorn Master Association Rules may be enforced as provided in the Elkhorn Master Declaration.

H. Exemption of Declarant. Nothing in this Declaration shall limit the right of Declarant to complete any excavation, grading and construction of Improvements to any Lot owned by Declarant or to alter or make such additional Improvements as Declarant deems appropriate in the course of development of the Real Property, including any Residential Common Area or Open Space Area so long as any Lot remains unsold by Declarant. This Declaration shall not limit the right of Declarant at any time prior to any sale of a Lot to establish on that Lot additional licenses, easements and rights of way to itself, to utility companies and to others as may be appropriate to the development of the Real Property. Declarant need not seek nor obtain Design Review Committee approval for any Improvement constructed or placed by Declarant on any Lot owned by Declarant or any other Residential Common Area or Open Space Area.

V. PERMITTED USES AND RESTRICTIONS FOR RESIDENTIAL AREA AND RESIDENTIAL COMMON AREAS.

A. Residential Use and Improvements. All Lots in the Residential Area shall be improved and used solely for residential purposes. Each Lot may be improved with one single family residence designed to accommodate no more than one single family, its guests and domestic help.

B. Residential Purposes and Rentals. No residence shall be used for any purpose other than single family residential purposes. No occupation, profession, trade or other nonresidential use shall be conducted on any Lot within the Residential Area; provided, however, that nothing in this Declaration shall prevent the rental of property by the Owner for reasonable residential purposes on either a short term or long term basis. Such rental shall be deemed a residential use. No residence or any garage or other structure located on a Lot shall be used for commercial or other nonresidential storage purposes. No garage may be separately rented by the Owner.

C. Arrowleaf Road and Sagewillow Road Rights of Way.

1. Private Rights of Way. Arrowleaf Road and Sagewillow Road, including the entire right of way shown on the Sagewillow Subdivision Plat for each road, are the roads serving the Lots and are or will become private rights of ways and roads belonging to the Association to provide access for ingress and egress for the Owners of Lots, their families, licensees, invitees and guests. These rights of way shall also serve to connect the trails and Open Space Areas within the Sagewillow Subdivision.

2. **Declarant's Reserved Permanent Access Rights.** Declarant, for itself, its officers, directors and shareholders, employees, agents, licensees, invitees, boarders and others, hereby expressly reserves the perpetual right to use Arrowleaf Road and Sagewillow Road, including its rights of way, as access for ingress and egress to any real property which Declarant may own within the Sagewillow Subdivision. This right of access shall be without limitation and shall inure to the benefit of any successors in interest to any real property owned by Declarant within the Sagewillow Subdivision that may need access through these rights of way.

VI. PERMITTED USES AND RESTRICTIONS FOR OPEN SPACE AREAS AND PUBLIC AREAS.

A. **Open Space Areas.** The Open Space Areas include five Parcels, Parcels E, H, D, I and F, as shown on the Sagewillow Subdivision Plat. Each Parcel has different permitted uses and restrictions as set forth herein. The permitted uses and restrictions for each of the Parcels of the Open Space Areas are as follows:

1. **Permitted Uses for Parcels E and H.** Except as otherwise set forth in this Section, Parcels E and H are Open Space Areas upon which no Improvements of any kind may be made. It is the express intent of Declarant to maintain these Parcels in a natural or open state. Notwithstanding the foregoing restrictions, fences may be placed on or around these Areas, landscaping may be installed in these Areas and a hay storage structure may be placed upon Parcel H for elk feeding purposes in a location in the sole discretion of Declarant.

2. **Permitted Uses for Parcel D.** Parcel D is to be used as a trail system around a portion of the Sagewillow Subdivision. The trail may not be used by motorized vehicles of any type.

3. **Permitted Uses for Parcel I.** Parcel I is designed primarily as a landscape screening and buffer area to screen the Elkhorn Stables from certain Lots. Parcel I is also to be used in part as a trail system around a portion of the Sagewillow Subdivision. The trail may not be used by motorized vehicles of any type.

4. **Permitted Uses for Parcel F.** Parcel F shall be used as an access for ingress and egress to Lot 6 and may be used as an access for ingress and egress to Lot 7. Parcel F is also to be used as a trail system around a portion of the Sagewillow Subdivision.

5. **Declarant's Reserved Permanent Access Rights.** Declarant, for itself, its officers, directors and shareholders, employees, agents, licensees, invitees, boarders and others, hereby expressly reserves the perpetual right to use the Open Space Areas for pedestrian ingress and egress in and around the Sagewillow Subdivision. This right of access shall be without limitation and shall inure to the benefit of any successors in interest to any real property owned by Declarant within the Sagewillow Subdivision.

B. Public Areas. The Public Areas include the two Parcels J and K as shown on the Sagewillow Subdivision Plat. These Parcels are to be owned by the Sun Valley Water and Sewer District. Parcel J is improved with a Pump House and houses water pumps, telemetry and other equipment. Parcel K is currently improved with one water storage tank and may be further improved with an additional water storage tank or tanks. The permitted uses and restrictions on such Areas are as follows:

1. **Permitted Uses.** The Public Areas shall only be improved and used for water purposes of the Sun Valley Water and Sewer District.

2. **No Membership in Association.** The Sun Valley Water and Sewer District, as owner of the Public Areas notwithstanding, shall not have membership rights in the Association, shall not have any vote in the Association and shall not have any right to a seat on the Board of Directors of the Association.

3. **No Liability for Association Assessments.** The Sun Valley Water and Sewer District shall not be assessed nor liable for any Assessments of the Association. Nothing herein shall be construed as preventing the Association from enforcing this Declaration to the extent not inconsistent with these Sections and from assessing any fines or penalties upon the Sun Valley Water and Sewer District and filing any liens upon the Public Areas for violation of this Declaration.

4. **No Amendment Without Prior Consent.** No amendment to this Declaration which affects the permitted uses set forth above in Section 1, the membership rights set forth above in Section 2 or the liability for Assessments set forth above in Section 3 may be made without the prior written consent of the Sun Valley Water and Sewer District.

VII. SAGEWILLOW HOMEOWNERS ASSOCIATION.

A. Association. The Association is a nonprofit Idaho corporation charged with the duties and vested with the powers prescribed by law and set forth in its Articles, Bylaws and this Declaration. Neither the Articles nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

B. Membership.

1. **Qualifications.** Each Owner, including Declarant, by virtue of being such an Owner and for so long as he is such an Owner, shall be deemed a Member of the Association.

2. **Transfer of Membership.** The Association membership of each Owner, including Declarant, shall be appurtenant to said Lot and shall not be transferred, pledged, or alienated in any way except upon the transfer of legal and equitable title to said Lot, and then only to the transferee of such title. Any attempt to make a prohibited transfer shall be void.

Any transfer of legal and equitable title to said Lot shall operate automatically to transfer said membership to the new Owner thereof.

C. Voting.

1. **Number of Votes.** The Association shall have two classes of voting memberships:

Class A Membership: Class A Members shall consist of all Owners, with the exception of Declarant, and shall be entitled to one vote for each Lot owned. Declarant shall become a Class A Member with regard to Lots owned by Declarant upon the conversion of Declarant's Class B membership to Class A membership as provided below.

Class B Membership: The Class B Member shall be Declarant. Upon the first sale of a Lot to an Owner, Declarant shall thereupon be entitled to three (3) votes for each Lot owned by Declarant. Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

(1) When the total votes outstanding in the Class A membership exceeds the total votes outstanding in the Class B membership; or

(2) Ten (10) years from the transfer of legal and equitable title by Declarant of a Lot to an Owner.

2. **Joint Owner Voting Disputes.** The vote for each such Lot shall, if at all, be cast as a unit, and fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he or they are acting with the authority and consent of all other Owners of the same Lot.

3. **Cumulative Voting.** In any election of the members of the Board, every Owner (including Declarant) entitled to vote at such an election shall have the right to cumulate his votes and give one candidate, or divide among any number of the candidates, a number of votes equal to the number of votes to which that Owner is entitled in voting upon other matters multiplied by that number of directors to be elected. The candidates receiving the highest number of votes, up to the number of the Board members to be elected, shall be deemed elected.

D. Meetings of Owners. Meetings of the Owners and all matters related to the such meetings shall be governed as set forth in the Bylaws of the Association.

E. Board of Directors and Officers. The affairs and business of the Association shall be conducted by the Board and such officers as the Board may elect or appoint, in accordance with the Articles and the Bylaws, as the same may be amended from time to time. The initial Board of Directors of the Association shall be appointed by Declarant and shall hold

office until the first annual meeting, at which time a new Board may be elected in accordance with the provisions set forth in the Bylaws.

F. Powers and Duties of the Association. The powers and duties of the Association, conducted through the Board, include:

1. Powers. The Association shall have all the powers of a nonprofit corporation organized under the general nonprofit corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws and this Declaration. The Association shall have the power to do any and all lawful acts which may be authorized, required or permitted to be done under the Articles, Bylaws, and this Declaration, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the proper management and operation of the Association, including without limitation:

a. Assessments. The power to levy Assessments on the Owners of Lots and to force payment of such Assessments, all in accordance with the provisions of this Declaration.

b. Right of Enforcement. The power and authority from time to time in its own name, on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to enforce this Declaration, the Articles, Bylaws or Association Rules, to restrain and enjoin any breach or threatened breach of this Declaration, the Articles, Bylaws, or Association Rules, and to enforce by mandatory injunction or otherwise.

c. Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to contract for the maintenance, repair, replacement and operation of Association Property. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise by the manager of any such duty or power so delegated.

d. Association Rules. The power to adopt, amend and repeal Association Rules, including Design Committee Rules, as the Association deems reasonable. A copy of the Association Rules as adopted from time to time shall be given to each Owner. The Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration. In the event of any conflict between any such Association Rules and any other provision of this Declaration, or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

e. Emergency Powers. The power to enter upon any Lot in the event of any emergency involving potential danger to life or property or when necessary in connection with any maintenance or construction for which it is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable and any damage caused thereby shall be repaired by the Association.

f. Licenses, Easements and Rights-of-Way. The power to grant and convey to any third party such licenses, easements and rights-of-way in, on or under any Association Property as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment thereof and for the preservation of the health, safety, convenience and welfare of the Owners, for the purpose of constructing, erecting, operating, or maintaining:

(1) Underground lines, cables, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone, telemetry and other purposes;

(2) Public sewers, storm drains, water drains, and pipes, water systems, irrigation systems, water, heating and gas lines or pipes; and

(3) Any similar public or quasi-public improvements or facilities.

g. Legal and Accounting Services. The power to retain and pay for legal and accounting services necessary or proper for the operation of the Association, enforcement of the Declaration, the Articles, Bylaws or the Association Rules, or performance of any other duties or rights of the Association.

2. Duties of the Association. In addition to the power delegated to it, the Association, by and through its Board, shall have, without limiting the generality thereof, the obligation to conduct all business affairs of common interest to all Owners, and to perform each of the following duties:

a. Operation and Maintenance of Association Property. To operate, maintain and otherwise manage or provide for the operation, maintenance and management of Association Property including the repair and replacement of property damaged or destroyed by casualty loss and all other property acquired (by easement or otherwise) by the Association. The Association may contract for the operation, management and maintenance of Association Property. The Association shall also take such actions and arrange for such maintenance as may be necessary or desirable for the upkeep of landscape, watercourses, roads and all other easements. The Association will acquire, provide and/or pay for water, electrical, and other necessary services for the Association Property owned and managed by it. Specifically, the Association shall be responsible for the following:

(1) Maintaining both Sagewillow Road and Arrowleaf Road and the rights of way, and maintaining Parcel F to the extent that Parcel F is used for access to any Lot, which maintenance includes, without limitation, any necessary road repairs and snowplowing.

(2) Maintaining all the trails in the Open Space Areas and maintaining the landscaping in any Open Space Area or within any landscape easement within the Association. The Association shall maintain the landscaping within all landscape easements,

including the landscape easement encumbering Lot 18, as shown on the Sagewillow Subdivision Plat. The term landscaping, as used in this Declaration, shall include all plant material and irrigation equipment. The Association shall maintain the trails in a condition that is safe for equestrian and pedestrian use.

b. Insurance. Unless otherwise determined by the Board, to obtain from reputable insurance companies authorized to do business in the State of Idaho and maintain in effect the following policies of insurance:

(1) Fire insurance including those risks embraced by coverage of the type now known as "all risk" or special extended coverage endorsement on a blanket agreed amount basis for the full insurable replacement value of all Improvements, equipment and fixtures located on the Association Property.

(2) Comprehensive public liability insurance insuring the Board, the Association, the Declarant and the individual Owners and agents and employees of each of the foregoing against any liability incident to the use of the Association Property. Limits of liability of such coverage shall be as follows: not less than One Million Dollars (\$1,000,000) per person and One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and property damage.

(3) Full coverage directors and officers liability insurance with a limit of not less than Two Hundred Fifty Thousand Dollars (\$250,000).

(4) Such other insurance including Workmen's Compensation insurance to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Association may deem necessary or required to carry out the Association functions or to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property.

(5) The Association shall be deemed trustee of the interests of all Owners in any insurance proceeds paid to it under such policies, and shall have full power to receive their interests in such proceeds and to deal therewith.

(6) Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the regular Assessments levied by the Association.

c. Rule Making. To make, establish, promulgate, amend and repeal the Association Rules.

d. Design Committee. To appoint and remove members of the Design Committee, subject to the provisions of this Declaration.

e. **Enforcement of Restrictions and Rules.** To perform such other acts, whether or not expressly authorized by this Declaration, as may be reasonably necessary to enforce any of the provisions of this Declaration, the Articles, Bylaws and the Association Rules.

G. **Personal Liability.** No member of the Board, or any committee of the Association, including the Design Committee, or any officer or employee of the Association, or Declarant shall be personally liable to any Owner or to any other party, including the Association, for any damages or loss suffered or claimed on the account of any act or omission of such person, provided that such person has, upon the basis of such information as may be possessed by him, acted in good faith.

H. **Budgets and Financial Statements.** Financial statements for the Association shall be regularly prepared and copies shall be distributed to each Owner of the Association, including an Operating Budget for the forthcoming fiscal year, an Assessment Schedule for the forthcoming fiscal year, a Balance Sheet as of the last day of the Association's fiscal year and an Annual Operating Statement reflecting receipts and expenditures of the Association for its fiscal year. The Operating Budget and the Assessment Schedule shall be distributed to each Owner prior to the beginning of the forthcoming fiscal year. The Balance Sheet and Annual Operating Statement shall be distributed to each Owner within a reasonable time after the end of the Association's fiscal year.

VIII. ASSESSMENTS.

A. **Covenant to Pay Assessments.** Each Owner hereby covenants and agrees to pay when due all Assessments and any other charges made by the Association. Such Assessments, including interest, late fees, costs and attorneys' fees which may be incurred in collecting the same, shall be a charge on the Owner's Lot and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, including interest, late fees, costs and attorneys' fees, shall be the personal obligation of the Owner of such Lot at the time when the Assessment became due.

B. **Annual Estimates of Regular Assessments.** Prior to the beginning of each fiscal year, the Association shall estimate the expenses to be incurred by the Association during such year in performing its functions under this Declaration. This estimate shall include an amount allocated to an adequate reserve fund which is to be established for maintenance, repairs and replacement of Association Property. A sum sufficient to pay such estimated annual costs will be assessed as a Regular Assessment to the Owner of each Lot in an equal amount.

C. **Special Assessments.** Special Assessments shall be assessed as follows:

1. In the event that the Association shall determine that the Regular Assessment for a given fiscal year is or will become inadequate to meet the expenses of such Association for any reason, including but not limited to costs of maintenance and unexpected

repairs upon the Association Property or the nonpayment of any Owner's Assessment, the Association shall determine the approximate amount necessary to defray such expenses and levy a Special Assessment.

2. Every Special Assessment shall be levied upon Owners on the same basis as the prescribed for the levying of Regular Assessments.

D. **Uniform Rate of Assessment.** Unless otherwise specifically provided herein, Regular and Special Assessments must be fixed at a uniform rate for all Owners.

E. **Payment of Assessments.** All Regular Assessments shall be due and payable to the Association by the assessed Owners during the fiscal year in equal quarterly installments on the first day of the quarterly period, as the Association may determine. All Special Assessments may be levied immediately against each Lot or the payments of such Assessment may be spread over a period of time, as determined by the Association.

F. **Interest and Late Charges.** If any Assessment assessed to any Owner is not paid within thirty (30) days after it is due, interest shall accrue on the unpaid amount at the rate of Eighteen percent (18%) per annum until paid. Additionally, the Owner may be required to pay a late charge as may be determined by the Association pursuant to the Association Rules.

G. **Personal Liability.** Each Owner is personally liable for said Assessments and no Owner of a Lot may exempt himself from liability for his contribution by a waiver of the use or enjoyment of any of the Association Property or by abandonment of his Lot.

H. **Estoppel Certificate.** The Association upon not less than twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request a statement in writing stating whether or not to the knowledge of such Association, a particular Owner is in default under the provisions of this Declaration, and further stating the dates to which Assessments have been paid by said Owner, it being intended that any such certificate delivered pursuant to this section may be relied upon by any prospective purchaser or mortgagees of said Owner's Lot, but reliance on such certificate may not extend to any default as to which the signer shall have had no actual knowledge.

IX. ENFORCEMENT OF ASSESSMENTS.

A. **Right to Enforce.** The right to collect and enforce the Assessments made by the Association is vested in the Association. Each Owner of a Lot upon becoming an Owner of such Lot is and shall be deemed to covenant and agree to pay each and every Assessment provided for in this Declaration and agrees to the enforcement of all Assessments in the manner herein specified. The remedies of the Association to collect Assessments set forth herein shall be cumulative and the election by the Association to pursue one remedy shall not prevent the Association from pursuing any other remedy at any other time. The Association may sue the Owner personally to enforce the obligations of the Owners to pay Assessments or the

Association may exercise the power of sale pursuant hereto to enforce the liens created hereby. A suit by the Association against an Owner to recover a money judgment for any unpaid Assessments may be maintained without waiving or relinquishing any lien rights or the ability of the Association to exercise of the power of sale to enforce the lien as provided herein.

B. Assessment Lien.

1. **Creation.** There is hereby created a Claim of Assessment Lien with power of sale on each and every Lot to secure payment of any and all Assessments levied against any and all Lots in the Association pursuant to this Declaration, together with interest thereon, late fees and all other costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorneys' fees. All sums assessed in accordance with the provisions of this Declaration shall constitute a lien on such respective Lots upon recording of a Notice of Claim of Assessment Lien with the Blaine County Recorder. Said lien shall be prior and superior to all other liens or claims created subsequent to the recording of the Notice of Claim of Assessment Lien except for liens which by law would be superior thereto.

2. **Claim of Assessment Lien.** Upon default of any Owner in the payment of any Assessment required hereunder, the Association may cause a Notice of Claim of Assessment Lien to be recorded in the Office of the Blaine County Recorder. Said Notice shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Lot against which the same has been assessed, and the name of the record Owner thereof. Each delinquency shall constitute a separate basis for a claim of lien, but any number of defaults, whether occurring before or after the recording of the Notice, may be included within a single Notice. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further Notice of Release of Assessment Lien evincing the release the Association's lien. The Association may demand and receive the cost of recording of such Notice before recording the same. Any purchaser or encumbrancer, acting in good faith and for value, may rely upon such Notice as conclusive evidence of the full satisfaction of the sums paid in the Notice of delinquent sums.

C. **Method of Foreclosure.** Such lien may be foreclosed by appropriate action in court or by sale of the Association, its attorney or other person authorized to make the sale, such sale to be conducted in accordance with the provisions of Idaho Code applicable to the exercise of powers of sale permitted by 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 foreclosure.

D. **Required Notice.** Notwithstanding anything contained in this Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of the Notice of Claim of Assessment Lien, whether judicially by power of sale or otherwise, until the expiration of thirty (30) days after the date of recordation of the Notice with the Blaine County Recorder

and after a copy of such Notice has been mailed in the United States mail, certified or registered, postage prepaid, to the Owner of the Lot described in such Notice.

E. Rights of Mortgagees. Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat and render invalid the rights of the beneficiary under any deed of trust or the mortgagee of a mortgage upon a Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such deed of trust such Lot shall remain subject to this Declaration as amended.

X. DESIGN COMMITTEE AND ARCHITECTURAL CONTROL.

A. Members of Design Committee. The Design Committee shall consist of at least three (3) members but no more than five (5) members. Persons shall be appointed to the Design Committee by the Board and shall serve until such time as the member has resigned or is removed. Members of the Design Committee may be removed by the Board at any time without cause.

B. Review of Proposed Construction or Alteration.

1. Action of Design Committee. The Design Committee shall consider and act upon any and all proposals or plans and specifications for actions to be taken pursuant to this Declaration, and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction of Improvements in progress to assure its conformance with plans approved by the Design Committee. The Design Committee may condition its approval of proposals or plans and specifications on such changes therein as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The Design Committee has authority to require such detail in plans and specifications submitted for its review as it deems proper, including without limitation, floor plans, site plans, landscape plans, drainage plans, cross sections, elevation drawings and description or samples of exterior materials and colors. The Design Committee may also require certain inspections and/or that any construction, alteration or addition be completed within certain time limits.

2. Design Committee Postponement of Action. Until receipt by the Design Committee of required plans, samples, specifications, fees, and certification that all Regular and Special Assessments are paid in full or until successful completion of any required inspection, or after passage of the allowed time for construction, or at any point where construction, alteration or additions are not performed according to approved plans, the Design Committee may postpone review of any plan submitted for approval and may prohibit any or further construction, alterations or additions.

3. Sole Discretion of Design Committee in Reviewing Applications. In reviewing applications, the Design Committee, in its sole discretion, shall take into consideration

aesthetic factors, including but not limited to, the architectural design, placement, height and scale of buildings and structures, view corridors, landscaping, color schemes, exterior finishes and materials and similar features. The Design Committee shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with any building or other codes or any governmental requirements.

C. Design Committee Rules. The Board shall adopt rules or guidelines setting forth procedures for the submission of plans for approval, and factors which the Design Committee is to take into consideration in reviewing applications. The Board shall establish from time to time a fee schedule for the review and inspection process.

D. Meetings of the Design Committee. The Design Committee shall meet from time to time as necessary to perform its duties hereunder. The Design Committee may from time to time by resolution unanimously adopted in writing designate one of its members to take any action or perform any duties for and on behalf of the Design Committee, except the granting of variances as set forth below. In the absence of such designation, the vote of or the written consent taken without a meeting of a majority of the Design Committee, shall constitute an act of the Design Committee.

E. No Waiver of Future Approvals. The approval by the Design Committee of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Design Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matter whatever subsequently or additionally submitted for approval or consent.

F. Compensation of Members. The members of the Design Committee shall be entitled to reasonable compensation from the Association for services rendered, together with reimbursement for expenses incurred by them in the performance of their duties hereunder. Such compensation shall be set by the Board from time to time.

G. Final Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

1. Upon the completion of any work for which approved plans are required hereunder, the Owner shall give written notice of completion to the Design Committee.

2. Within thirty (30) days thereafter, the Design Committee or its duly authorized representative shall inspect such Improvement. If the Design Committee finds that work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such thirty (30) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy the same.

3. If upon the expiration of thirty (30) days from the date of such notification the Owner shall have failed to remedy such noncompliance, the Design Committee shall notify the Board in writing of such failure. Upon Notice and Hearing, the Board shall determine whether there is noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If noncompliance exists, the Owner shall remedy or remove the same within a period of not more than thirty (30) days from the date of announcement of the Board ruling, unless the time to remedy the noncompliance reasonably may take longer, in which case the Owner may request a reasonable extension of time to remedy the noncompliance. If the Owner does not comply with the Board ruling within such period, the Board may pursue any lawful remedy, including removal of the noncomplying Improvement. The Owner shall reimburse the Association, upon demand, for all expenses, including interest on monies expended and attorneys' fees, incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board may file a lien against such Owner for reimbursement pursuant to Article IX.

4. If for any reason the Design Committee fails to notify the Owner of any noncompliance within thirty (30) days after receipt of said written notice of completion from the Owner, the Improvement shall be deemed to be in accordance with said approved plans.

H. **Nonliability of Design Committee Members.** Neither the Design Committee nor any member thereof shall be liable to the Association, or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Committee's duties hereunder; unless due to the willful misconduct or bad faith of the Design Committee.

I. **Variances.** The Design Committee may authorize variances from compliance with any of the architectural provisions of this Declaration, including restrictions upon height, size, floor area, or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental consideration may require. A request for a variance must be in writing, which specifically sets forth the reason for the variance. If a variance is granted, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance.

XI. EASEMENTS.

A. **Grant of Easements.** Notwithstanding anything expressly or impliedly contained herein to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by Declarant including easements for the installation and maintenance of utilities and drainage facilities that are required for the development of the Real Property. In addition, Declarant hereby reserves for the benefit of the Association, the right of Declarant to grant additional easements and rights-of-way over the Real Property to utility companies and public agencies as necessary, for the proper development of the Real Property until close of escrow for

the sale of the last Lot in the Real Property to a purchaser. Nothing herein shall be construed as reserving the right in Declarant to grant easements over Lots after Declarant has conveyed title to such Lot to another Owner.

B. Utility Easement. Underground utilities are generally installed within the sixty (60) foot road rights of way by the Declarant. However, some of the utilities and equipment may be located on a Lot. The rights and duties of the Owners of the Lots with respect to utilities shall be governed by the following:

1. Wherever utility house connections, if any, are installed within the Real Property, which connections or any portions thereof may be in or upon Lots owned by other than the Owners of the Lot intended to be served by said connections, such an Owner shall have the right and is hereby granted an easement to the full extent necessary therefor to enter upon a Lot or the Real Property in or upon which said connections or any portion thereof may be, to connect, repair, replace and generally maintain said connections as and when the same may be necessary.

2. Whenever utility house connections, if any, are installed within the Real Property which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to full use and enjoyment of such portions of said connections as service his Lot.

C. Disputes as to Sharing of Costs. In the event of a dispute between Owners with respect to the repair or rebuilding of said utility connections or driveways, or with respect to the sharing of the cost thereof, then upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board, who shall decide the dispute and make an Assessment against any or all of the Owners involved, which Assessment shall be collected and enforced in the manner provided by this Declaration.

D. Landscape Easement. An easement is hereby reserved to the Association, its contractors and agents, to enter portions of Lots for the purpose of pest and weed control.

E. Watercourse Easement. The Declarant hereby reserves for the benefit of the Association an easement for all watercourses, irrigation ditches, and drainages (or other bodies of water) and related pipes, pumps and other related equipment over, across and under all Lots and Association Easements owned by the Association to the extent reasonably required to protect the Association's water rights and to maintain, and service the watercourses and irrigation system as existing or installed by Declarant on the Real Property or pursuant to plans and specifications approved by the Design Review Committee.

F. No Construction Within Easements. No Improvement shall be made within any easement without the prior written approval of Design Review Committee.

XII. MISCELLANEOUS.

A. **Term.** The covenants, conditions and restrictions of this Declaration shall run until the end of the year 2025 unless amended or terminated as herein provided. After such date, such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless this provision is amended or this Declaration is cancelled or revoked by a written instrument executed by seventy five percent (75%) or more of the Owners, and such written instrument is recorded with the Blaine County Recorder.

B. Amendment.

1. **By Declarant.** When Declarant has fifty percent (50%) or more ownership of the Lots, the provisions of this Declaration, other than this Article, may be amended only by Declarant. Any amendment hereunder shall be effective only upon recordation with the Blaine County Recorder of an instrument in writing signed and acknowledged by Declarant setting forth the amendment.

2. **By Owner.** When Declarant has less than fifty percent (50%) ownership of the Lots, the provisions of this Declaration, other than this Article, may be amended by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying that such amendment has been approved by the vote or written consent of seventy five percent (75%) or more of the Owners, and such an amendment shall be effective only upon its recordation with the Blaine County Recorder.

3. **Rules for Interpretation.** This provision is to assist in the interpretation of the provisions hereunder regarding the amendment provisions and the membership and voting provisions set forth under Section C of Article VII. Section C, Article VII establishes two (2) classes of voting memberships, with Declarant as the Class B Member and retaining three (3) votes for each Lot owned by Declarant until such time as Declarant ceases to be a Class B Member. To determine whether any amendment to this Declaration is to be made pursuant to Section B1 or B2 above, no reference should be made to whether Declarant is a Class B Member or not. The determination is to be made by reference solely to how many Lots Declarant owns at the time an amendment is considered. However, once the determination is made as to which Section above applies, then the voting provisions under Section C, Article VII apply to determine whether an amendment meets the necessary percentage for approval.

4. **Rights of Sun Valley Water and Sewer District.** Notwithstanding the provisions herein related to Amendment, no amendment of this Declaration shall be effective without the written consent of the Sun Valley Water and Sewer District to the extent that any amendment shall effect those rights and obligations set forth in Section B of Article VI.

5. **Rights of Beneficiary.** Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat and render invalid the rights of the Beneficiary under any recorded deed of trust or mortgage upon a Lot made in good

faith and for value, provided that after the foreclosure of any such deed of trust or mortgage, such Lot shall remain subject to the Declaration as amended.

6. **Rights of Declarant.** Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to amend, affect, limit in any manner or render invalid any rights which Declarant has reserved in this Declaration without the written consent of Declarant.

7. **Amendment to Sections A, B and C of Article VII.** Notwithstanding anything herein contained to the contrary, the provisions of Sections A, B and C of Article VII may only be amended with the unanimous vote or written consent of all the Owners entitled to vote.

C. **Notices.** Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally, by telecopier or by mail. If delivery is made by telecopier, it shall be deemed to be delivered the day of its transmission, if sent to any Person at the telecopier number given by such Person to the Association for the purpose of service of such notice. If delivery is made by mail, it shall be deemed to have been delivered forty eight (48) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such Person to the Association for the purpose of service of such notice, or the residence of such Person, if no other address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

D. **Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform plan for the development and enhance the aesthetic and economic value of the Real Property. This Declaration shall be construed and governed under the laws of the State of Idaho.

E. **Enforcement and Nonwaiver.**

1. **Right of Enforcement.** Except as otherwise provided herein, any Owner of any Lot within the Real Property shall have the right to enforce any or all of the provisions of the Declaration upon any other Lot. However, any other provision to the contrary notwithstanding, only Declarant, the Association, the Board, or the duly authorized agents of any of them, may enforce by self-help, any of the provisions of this Declaration and only if such self-help is preceded by Notice and Hearing.

2. **Violations and Nuisance.** Every act or omission whereby any provision of the Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action by Declarant or Association or any Owner or Owners of Lots within the Real Property.

3. **Violation of Law.** Any violation of any state, municipal or local law, ordinance, or regulation pertaining to the ownership, occupation, or use of any property within

the Real Property, is hereby declared to be a violation of the Declaration and subject to any or all of the enforcement procedures set forth in this Declaration.

4. **Remedies Cumulative.** Each remedy provided by this Declaration is cumulative and not exclusive.

5. **Nonwaiver.** The failure to enforce any of the provisions of the Declaration at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provisions of said Declaration.

6. **Compliance with Provisions of Declaration, Articles, Bylaws, Rules and Regulations of the Association.** Each Owner shall comply with the provisions of this Declaration, the Articles of Incorporation and the Bylaws, any Association Rules adopted from time to time by the Board or the Association, and any decisions made and resolutions adopted from time to time by the Board or Association. Failure to comply with any of the same shall be grounds for the imposition of reasonable late fees, fines, interest and other reasonable charges as allowed herein, the filing of liens and the enforcement thereof, the commencement of actions to recover any sums due, damages or injunctive relief, by the Association on behalf of the Owners or by an Owner. Additionally, failure to comply with any of the same shall be grounds for the Association's suspending an Owner's voting rights in the Association or privileges to use any recreational facilities.

7. **Attorneys' Fees.** In the event that the Association or an Owner retains an attorney to enforce any right or duty arising out of this Agreement, the prevailing party in such dispute shall be entitled to be paid reasonable attorney's fees by the non-prevailing party, whether or not litigation is actually instituted.

F. **Construction.**

1. **Restrictions Construed Together.** All of the provisions of the Declaration shall be liberally construed together to promote and effectuate Declarant's goals in making this Declaration as set forth in the preamble.

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

3. **Number and Gender.** Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

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

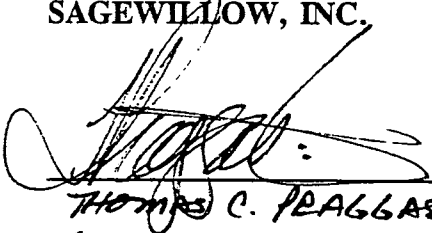
5. **Exhibits.** All exhibits attached to this Agreement are hereby incorporated into this Agreement by reference.

G. **Winter Feeding of Elk or Wildlife.** Declarant has been providing winter feeding for elk for many years prior to the subdivision of the Real Property and the adoption of this Declaration. The location of some of the Open Space Areas within the subdivision was intended to continue to provide for elk and other wildlife wintering and feeding. Declarant hereby reserves the right to continue to feed the elk and other wildlife in its sole discretion and reserves the right to use the Open Space Areas for elk and wildlife feeding purposes. Notwithstanding anything herein to the contrary, Declarant reserves the right to use motorized vehicles to access the Open Space Areas for elk and wildlife feeding purposes.

H. **Notice of Rule Making Power.** All Owners of any Lots and potential buyers should be aware that in addition to this Declaration, other Supplemental Declarations may be adopted from time to time. Any Supplemental Declarations shall be recorded with the Blaine County Recorder in order to have legal force and effect. All Owners and potential buyers should further be aware that Association Rules, including Design Committee Rules, may be adopted from time to time by the Board or the Association. These Association Rules may not be recorded but shall be applicable to all Owners and the Association upon their adoption.

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first above written.

SAGEWILLOW, INC.

By: 
Its: THOMAS C. PEAGLAS
SECRETARY

STATE OF IDAHO)
 ss.
County of Blaine)

On this 7th day of FEBRUARY, 1995, before me, a Notary Public in and for said State, personally appeared THOMAS C. FRANKS known or identified to me to be the Secretary of SAGEWILLOW, INC., a Nevada corporation, whose name is subscribed to the within instrument, and acknowledged to me that they executed the same in the name of and on behalf of said corporation.

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

Christine A. Reif
NOTARY PUBLIC in and for
the State of Idaho
residing at Hailey, Idaho
Commission expires 6-6-99

EXHIBIT "A"

Lots 1 - 22 and Parcels C, D, E, F, G, H, I, J & K of SAGEWILLOW, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho.

Instrument # 44-59

HAILEY, BLAINE, IDAHO

2001-01-02 04:20:00 No. of Pages: 10

Recorded for: THOMAS C PRAGGASTIS

MARSHA RIEMANN

Fee: 30.00

Ex-Officio Recorder Deputy

Index to: AMENDED COVENANTS & RESTRICTIONS

NOTICE OF SECOND AMENDMENT TO
SUPPLEMENTAL DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS FOR
SAGEWILLOW HOMEOWNERS ASSOCIATION

THIS NOTICE OF SECOND AMENDMENT TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SAGEWILLOW HOMEOWNERS ASSOCIATION ("Second Amended Declaration") is made this 28 day of DECEMBER, 2000, by Sagewillow Homeowners Association, Inc., ("Association")

WHEREAS, a Notice of Addition of Territory and Supplemental Declaration of Covenants, Conditions and Restrictions For Sagewillow Homeowners Association was recorded on February 14, 1995 in the records of Blaine County, Idaho, as Instrument No. 375704 ("Declaration"), and a Notice of First Amendment to Supplemental Declaration of Covenants, Conditions and Restrictions for Sagewillow Homeowners Association was recorded on October 31, 2000, records of Blaine County, Idaho, as Instrument No. 444645 ("First Amended Declaration"), affecting real property described as follows:

Lots 6A - 20A and 22A, and Parcels E, F, GG, HH, II, J, K, and MM of SAGEWILLOW SUBDIVISION AMENDED, Blaine County, Idaho, as shown on the official plat thereof, recorded October 31, 2000, as Instrument No. 444644, records of Blaine County, Idaho.

WHEREAS, the Sagewillow Homeowners Association, Inc. ("Association") is a nonprofit Idaho corporation formed pursuant to the Declaration.

WHEREAS, the Association has the power to modify the Declaration pursuant to the terms and conditions set forth in the Declaration and First Amended Declaration.

WHEREAS, the Association desires to implement by this Second Amended Declaration certain restrictions and guidelines by which the views and sunlight of Owners of Lots within the Sagewillow Subdivision ("Sagewillow") may be protected from trees and vegetation which may unreasonably interfere with an Owner's views.

NOW, THEREFORE, the Association hereby declares that, with respect to the Real Property as defined in this Second Amended Declaration, the Declaration and First Amended Declaration are hereby amended only as follows and all other provisions of said Declaration and First Amended Declaration not inconsistent with the following provisions shall remain in full force and effect:

I. DEFINITIONS.

The following definitions shall apply for purposes of this covenant. Other definitions from the Declaration and First Amended Declaration shall also apply for purposes of this covenant.

Complainant means an Owner who alleges that Trees located on property owned by an Owner, the Association or the District are causing an unreasonable obstruction of Significant Views.

District means the Sun Valley Water and Sewer District.

Tree means a woody perennial plant which usually, but not necessarily, has a single trunk and a height of fifteen (15) feet or more, or has a diameter of five (5) inches or more measured one (1) foot above the root crown; references herein to Tree shall include the plural. The term Tree shall include any plant material or shrubbery planted or growing in a dense continuous line twenty (20) feet in length or longer (measured from outside foliage) so as to form a thicket or naturally grown fence with an average height in excess of eight (8) feet.

Tree Owner means the Owner of a Lot, the Association with regard to the Association Property or the District with regard to Parcels J and K and on which a Tree is located.

View means an actual or potential vista.

Significant View means an actual or potential vista observable from a Primary Living Area of a residence (whether from a standing or seated position) which has a significant horizontal expanse and which includes a vista of the valley floor to the south, Bald Mountain, Dollar Mountain or the mountains to the north, south or east.

Primary Living Area means (1) those areas within a residence where an Owner, Owner's family or guests customarily spend a significant portion of time (such as a kitchen, family room, living room, dining room, bedroom or solarium) or (2) those unenclosed areas within fifteen (15) feet of the exterior walls of a residence where outdoor living areas exist (such as improved decks or porches) and from which a Significant View is observable or would be observable but for an unreasonable obstruction by a Tree. An Owner may have more than one Primary Living Area.

Restorative Action means any action taken or relief granted in accordance with Article V.

II. PURPOSE OF VIEW PRESERVATION COVENANT.

A. The Owners of Lots hereby declare that it is in their collective and individual best interests to manage and control the planting and growth of trees and vegetation located on Sagewillow Lots as well as all Sagewillow Common Areas and Open Space Areas so as to preserve the views and vistas native to the area.

B. To foster, enhance and preserve the collective enjoyment of Sagewillow's natural beauty, views and serene setting, the Owners and the Association have agreed to adhere to certain guidelines and restrictions set forth in the Association's Declaration. The Declaration contains, among other things, guidelines and restrictions governing the location, mass, facades and landscaping of residences and structures constructed within Sagewillow. Such restrictions are in part designed to strike a balance between the private property development rights of Owners and the rights of neighboring Owners to the preservation of views and vistas, and to have residences screened and beautified through application of appropriate landscaping techniques. While manmade structures can be readily measured, permanently located and strictly controlled, trees and other vegetation, once planted, can eventually grow and propagate to proportions, mass or bulk so as to unfairly obstruct and impinge upon the views and vistas of neighboring Owners. Without controls on tree and vegetation growth, views and vistas once enjoyed can be slowly and inexorably destroyed, resulting in diminished enjoyment by affected Owners. At the same time, it is also in the best interest of Owners to encourage, and where necessary require, the reasonable and appropriate screening and general beautification that can be achieved through thoughtfully designed, intelligently selected, cleverly located, and properly maintained landscaping.

C. This Second Amended Declaration is enacted in recognition of the importance of Significant Views to properties within Sagewillow and to provide a fair and structured mechanism for assessing and evaluating Significant View obstruction claims and for resolving such claims that will provide a reasonable balance between the value of tree ownership and the value of Significant Views. The Association recognizes the importance of views as well as the importance of preserving, enhancing and intelligently fostering tree and other vegetation growth.

D. Trees and views, and the benefits derived from each, may come into conflict from time to time. Tree location and species selection may produce both intended beneficial effects on the property where planted, and unintended or unfairly deleterious effects on neighboring properties. Trees may block light and interfere with the enjoyment of views. While trees can be readily trimmed, pruned, moved or removed as needed, views on the other hand are irreplaceable, and once obstructed, may well be lost indefinitely. Unlike some naturally-occurring, heavily-wooded communities, many trees have been planted in Sagewillow, either by the original developer or by Owners.

E. With appropriate guidelines and safeguards requiring consideration of all factors set forth herein, Owners requesting restoration or improvement of Significant Views can be given substantial relief without unduly infringing upon the rights of Tree Owners.

F. It is recognized that, no matter how thoughtfully drafted, no set of covenants and restrictions can address and resolve all possible circumstances that may arise when it comes to "views versus trees." Thus, in the interest of peaceful enjoyment and community harmony, property owners are expected to conduct themselves in a spirit of cooperation and mutual understanding, to treat each other with respect and to maintain open lines of communication to resolve issues as they arise.

G. It is the intent of the Association that the provisions of this Second Amended Declaration be thoughtfully and reasonably applied. Any attempt to use these covenants and restrictions to harass or intimidate fellow Owners will not be abided or tolerated.

III. UNREASONABLE OBSTRUCTION PROHIBITED.

No Owner, the Association nor the District shall plant or maintain any Tree that unreasonably obstructs the Significant View of a Primary Living Area of any other Lot within Sagewillow.

IV. MINIMUM REQUIREMENTS FOR RESTORATIVE ACTION.

A. Minimum Requirements. No Complainant shall be entitled to Restorative Action unless the Complainant meets the following minimum criteria with regard to an alleged unreasonable obstruction of a Significant View:

that the Complainant has a Significant View; that the Tree allegedly interfering with a Significant View is located within Sagewillow; and that more than twenty-five percent (25%) of the horizontal expanse of that portion of the Significant View which is seen over the property of the Tree Owner is obscured by the Tree located on the Tree Owner's property.

B. Additional Elements for Consideration. No Complainant shall be entitled to Restorative Action unless the Complainant's Significant View is unreasonably obstructed. In determining whether a Significant View is unreasonably obstructed, the following criteria, if relevant, and any other criteria determined to be relevant, shall be considered:

1. The extent of the alleged Significant View obstruction, expressed as a percentage of the total View (with emphasis on what is considered the Complainant's Significant

View and most important areas within the Primary Living Area), and calculated by survey, photographs, or other means;

2. The extent to which one or more of the Complainant's unique Significant View features are obstructed;
3. The extent to which the Tree causes shade, reducing Complainant's access to sunlight;
4. The extent to which the Tree provides benefits to the Tree Owner.
5. No Owner shall be entitled to a completely unobstructed view, or to preserve or restore Significant Views from ALL angles and locations within a Primary Living Area.

V. RESTORATIVE ACTION.

A. Restorative Action that may be granted includes but is not limited to pruning, thinning, windowing, topping, relocation or removal of a Tree or a combination of such methods. Relief shall be granted so as to reasonably provide restoration of Significant Views for at least three (3) years from the date relief is granted. It is the intention of this Second Amended Declaration to discourage frequent filing of claims, dictating that relief granted should be guided by the principle of "thinking ahead", thus reducing the early recurrence of an actionable Significant View obstruction.

B. Any Restorative Action shall be limited by the following standards:

1. No Restorative Action shall be granted unless the relief will substantially improve a Significant View.
2. Only the least invasive method, or combination of methods, which would grant reasonable relief shall be required. Removal of Trees will not be required unless pruning or topping would not provide adequate relief.
3. If removal or topping are required to grant reasonable relief, at the request of the Tree Owner, the Tree shall be replaced, with the cost of replacement being born thirty-five percent (35%) by the Complainant, and sixty-five percent (65%) by the Tree Owner. The replacement Tree shall be chosen by the Tree Owner from a list of trees established by the Sagewillow Design Committee that will not cause a recurrence of the unreasonable obstruction. Nothing in this provision is intended to dictate that reasonable relief requires a "tree for tree" replacement regimen.

4. If more than one method, or logical combination of methods, would provide reasonable relief to the Complainant, the reasonable desires of the Tree Owner shall govern in the final selection of methods employed.

5. All pruning shall be evenly distributed throughout a Tree's canopy or structure.

VI. **RESOLUTION PROCEDURE.** The following shall be employed, in order of preference, in the resolution of Significant View obstruction disputes:

A. Informal Resolution. A Complainant who believes that a Tree growing on the property of an Owner or the Association or the District has caused unreasonable obstruction of a Significant View from a Primary Living Area shall notify the Tree Owner and the Sagewillow Design Committee in writing of such concerns. Notification should, if possible, be accompanied by a personal discussion between the Complainant and the Tree Owner to attempt to reach a mutually agreeable solution.

B. Mediation.

1. If informal discussions do not resolve the claim, then the dispute shall first be submitted to mediation. Any party shall have the right to begin the process by giving the other party a written notice requesting mediation, describing the issues involved. A mutually agreeable mediator and a time frame for the mediation meetings shall be agreed upon. The parties and the mediator may adopt any procedural format that seems appropriate for the particular dispute. If the parties can agree upon a mutually acceptable agreement, it shall be reduced to writing, signed by all parties, and the dispute shall be at an end. The costs of mediation shall be shared equally by the parties.

2. If, after continuing the mediation process for at least thirty (30) days, the parties recognize that the dispute cannot be successfully mediated, or if any party refuses to mediate or to name a mutually acceptable mediator and a timeframe for mediation within a period of time that is reasonable, then the parties shall proceed as set forth in paragraph C below.

C. Arbitration. In the event any dispute between the parties cannot be resolved as set forth in paragraphs A or B above, any party may demand that their dispute be resolved by arbitration. Written notice of the demand for arbitration shall be given to any other parties involved in the dispute. The parties shall select a mutually acceptable, disinterested party to act as an arbitrator of their dispute, within thirty (30) days of notice given by the party requesting arbitration to the other parties. The arbitration shall occur in Blaine County, Idaho and within ninety (90) days of the selection of the arbitrator, unless the parties agree to extend the time therefor. The parties shall be bound by the decision of the arbitrator. The parties agree that discovery as provided in the Idaho Rules of Civil Procedure (including Rules 26 through 37) may be engaged in as each party may deem necessary or appropriate prior to the arbitration hearing.

The arbitrator may award attorneys fees as part of the arbitrator's decision, as provided in this Second Amended Declaration. Except as expressly provided herein, the provisions of the Uniform Arbitration Act at Idaho Code Sections 7 - 901 *et seq* shall apply.

VII. MISCELLANEOUS.

A. Sagewillow Design Review Approval and Release. It shall not be a defense to any proceeding hereunder that the Sagewillow Design Committee (and its agents) approved any Tree Owner's landscaping plan. Each Owner hereby releases and agrees to hold the Association, the Sagewillow Design Committee and their agents harmless from any claim relating to or arising out of any Complainant's request for relief hereunder. The definition of "claim" shall mean and include any and all liabilities, damages, injuries, losses, causes of action, judgments, rights or demands of every kind, known or unknown, asserted or which may be asserted.

B. Elkhorn and City of Sun Valley Design Review Approval. It shall not be a defense to any proceeding hereunder that the Sun Valley Elkhorn Association or the City of Sun Valley design review proceedings approved any Tree Owner's landscape plan.

C. No Similar Proceeding for Three Years. No Owner shall be entitled to seek any new relief hereunder if, within three (3) years, a prior agreement was entered into or a decision was made which affected the same Lots or the same Lot and Association Property and/or District Parcels and which related to substantially the same or similar allegations of obstruction by the Complainant.

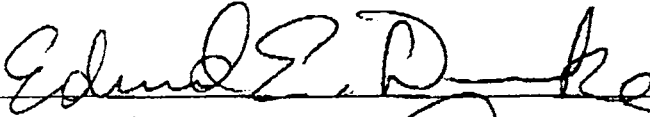
D. No Waiver for Nonaction. Given the nature of the rights being protected hereunder, no Complainant shall be deemed to have waived his right to seek relief hereunder on the grounds that the Complainant should have earlier sought relief.

E. No Association Liability for Costs or Fees. Neither the Association nor the Sagewillow Design Committee (and their agents) shall be liable for any costs or fees incurred by Owners which are related to any proceedings hereunder between Owners of Lots, which fees and costs may include without limitation, architect fees, expert or consultant fees, attorneys fees, mediator and arbitrator fees and any costs of Restorative Action. The Association or the District shall bear its appropriate share of costs and fees related to proceedings hereunder between any Owner and the Association or the District.

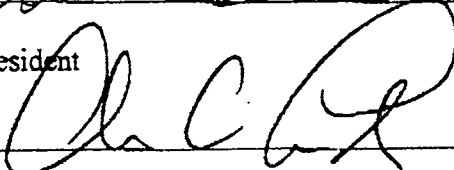
All other provisions of the Declaration and First Amended Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the Association has executed this Second Amended Declaration the day and year first above written.

SAGEWILLOW HOMEOWNERS ASSOCIATION, INC.



By:
Its: President



By:
Its: Secretary

CERTIFICATION BY OFFICERS


The President and Secretary of the Association whose signatures appear on this Amendment hereby certify that the approval of this Second Amended Declaration was in accordance with Article XII, Section B.2. of the Covenants, Conditions and Restrictions for Sagewillow Homeowners Association, dated February 7, 1995, and recorded February 14, 1995, as Instrument No. 375704, records of Blaine County, Idaho.

DATED this 28 day of December, 2000.

SAGEWILLOW HOMEOWNERS ASSOCIATION, INC.



President

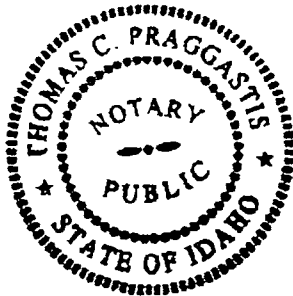


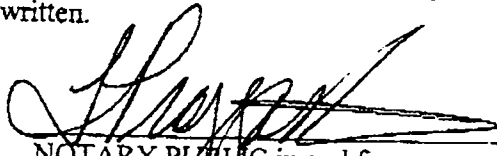
Secretary

STATE OF IDAHO)
)
County of Blaine)

On this 28 day of DECEMBER, 2000, before me, a Notary Public in and for said State, personally appeared EDMUND E. DUMKE, known or identified to me to be the President of SAGEWILLOW HOMEOWNERS ASSOCIATION, INC., an Idaho corporation, whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in the name of and on behalf of said corporation.

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

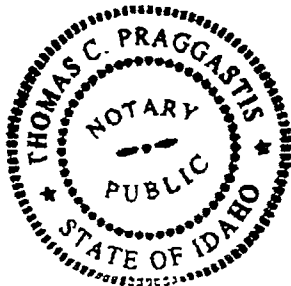


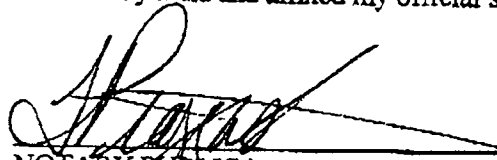

NOTARY PUBLIC in and for
the State of Idaho
residing at SUN VALLEY
Commission expires 10-6-2003

STATE OF IDAHO)
)
County of BLAINE)

On this 28 day of DECEMBER, 2000, before me, a Notary Public in and for said State, personally appeared CHRISTOPHER C. LEADY, known or identified to me to be the Secretary of SAGEWILLOW HOMEOWNERS ASSOCIATION, INC., an Idaho corporation, whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in the name of and on behalf of said corporation.

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




NOTARY PUBLIC in and for
the State of IDAHO
residing at SUN VALLEY
Commission expires 10-6-2003

ITEM
C

1998 Gift Agreement

**AGREEMENT FOR
GIFT AND ACCEPTANCE OF REAL PROPERTY**

THIS AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY is made by and between THE COMMUNITY SCHOOL OF KETCHUM AND SUN VALLEY, INC. an Idaho nonprofit corporation ("School") and SAGEWILLOW, INC., a Nevada corporation ("Sagewillow").

WHEREAS, the School is a non-profit Idaho corporation, and a charitable organization under Section 501(c)(3) of the Internal Revenue Code. The School operates a private school including grades pre-kindergarten through 12.

WHEREAS, Sagewillow owns real property located in Sun Valley, Idaho commonly referred to as the Sagewillow Farm, which Sagewillow desires to continue to retain its open and relatively undeveloped character. Sagewillow also desires to see that the real property be beneficially utilized by the School and the community and, therefore, is willing to donate the real property to the School, subject to the conditions set forth herein. It is Sagewillow's intent that the conditions regarding the use of the real property be covenants running with the land while the School holds title to the real property.

WHEREAS, the School is willing to accept the gift of the real property and is willing to accept the conditions to which the gift is subject.

NOW, THEREFORE, as an inducement to making the gift and further, in consideration of the conditions and promises set forth herein, the parties agree as follows:

1. Sagewillow agrees to give, by Gift Deed, all of its right, title and interest in the real property located in Sun Valley, Idaho and more particularly described in Exhibit A. The gift of this real property includes the water rights appurtenant to the real property and are generally described in Exhibit A, which will be conveyed by Assignment. The School accepts such gift, agrees to use the real property for School Purposes and agrees to the conditions set forth herein. The form of Gift Deed is attached as Exhibit B.

2. The real property consists of areas that are to remain open and undeveloped ("Open Areas"), areas that may be developed for outdoor recreational purposes ("Recreational Areas") and areas that may be improved as the School deems appropriate ("Improved Areas"). A map of the real property, attached as Exhibit C, designates these areas. With the exception of existing structures in the Open Areas, the Open Areas shall not be further improved, except for fencing and landscaping, but shall remain as green belt. The Recreational Areas may be developed into open, outdoor recreational facilities, such as playing fields and soccer fields. The Recreational Areas may include parking and restroom facilities, as long as they are aesthetically landscaped. The Improved Areas may be developed with any buildings or structures as the School deems necessary and appropriate for its operation, including without limitation, a residence for a headmaster or caretaker. Any buildings or

AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY - 1 REVISED 12/14/91 @ 10:17 AM

structures newly constructed on the real property shall be architecturally compatible (generally, roof to be pitched with the existing barn.

3. The School may allow the outdoor recreational facilities to be used by the community at large during those times, especially during the summer, when the facilities are not being used by the School. The School may impose conditions upon any non-school uses as the School deems appropriate. The School may enter into agreements to share the costs of development, construction, maintenance or use of any recreational facilities in the Recreational Areas.

4. The School is encouraged to allow its facilities, buildings and grounds to be used by local community organizations, including fundraising activities by charitable organizations.

5. It is acknowledged that the School may be required to obtain approvals and permits from the City of Sun Valley and other entities. The School shall be solely responsible for obtaining all such necessary permits and approvals.

6. Sagewillow is also conveying water rights that Sagewillow has used. The School will be responsible for obtaining any transfers of those water rights. If the transfers of the water rights are not approved, in whole or in part, then those water rights not approved for transfer will revert to the Sagewillow Charitable Trust.

7. In the event that the School decides not to continue to use the real property for School Purposes, then the real property (and any water rights) shall automatically revert to the Sagewillow Charitable Trust. This automatic reversion shall lapse and be of no force and effect after the deaths of Edmund W. Dumke, Carol B. Dumke and their children.

8. It is Sagewillow's express intent that the School shall be a steward of the land in order for the land to retain its character as of the time of this Agreement. The conditions placed on the real property and imposed on the School are to implement this expressed intent.

9. "School Purposes" shall mean any uses of the real property related to the ordinary and customary activities of a private preschool, pre-kindergarten, elementary, middle or high school.

10. If either party is a corporation, each individual executing this Agreement on behalf of said entity, represents and warrants that he is duly authorized to execute and deliver this Agreement on behalf of said entity, and that this Agreement is binding upon said entity in accordance with these terms.

11. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators; successors and assigns of the parties hereto; provided, further that the successor in interest to Sagewillow from and after the date of execution of this Agreement shall be the Sagewillow Charitable Trust. The conditions and restrictions set forth herein are covenants running with the land; provided, however, that the use restriction for

School Purposes shall lapse at the time provided for in Article 7 above. If the real property reverts back to the Sagewillow Charitable Trust, then any conditions set forth in this Agreement shall terminate as well.

12. The parties acknowledge that the terms of this Agreement may vary from the terms contained in any other preliminary agreements, written or oral, made prior to the execution of this Agreement and may vary from any negotiations between the parties prior to the execution of this Agreement. The parties agree that the terms, covenants and conditions of this Agreement shall supersede all such prior negotiations and agreements, and that there are no other agreements not contained in this Agreement, and that this Agreement shall be and is the final expression of the agreement of the parties and shall control.

13. Any modification of this Agreement shall be effective only if it is in writing and signed by both parties hereto.

14. All notices or demands of any kind required or desired to be given by the parties hereunder shall be given by hand delivery to either party herein or by mail, certified or registered, postage prepaid, to the parties at the addresses set forth in this provision. All notices or demands shall be deemed delivered upon depositing the notice or demand in the United States Mail, certified or registered, postage prepaid, to the addresses set forth herein, unless any change of address shall have been given by the proper party.

School: The Community School of Ketchum and
Sun Valley, Inc.
Post Office Box 2118
Sun Valley, ID 83353

Sagewillow: Sagewillow Charitable Trust
2416 Plaza del Grande
Las Vegas, NV 89102

15. The parties are referred to herein without regard to the number or gender of the persons constituting such parties. If any party consists of two or more persons, including but not limited to individuals, partnerships, associations or other entities, such persons shall be jointly and severally liable hereunder. Whenever any other neuter or singular term is used herein, such term shall be construed to include the masculine or feminine gender or plural, and shall include any party whether male, female or partnership or other entity as may be appropriate.

16. In the event any provision of this Agreement or any part thereof shall be determined by any Court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions hereunder, or parts thereof, shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby, it being agreed that such remaining provisions shall be construed in a manner most closely approximating the

intention of the parties with respect to the invalid, void or unenforceable provision or part thereof.

17. A Memorandum of Agreement may be recorded with the Recorder of Blaine County of Blaine County or reference to this Agreement may be made in the Gift Deed to provide notice of this Agreement.

18. All exhibits attached to this Agreement are hereby incorporated into this Agreement by reference.

19. It is agreed by the parties hereto that this Agreement shall be executed in duplicate originals, and may be executed in counterpart, all of which shall constitute one Agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the same counterpart and facsimile signatures will be considered as an original signature.

DATED as of this 16 day of December, 1998.

SAGEWILLOW, INC., a Nevada corporation

Edmund W. Dumke
By: EDMUND W. DUMKE, Director

Carol B. Dumke
By: CAROL B. DUMKE, Director

DATED as of this 9th day of December, 1998.

THE COMMUNITY SCHOOL OF KETCHUM AND
SUN VALLEY, INC., an Idaho nonprofit corporation

Beau Mills
By: BEAU MILLS, Chairman, Trustee

Linda Sherwood
By: LINDA SHERWOOD, Vice Chairman, Trustee

Neil BAHAN
By: NEIL BAHAN, Secretary, Trustee

Ross Donald
By: TIM MOFF, Treasurer, Trustee Ross Donald

Ray Cairncross
By: RAY CAIRNCROSS, Trustee

Ross Donald
By: ROSS DONALD, Trustee Tim Moff, Treasurer

Dick Fenton
By: DICK FENTON, Trustee

Carol Holman
By: CAROL HOLMAN, Trustee

Michelle Praggastis
By: MICHELLE PRAGGASTIS, Trustee

Becky Smith
By: BECKY SMITH, Trustee

Thomas E. Unger
By: TOM UNGER, Trustee

By: BARBARA WALLACE, Trustee

Jon Marksh
By: JON MARKSH, Trustee

DATED as of this 9th day of December, 1998.

THE COMMUNITY SCHOOL OF KETCHUM AND
SUN VALLEY, INC., an Idaho nonprofit corporation

Beau Mills
By: BEAU MILLS, Chairman, Trustee

Linda K Sherwood
By: LINDA SHERWOOD, Vice Chairman, Trustee

Neil Rahan
By: NEIL RAHAN, Secretary, Trustee

Ken Ross Donald
By: KEN ROSS DONALD, Treasurer, Trustee

Ray Cairnt Ross
By: RAY CAIRNT ROSS, Trustee

Ross Donald
By: ROSS DONALD, Trustee

Dick Fenton
By: DICK FENTON, Trustee

Carol Holman
By: CAROL HOLMAN, Trustee

Michelle Prosser
By: MICHELLE PROSSER, Trustee

Bucky Smith
By: BUCKY SMITH, Trustee

Tom Unger
By: TOM UNGER, Trustee

Barbara Wallace
By: BARBARA WALLACE, Trustee

Jeff Marshall
By: JEFF MARSHALL, Trustee

EXHIBIT A
LEGAL DESCRIPTION

REAL PROPERTY:

PARCELS A and B of THE SAGEWILLOW SUBDIVISION, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho.

WATER RIGHTS:

Approximately .23 CFS for irrigation purposes

Approximately .04 CFS for livestock watering purposes

(Space Above This Line for Recorder's Use)

GIFT DEED

SAGEWILLOW, INC., a Nevada corporation, Grantor, 2416 Plaza del Grande, Las Vegas, Nevada 89102, does hereby convey, release, remise and quitclaim, without consideration therefor, unto **THE COMMUNITY SCHOOL OF KETCHUM AND SUN VALLEY, INC.**, Grantee, Post Office Box 2118, Sun Valley, ID 83353, real property, located in Blaine County, Idaho, and more particularly described as follows:

Parcels A and B of THE SAGEWILLOW SUBDIVISION, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho.

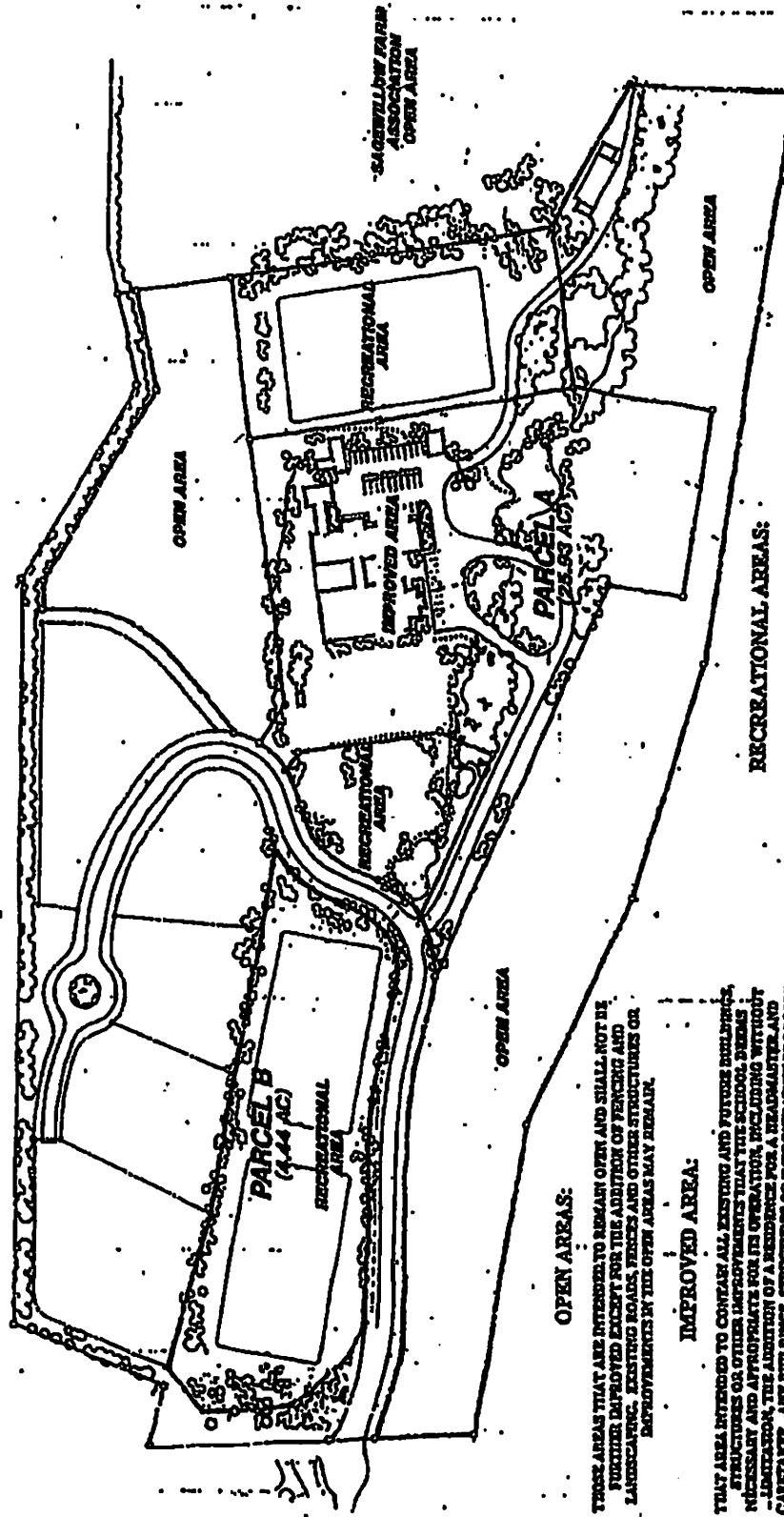
TO HAVE AND TO HOLD the said premises, with their appurtenances unto Grantee and to Grantee's heirs and assigns forever. Grantor does hereby covenant to and with Grantee, that Grantor is the owner in fee simple of said premises; that they are free from all encumbrances except as described above; and that Grantor will warrant and defend the same from all lawful claims whatsoever.

The real property described in this Gift Deed is subject to a certain Agreement for Gift and Acceptance of Real Property, attached hereto as Exhibit A. and incorporated herein by this reference.

DATED this ____ day of _____, 1998.

SAGEWILLOW, INC.
a Nevada corporation

By: **EDMUND W. DUMKE,**
President



OPEN AREAS:

THOSE AREAS THAT ARE INTENDED TO REMAIN OPEN AND SHALL NOT BE FURTHER DEVELOPED EXCEPT FOR THE ADDITION OF FENCING AND LANDSCAPING. EXISTING ROADS, FENCES AND OTHER STRUCTURES OR IMPROVEMENTS IN THE OPEN AREAS MAY REMAIN.

IMPROVED AREA:

THAT AREA INTENDED TO CONTAIN ALL EXISTING AND FUTURE BUILDINGS, STRUCTURES OR OTHER IMPROVEMENTS THAT THE SCHOOL DEEMS NECESSARY AND APPROPRIATE FOR ITS OPERATION, INCLUDING WITHOUT LIMITATION, THE ADDITION OF A RESIDENCE FOR A HEADMASTER AND CANTINA. ANY BUILDINGS, STRUCTURES OR IMPROVEMENTS PROPOSED TO BE CONSTRUCTED OR REMODELED WITHIN THE IMPROVED AREA SHALL NOT EXCEED FORTY-FOUR (44) FEET IN HEIGHT MEASURED VERTICALLY TO EXISTING OR APPROVED GRADE AND SHALL GENERALLY BE ARCHITECTURALLY COMPATIBLE WITH THE EXISTING BARN COMPLEX, INCLUDING THE USE OF PITCHED OR GABLED ROOFS.

RECREATIONAL AREAS:

THOSE AREAS THAT MAY BE DEVELOPED OR IMPROVED FOR OPEN, OUTDOOR RECREATIONAL PURPOSES OR FACILITIES SUCH AS, BUT NOT LIMITED TO, PLAYING FIELDS AND SOCCER FIELDS. THESE SAME RECREATIONAL AREAS MAY ALSO INCLUDE PARKING AND RESTROOM FACILITIES AS LONG AS SUCH USES ARE REASONABLY SCREENED BY APPROPRIATE LANDSCAPING.

SAGEWILLOW
EXHIBIT "C" - LAND USE DESIGNATION MAP

CAMPUS

ILLUSTRATIVE SITE PLAN

- H. SVEA is defending the Civil Case, alleging that Sagewillow Campus is *indeed* encumbered by, subject to and under the purview of, the Master Declaration, and all covenants, conditions and restrictions contained therein.
- I. The School is considering the development of the Sagewillow Campus, or portions thereof, for non-residential pre-school and elementary school purposes and/or residential purposes, and desires that SVEA herein provides for that possibility.
- J. The parties hereto desire by this Agreement to resolve the dispute between them with respect to the School's proposed development and use of the Sagewillow Campus; provide specific terms and conditions under which the Sagewillow Campus will be formally brought within the purview of the Master Declaration; designate land use classifications for it consistent with the provision of Section 2.02 of the Master Declaration and establish specific allowable uses; and provide for the dismissal of the Civil Case.

NOW, THEREFORE, the parties hereto, for themselves and their successors, do hereby agree as follows:

1. The School and Trust agree to the annexation of the Sagewillow Campus by SVEA into Elkhorn, and the encumbrance of the Sagewillow Campus with the covenants, conditions and restrictions contained in the Master Declaration. The School and SVEA further agree to jointly petition the Court in the Civil Case to enter judgment consistent with the provisions of this paragraph, and to cooperate in the execution of such other and further documents as may be reasonably necessary to effect or confirm the annexation of the Sagewillow Campus into Elkhorn and subject it to the Master Declaration. Association will cause the Plaintiffs in Civil Case No. 2004-246 to be dismissed. The School shall execute and record in the records of Blaine County, Idaho, a "Notice of Addition of Territory", as contemplated by Sections 2.02 and 2.03 of the Master Declaration, affirming that Sagewillow Campus is annexed into Elkhorn and encumbered by, and subject to, the Master Declaration and designating the use thereof as provided in this Agreement. Trust agrees to subordinate its reversionary interest in the Sagewillow Campus to the documents executed by the parties, including the aforementioned Notice of Addition of Territory. Such annexation shall be deemed completed upon entry of such a judgment in the Civil Case, or upon recordation of the Notice of Addition of Territory in the official records of Blaine County, Idaho.
2. The parties acknowledge and agree that, pursuant to Section 2.02 of the Master Declaration, upon the completion of its annexation by SVEA, the property within the Sagewillow Campus shall be classified as a Residential and Residential Common Area; a Residential/Commercial Area; and a Recreational Area, and shall be entitled to all of the uses provided for those classifications in Sections 4.01, 5.02 and 5.03 of the Master Declaration; provided, however, that the only commercial use allowed for said property shall be a non-residential pre-school and/or elementary school (that is, grades K-6) with all accessory uses related to a pre-school or elementary school and the following non-accessory uses: (i) all ordinary and customary School sanctioned activities pertaining to grades K-12 and (ii) occasional recreational or cultural uses by non-profit or charitable organizations or local

ITEM
D

2006

Settlement Agreement

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 19 day of August, 2006, by and between **SUN VALLEY ELKHORN ASSOCIATION, INC.**, an Idaho corporation ("SVEA"); **THE COMMUNITY SCHOOL, INC.**, an Idaho corporation ("School"); the **SAGEWILLOW CHARITABLE TRUST ("Trust")**; and **SAGEWILLOW HOMEOWNERS ASSOCIATION, INC.**, an Idaho nonprofit corporation ("Association").

RECITALS:

- A. The School is the owner of Blocks 1 and 2 of Sagewillow Subdivision, City of Sun Valley, Blaine County, Idaho ("Sagewillow Campus"), having obtained title thereto by gift deed dated December 11, 1998, from Sagewillow, Inc. ("Gift Deed").
- B. The Sagewillow Subdivision is located in that portion of the City of Sun Valley generally known and referred to as "Elkhorn".
- C. The Association is comprised of members owning residences within Sagewillow Subdivision.
- D. The Trust retains a reversionary interest in Sagewillow Campus.
- E. Recorded against the certain real property situated in Elkhorn are certain restrictive covenants set forth in the Replacement Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, recorded May 20, 1987, as Instrument No. 284533; amended by Instrument No. 292649, recorded February 29, 1988; by Instrument No. 400792, recorded April 11, 1997; by Instrument No. 437922, recorded April 4, 2000 and by Instrument No. 534284, recorded on April 14, 2006; all in the records of Blaine County, Idaho ("Master Declaration").
- F. SVEA was created as the "Master Association" defined in the Master Declaration, for the purpose of enforcing the provisions thereof, including all rules promulgated pursuant thereto, and to otherwise carry out the duties and obligations imposed upon it by the terms of said Master Declaration.
- G. A dispute has arisen between the parties over whether or not the Sagewillow Campus is encumbered by and/or subject to, the Master Declaration and the rules and regulations promulgated pursuant thereto, which dispute has resulted in the School filing Civil Case No. CV-2003-9655 in the district court of the Fifth Judicial District of the State of Idaho, in and for Blaine County, seeking an order quieting its title to the Sagewillow Campus, free and clear of the Master Declaration and in Association filing Civil Case No. 2004-246 in the district court of the Fifth Judicial District of the State of Idaho in and for Blaine County seeking a judgment that the Sagewillow Subdivision is within Elkhorn and subject to the Master Declaration, resulting in the two cases being consolidated (collectively the "Civil Case").

- H. SVEA is defending the Civil Case, alleging that Sagewillow Campus is indeed encumbered by, subject to and under the purview of, the Master Declaration, and all covenants, conditions and restrictions contained therein.
- I. The School is considering the development of the Sagewillow Campus, or portions thereof, for non-residential pre-school and elementary school purposes and/or residential purposes, and desires that SVEA herein provides for that possibility.
- J. The parties hereto desire by this Agreement to resolve the dispute between them with respect to the School's proposed development and use of the Sagewillow Campus; provide specific terms and conditions under which the Sagewillow Campus will be formally brought within the purview of the Master Declaration; designate land use classifications for it consistent with the provision of Section 2.02 of the Master Declaration and establish specific allowable uses; and provide for the dismissal of the Civil Case.

NOW, THEREFORE, the parties hereto, for themselves and their successors, do hereby agree as follows:

1. The School and Trust agree to the annexation of the Sagewillow Campus by SVEA into Elkhorn, and the encumbrance of the Sagewillow Campus with the covenants, conditions and restrictions contained in the Master Declaration. The School and SVEA further agree to jointly petition the Court in the Civil Case to enter judgment consistent with the provisions of this paragraph, and to cooperate in the execution of such other and further documents as may be reasonably necessary to effect or confirm the annexation of the Sagewillow Campus into Elkhorn and subject it to the Master Declaration. Association will cause the Plaintiffs in Civil Case No. 2004-246 to be dismissed. The School shall execute and record in the records of Blaine County, Idaho, a "Notice of Addition of Territory", as contemplated by Sections 2.02 and 2.03 of the Master Declaration, affirming that Sagewillow Campus is annexed into Elkhorn and encumbered by, and subject to, the Master Declaration and designating the use thereof as provided in this Agreement. Trust agrees to subordinate its reversionary interest in the Sagewillow Campus to the documents executed by the parties, including the aforementioned Notice of Addition of Territory. Such annexation shall be deemed completed upon entry of such a judgment in the Civil Case, or upon recordation of the Notice of Addition of Territory in the official records of Blaine County, Idaho.

2. The parties acknowledge and agree that, pursuant to Section 2.02 of the Master Declaration, upon the completion of its annexation by SVEA, the property within the Sagewillow Campus shall be classified as a Residential and Residential Common Area; a Residential/Commercial Area; and a Recreational Area, and shall be entitled to all of the uses provided for those classifications in Sections 4.01, 5.02 and 5.03 of the Master Declaration; provided, however, that the only commercial use allowed for said property shall be a non-residential pre-school and/or elementary school (that is, grades K-6) with all accessory uses related to a pre-school or elementary school and the following non-accessory uses: (i) all ordinary and customary School sanctioned activities pertaining to grades K-12 and (ii) occasional recreational or cultural uses by non-profit or charitable organizations or local

unincorporated associations registered or filed with the Idaho Secretary of State (such as Sawtooth United's Youth Soccer programs), notwithstanding anything to the contrary contained in Sections 5.01 and/or 5.02 of the Master Declaration. The parties acknowledge and agree that there shall be no amplified sound system or device or flood lights used or situated on the property in connection with any activity permitted pursuant to this paragraph 2.

[5.01] SVEA and the Association agree not to assert in any manner, or in any meeting of the Sun Valley City Council or Planning & Zoning Commission, that Sagewillow Campus is not entitled to be developed and used for any purpose that may now or hereafter be allowed as a permitted or conditional use by the applicable provisions of the Sun Valley Zoning Ordinance; provided such uses are consistent with the provisions of paragraph 2 hereinabove.

4. The School and Trust agree that all improvements proposed on the Sagewillow Campus shall be subject to the following terms and conditions:

- (a) All applicable land use and building ordinances, codes and regulations of the City of Sun Valley.
- (b) Design review approval by the City of Sun Valley of all structures and buildings.
- (c) Approval by the SVEA Architectural Design Committee ("ADC") pursuant to the Master Declaration, except as limited by the provisions of paragraph 5 herein below.
- (d) The terms and conditions of this Settlement Agreement.
- (e) The Master Declaration, to the extent not inconsistent with the provisions of this Settlement Agreement.

5. The School agrees not to commence the installation or construction of any excavations, buildings, structures, roads, driveways, parking areas or fences on the Sagewillow Campus, or alter in any way the exterior of any such improvements now situated thereon, without first obtaining design review approval from ADC as required by the Master Declaration and any applicable rules and guidelines duly adopted by the ADC pursuant thereto ("Guidelines"), as amended from time to time, except as limited by the following terms and conditions:

- (a) Application for design review approval shall be made to the ADC in the manner set forth in Article VIII of the Master Declaration and/or the Guidelines.
- (b) The scope of design review shall be consistent with the provisions of Section 8.02, 8.07 and Article X of the Master Declaration.
- (c) Upon considering an application for design review approval, and holding at least one (1) hearing thereon at which the School may present and

SITE PLANS?

discuss the subject matter of the application, the ADC may approve the application, with or without conditions, or deny the application; provided, however, that any such denial shall cite the basis therefor, and set forth what changes, if any, in the proposed improvements, if incorporated by the applicant in an amended application, would cause the ADC to reconsider its denial.

- (d) Any final approval of an application for design review approval made by the School, whether such approval is rendered by the ADC or, upon appeal, by the SVEA Board of Directors, shall thereafter be binding upon SVEA and its Board of Directors, and shall not be further appealed by the School, SVEA or the Association.

6. The School agrees to pay, within thirty (30) days after completion of annexation of Sagewillow Campus as set forth in paragraph 2, all outstanding balance of dues, fees or assessments that would be payable to SVEA with respect to the Sagewillow Campus as if it had been encumbered by and subject to the Master Declaration from and after its acquisition by the School on December 11, 1998. Thereafter, the School shall pay on a current and continuing basis all such dues, fees and assessments that are duly levied against Sagewillow Campus pursuant to the Master Declaration.

7. Nothing contained herein shall preclude the School or its successors from filing a supplemental declaration of covenants, conditions and restrictions in connection with a specific residential development on Sagewillow Campus, or any portion thereof.

8. The Trust acknowledges that the provisions of this Settlement Agreement furthers the realization of the charitable purposes for which it gifted Sagewillow Campus to the School, and by joining in the execution hereof agrees with all of its terms, conditions and covenants.

9. This Settlement Agreement is contingent upon obtaining the approval of the Court and incorporation of this Settlement Agreement in a judgment rendered in the Civil Case. Upon satisfaction of this contingency, the parties shall seek conclusion of the Civil Case.

10. Except with respect to the obligations created or acknowledged by or arising out of this Agreement, each Party, for itself, himself, herself or themselves and their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, does hereby release and absolutely and forever discharge the other Party and his, her, its or their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, from any and all claims, demands, damages, injuries, losses, debts, liabilities, accounts, reckonings, obligations, costs, expenses, compensation, liens, actions and causes of action of every kind and nature whatsoever, whether or not now known or unknown, suspected or unsuspected, matured or unmatured, fixed or contingent, direct or indirect, which either Party ever had, now has, or may claim to have from the beginning of time against the other Party arising out of or relating to the claims set forth in the Civil Case (the

"Released Matters"). It is the intention of the Parties that the mutual release contained herein shall be effective as a full and final accord and satisfaction and release of and from all of the Released Matters, and that each Party released hereby will have no liability to any Party granting such release by reason of anything occurring prior to the effective date of the release relating to the claims covered by this Agreement.

11. Each party hereto represents and warrants that he/she/it/they has been duly authorized to execute and deliver this Agreement and to act in any manner both necessary and proper to the exercise of the power to execute and deliver this Agreement. Any person signing this Agreement on behalf of a corporate or trust entity represents and warrants that he/she is duly authorized and has all requisite power to enter into this Agreement on behalf of such entity, and to perform all transactions contemplated by this Agreement.

12. If any term, provision, paragraph, or condition of this Agreement is held or determined by any arbitrator or court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall be deemed severable therefrom, shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.

13. This Agreement constitutes the final, complete and exclusive agreement between the Parties relating to the matter set forth herein and supersedes any and all other agreements, understandings, negotiations or discussions, either oral or in writing, either express or implied, between the Parties hereto. Each Party to this Agreement acknowledges that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement, and that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty.

14. This Agreement may not be amended except by an agreement in writing signed by the Party to be charged or bound by such amendment. If such a written amendment is entered into, it shall modify only the provision(s) of this Agreement specifically modified, and shall be deemed to publish, unchanged, all remaining provisions of this Agreement.

15. Any term or provision of this Agreement may be waived in writing at any time by the Party which is entitled to the benefits thereof. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

16. The Parties hereto and their respective counsel have cooperated in the drafting and preparation of this Agreement. In the event of a dispute hereunder, the Agreement shall be interpreted in accordance with its fair meaning and shall not be interpreted, nor any ambiguity resolved, for or against any Party hereto on the ground that any such Party drafted or caused to be drafted this Agreement or any part hereof. Paragraph headings are for reference purposes only and shall not be considered in the interpretation of this Agreement.

17. Each Party shall pay its/their respective attorneys' fees and costs incurred in connection with the Released Matters, including matters related to effectuating and consummating this Agreement, but excluding any fees or costs incurred in attempting to enforce

the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: *Wyle G. Barnes*
Its: *President*

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: _____
Its: _____

"TRUST"

SAGEWILLOW CHARITABLE TRUST

By: _____
Its: _____

"ASSOCIATION"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

By: _____
Its: _____

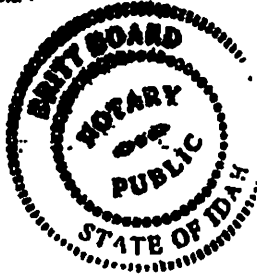
STATE OF IDAHO

)
ss.

County of Blaine

On this 31st day of July, 2006, before me, a Notary Public for the State of Idaho, personally appeared Nyle Barnes, known or identified to me, to be the President of Sun Valley Blithorn Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



R. D. R. R.
NOTARY PUBLIC FOR IDAHO
Residing at Idaho
My commission expires 9-29-2011

STATE OF IDAHO

)
ss.
)

County of Blaine

On this _____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of The Community School, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

STATE OF IDAHO

)
ss.

County of _____

On this _____ day of _____, 2006, before me, a Notary Public for said County and State, personally appeared _____, known or identified to me, to be the person whose name is subscribed to the within instrument as Trustee of the Sagewillow Charitable Trust, and acknowledged to me that he executed the same as such Trustee.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: _____
Its: _____

SAGEWILLOW CHARITABLE TRUST

"TRUST"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

"ASSOCIATION"

By: Mark M. Jones
Its: Board Chair

By: Michael J. Jones
Its: Co-Trustee

By: _____
Its: _____

STATE OF IDAHO)

County of Blaine)

ss.

On this _____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of Sun Valley Elkhorn Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO

Residing at _____

My commission expires _____

STATE OF IDAHO)

County of Blaine)

ss.

On this 18 day of August, 2006, before me, a Notary Public for the State of Idaho, personally appeared Mack Lehman, known or identified to me, to be the Board Chair of The Community School, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



Carol A. Patrick
NOTARY PUBLIC FOR IDAHO

Residing at Blaine County, Idaho

My commission expires 3/12/10

STATE OF IDAHO)

County of Blaine)

ss.

On this 10 day of August, 2006, before me, a Notary Public for said County and State, personally appeared Michelle D. Probst, known or identified to me, to be the person whose name is subscribed to the within instrument as Trustee of the Sagewillow Charitable Trust, and acknowledged to me that he executed the same as such Trustee.

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



Christine A. Rolf
NOTARY PUBLIC FOR IDAHO

Residing at Blaine, Idaho

My commission expires 6-15-2011

be drafted this Agreement or any part hereof. Paragraph headings are for reference purposes only and shall not be considered in the interpretation of this Agreement.

17. Each Party shall pay its/their respective attorneys' fees and costs incurred in connection with the Released Matters, including matters related to effectuating and consummating this Agreement, but excluding any fees or costs incurred in attempting to enforce the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

Its: _____

By: _____

SAGEWILLOW CHARITABLE TRUST

"TRUST"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

"ASSOCIATION"

Its: _____

By: _____

Its: _____

By: _____

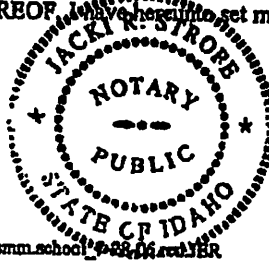
Its: _____
Penny A. Leedy
By: _____

STATE OF IDAHO

County of Blaine

On this 10th day of August, 2006, before me, a Notary Public for the State of Idaho, personally appeared Kevin M. Leary known or identified to me, to be the President of Sagewillow Homeowners Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



Jackie R. Strope
NOTARY PUBLIC FOR IDAHO
Residing at Hailey, Idaho
My commission expires 9/3/06

I hereby release, settle, settlement agree comm school 9/3/06

STATE OF IDAHO)

) ss.

County of Blaine)

On this 10th day of August, 2006, before me, a Notary Public in and for said State, personally appeared Michelle Dunk Pragnas known or identified to me to be the Co-Truster of the SAGEWILLOW CHARITABLE TRUST and the person whose name is subscribed to the within instrument, and acknowledged to me that She executed the same on behalf of said trust.

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



Christine A. Raef
NOTARY PUBLIC in and for
the State of Idaho,

residing at Sailey, Idaho
Commission expires 10-15-2011

STATE OF IDAHO)

) ss.

County of Blaine)

On this 18 day of August, 2006, before me, a Notary Public in and for said State, personally appeared Mark Cohen known or identified to me to be the Board Chair of THE COMMUNITY SCHOOL, INC., an Idaho corporation, and the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

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



Carol A. Patrick
NOTARY PUBLIC in and for
the State of Idaho,

residing at Blaine County, Idaho
Commission expires 3/12/10

ITEM
E

2007

Notice of Addition
of Territory

Instrument # 545561

HAILEY, BLAINE, IDAHO

2007-03-13 02:52:00 No. of Pages: 3

Recorded for : LAWSON & LASKI

JOLYNN DRAGE Fee: 9.00

Ex-Officio Recorder Deputy

Index to: AMENDED COVENANTS & RESTRICTIONS

JKS

NOTICE OF ADDITION OF TERRITORY to be placed within the purview of, and made subject to, the Replacement Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, and duly adopted amendments thereto.

THIS NOTICE OF ADDITIONAL TERRITORY is made this ____ day of January, 2007, by the **COMMUNITY SCHOOL, INC.**, an Idaho corporation, hereinafter referred to as "Declarant", and is accepted by the **SUN VALLEY ELKHORN ASSOCIATION, INC.**, subject to the terms and conditions set forth herein.

RECITALS:

- A. The Declarant is the owner of Blocks of Parcels A and B of the Sagewillow Subdivision, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho ("School Parcel").
- B. Recorded against certain real property situated within the City of Sun Valley, Idaho, are certain restrictive covenants set forth in the Replacement Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, recorded May 20, 1987, as Instrument No. 284533; amended by Instrument No. 292649, recorded February 29, 1988; amended by Instrument No. 400792, recorded April 11, 1997; amended by Instrument No. 437922, recorded April 4, 2000; and amended by Instrument No. 534284, recorded on April 14, 2006, all in the official records of Blaine County, Idaho, and referred to collectively herein as the "Master Declarations". Said Master Declarations were promulgated and recorded by Sun Valley Elkhorn Association, Inc. an Idaho corporation ("Association").
- C. Sun Valley Elkhorn Association, Inc., an Idaho corporation, promulgated, adopted and recorded the Master Declarations in the official records of Blaine County, Idaho. Sun Valley Elkhorn Association, Inc. and the Community School, Inc., the previous parties to Civil Case No. CV-2003-9655 filed in the Fifth Judicial District of the State of Idaho, in and for Blaine County, which sought to determine, *inter alia*, whether or not the Sagewillow property is encumbered by, and subject to, the Master Declarations ("Civil Case").
- D. The Civil Case was settled and dismissed upon the execution of a Settlement Agreement dated August 18, 2006, between and among all of the parties thereto, including the Association; the Declarant; Sagewillow Charitable Trust; and Sagewillow Homeowners Association, Inc. ("Settlement Agreement"), which Agreement provided, *inter alia*, that the Declarant would file a Notice of Addition of Territory, placing the School Parcel under, and subjecting it to, the Master

Declarations, subject to certain limitations and modifications as set forth more particularly in the Settlement Agreement.

- E. The parties desire by this instrument to provide that the School Parcel shall hereafter be encumbered by the Master Declarations, as permitted and provided for at Sections 2.02 and 2.03 thereof.

NOW, THEREFORE, the Declarant hereby declares, and the Association consents to and agrees, as follows:

1. That the School Parcel, (consisting of Parcels A and B of the Sagewillow Subdivision, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho), is, and shall hereafter be, held, conveyed, encumbered, leased, improved and used subject to the Master Declarations, and any other or further amendments thereto as may hereafter be duly adopted and recorded.

2. The parties further acknowledge and agree that, pursuant to Section 2.02 of the Master Declarations, the School Parcel shall be designated for three (3) separate land use classifications, to-wit: Residential and Residential Common Area; Residential/Commercial Area; and Recreational Area, and subject to the covenants, conditions and restrictions of the Master Declarations and the Settlement Agreement, shall be entitled to all of the uses and development potential provided for those classifications in Sections 4.01, 5.02, and 5.03 of the Master Declarations.

3. The Association expressly agrees that the execution and recordation of this Notice of Addition of Territory, and the placement of the School Parcel under and within the purview of the Master Declarations is being done pursuant and subject to the Settlement Agreement, and that in the event of any conflict or contradiction between any terms and provisions of the Master Declarations as applied to the School Parcel, including any subsequent amendments thereto, and those of the above-referenced Settlement Agreement dated August 18, 2006, the provisions of the Settlement Agreement shall control.

Dated: 2/12/07

THE COMMUNITY SCHOOL, INC.

By: Mark L. Gishman
Its: BOARD CHAIR

Dated: _____

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: James L. Fletcher
Its: BOARD CHAIR

STATE OF IDAHO)
)
) ss.
County of BLAINE)

On this 12th day of FEB, 2007, before me, a Notary Public for the State of Idaho, personally appeared Arshun Boney, known or identified to me, to be the Base Chair of The Community School, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

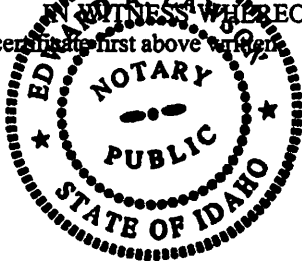


[Signature]
NOTARY PUBLIC FOR IDAHO
Residing at Smith Boney
My commission expires 6/11

STATE OF IDAHO)
)
) ss.
County of BLAINE)

On this 9 day of MARCH, 2007, before me, a Notary Public for the State of Idaho, personally appeared James L. Fletcher, known or identified to me, to be the President of Sun Valley Elkhorn Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



[Signature]
NOTARY PUBLIC FOR IDAHO
Residing at Blaine County
My commission expires 5/26/12

ITEM

F

2011

Modification
of
Gift Agreement

MODIFICATION OF AGREEMENT
FOR GIFT AND ACCEPTANCE OF REAL PROPERTY

This MODIFICATION OF AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY (the "Agreement") is made this 28 day of October, 2011 by and among the SAGEWILLOW CHARITABLE TRUST (the "Trust"), SAGEWILLOW, INC, a Nevada corporation ("Sagewillow") and the COMMUNITY SCHOOL, INC., an Idaho nonprofit corporation (the "School").

WHEREAS, the School and Sagewillow entered into an Agreement for Gift and Acceptance of Real Property, dated December 11, 1998 ("Gift Agreement"). Pursuant to the Gift Agreement, Sagewillow donated real property located in Sun Valley, Idaho to the School ("School Property").

WHEREAS, the Trust holds a contingent, reversionary interest under the Gift Agreement, which provides if the School failed to meet certain conditions, then the School Property reverted to the Trust.

WHEREAS, after the Gift Agreement, the School entered into a Settlement Agreement, dated August 18, 2006 (the "Settlement Agreement"), with the Trust, the SUN VALLEY ELKHORN ASSOCIATION, INC., an Idaho corporation ("SVEA") and the SAGEWILLOW HOMEOWNERS ASSOCIATION, INC., an Idaho nonprofit corporation (the "Association"). That Settlement Agreement was merged into a Judgment, entered September 19, 2006, in Blaine County Case Nos. CV-2003-9655 and CV-2004-246 (collectively the "Suit"). A copy of the Judgment with the Settlement Agreement attached is attached to this Agreement as Exhibit A. Essentially, the Judgment confirmed in the Settlement Agreement that certain real property restrictions involving SVEA applied to the School Property, and that SVEA, the Association and the Trust would not oppose the School's use of the School Property for more specific and limited School purposes, as those are set out in the Judgment.

WHEREAS, the School and the Trust entered into another Agreement, also dated August 18, 2006 (the "2006 Agreement"). A copy of the 2006 Agreement with a copy of the Gift Agreement attached is attached to this Agreement as Exhibit B. Essentially, in the 2006 Agreement, the School and the Trust agreed that nothing in the Judgment or Settlement Agreement merged into the Judgment changed the terms and conditions of the Gift Agreement.

WHEREAS, and for the consideration that the School desires to purchase Sagewillow's real property adjacent to the School Property (within the Arrowleaf Subdivision), the School and Sagewillow have agreed to modify the Gift Agreement in conjunction with the School's purchasing from Sagewillow the Arrowleaf Subdivision property by revoking and canceling

MODIFICATION OF AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL
PROPERTY/Page 1

Instrument # 592007

HAILEY, BLAINE, IDAHO
11-10-2011 11:48:26 AM No. of Pages: 40
Recorded for: BLAINE COUNTY TITLE
JOLYNN DRAGE Fee: \$127.00
Ex-Officio Recorder Deputy: JB
Electronically Recorded by Simplifile

restrictions and conditions previously placed upon the School with regard to the School Property, as more particularly set forth herein.

NOW, THEREFORE, incorporating the above recitals, the parties, intending to be bound, hereby agree as follows:

1. Revocation of Conditions and Restrictions of the Gift Agreement. The parties agree that any and all terms and conditions and/or restrictions relating to the School's use of the School Property for School purposes, as such term is defined in the Gift Agreement, including without limitation those set forth in Articles 1, 2, 7, 8 and 9 of the Gift Agreement are hereby revoked and cancelled in their entirety. The parties agree that there shall be no privately imposed restrictions by Sagewillow whatsoever on the use of the School Property by the School, other than as set forth in this Agreement.

2. Revocation of the 2006 Agreement. The parties agree that the 2006 Agreement is hereby revoked and cancelled in its entirety. In addition, the Trust agrees that it will not enforce or make any effort or attempt to enforce the Judgment against the School or support or assist any enforcement of the Judgment by any other party to the Suit.

3. Termination of Reversion. The Trust hereby agrees that the reversion of the School Property set forth in Article 7 of the Gift Agreement is hereby revoked and terminated and Article 7 is hereby revoked in its entirety.

4. Reimbursement of Soccer Field Improvements. The parties acknowledge that the Browning Soccer Field ("Browning Field") was constructed with funds donated by the Val A. Browning Foundation ("Browning Foundation"). In the event that the School decides to discontinue using the Browning Field as a soccer field within 10 years from the date of this Agreement, then the School shall reimburse the Browning Foundation, its successor or a designee charity, for the amount of the donation made by the Browning Foundation. The parties stipulate and agree that the reimbursement amount payable to the Browning Foundation is \$300,000.00.

5. Miscellaneous Provisions.

5.1 Authority. The execution of this Agreement by and delivery by the parties and their performance hereof and the transactions contemplated hereby have been duly authorized by each party. If any party is a corporation, limited liability company, partnership or other entity, each individual executing this Agreement on behalf of said entity, represents and warrants that he is duly authorized to execute and deliver this Agreement on behalf of said entity, and that this Agreement is binding upon said entity in accordance with these terms.

5.2 Applicable Law. This Agreement is being executed and delivered within the State of Idaho and shall be construed and enforced in all respects in accordance with the laws of the State of Idaho.

5.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, administrators, successors and assigns of the parties hereto.

5.4 Attorney's Fees. In the event that any party hereto retains an attorney to enforce any right or duty arising out of this Agreement, the prevailing party in such dispute shall be entitled to be paid reasonable attorney's fees by the non-prevailing party, whether or not litigation is actually instituted, including any bankruptcy proceedings or appeal.

5.5 Entire Agreement. The parties acknowledge that the terms of this Agreement may vary from the terms contained in any other preliminary agreements, written or oral, made prior to the execution of this Agreement and may vary from any negotiations between the parties prior to the execution of this Agreement. The parties agree that the terms, covenants and conditions of this Agreement shall supercede all such prior negotiations and agreements, and that there are no other agreements not contained in this Agreement, and that this Agreement shall be and is the final expression of the agreement of the parties and shall control. No modification of this Agreement shall be valid unless in writing and executed by the parties to the Agreement.

5.6 Severance and Validity. In the event any provision of this Agreement or any part thereof shall be determined by any court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions hereunder, or parts thereof, shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby, it being agreed that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the invalid, void or unenforceable provision or part thereof.


5.7 Counterpart Signatures. It is agreed by the parties hereto that this Agreement may be executed in counterpart, all of which shall constitute one Agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the same counterpart.

5.8 Exhibits. All exhibits attached to this Agreement are hereby incorporated herein by this reference.

5.9 Representation. The School is represented by John Seiller and Thomas C. Praggastis represents Sagewillow and the Trust.

By: Edmund W Dunks
Its:

On this 28 day of OCTOBER, 2011, before me, a Notary Public in and for said State, personally appeared EDMOND W. DOMKE, known to me to be the authorized trustee of the SAGEWILLOW CHARITABLE TRUST and the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same on behalf of said trust.

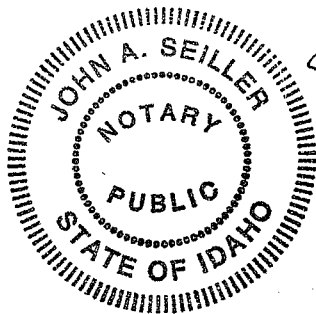


NOTARY PUBLIC in and for
the State of Idaho
residing at Sun Valley
Commission expires 10-6-2015

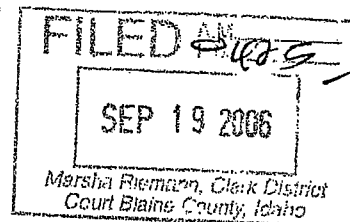
By: Joan Swift
Its: President

County of Blaine) ss.

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



NOTARY PUBLIC in/and for
the State of Idaho
residing at Ketchikan
Commission expires Oct. 6, 2017



Edward A. Lawson, ISB No. 2440
Erin F. Clark, ISB No. 6504
LAWSON & LASKI, PLLC
675 Sun Valley Road, Suite A
Post Office Box 3310
Ketchum, ID 83340
Telephone: (208) 725-0055
Facsimile: (208) 725-0076
Attorneys for Defendant Sun Valley Elkhorn Association, Inc.

COPY

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF BLAINE

THE COMMUNITY SCHOOL, INC.,)

Plaintiff,)

v.)

SUN VALLEY ELKHORN ASSOCIATION,)
INC., an Idaho Corporation; JOHN DOES 1)
through 10, inclusive, individuals and entities)
whose true names are unknown; and any unknown)
owners of that certain Subject Property legally)
described as Block 1 and Block 2 of)
SAGEWILLOW CAMPUS, as shown on the)
official plat thereof, recorded October 31, 2000, as)
Instrument No. 444646, records of Blaine County,)
Idaho,)

Defendants.)

SAGEWILLOW HOMEOWNERS)
ASSOCIATION, INC., an Idaho nonprofit)
corporation,)

Plaintiff,)

v.)

SUN VALLEY ELKHORN ASSOCIATION,)
INC., an Idaho nonprofit Corporation)

Defendant.)

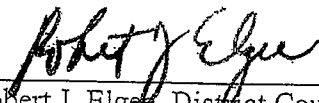
Case No. CV-2003-9655

JUDGMENT

Case No. CV-04-246

Pursuant to the stipulation entered into by and between Sun Valley Elkhorn Association, Inc ("Association") by and through, Lawson & Laski, PLLC its attorneys of record, The Community School, Inc ("School"), by and through Robertson, Hepworth, Slette, Worst & Stover, PLLC, its attorneys of record, and the Sagewillow Homeowner's Association, Inc ("Sagewillow") by and through Ned C. Williamson, its attorney of record, judgment is hereby entered in the within actions on the terms and conditions set forth in the Settlement Agreement between the parties, dated August 18, 2006 a copy of which is attached hereto and incorporated herein by this reference.

Dated this 19 day of Sept, 2006


Robert J. Elgee, District Court Judge

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 19 day of Sept, 2006, I caused to be served a true copy of the foregoing by the method indicated below, and addressed to each of the following:

Timothy J. Stover, Esq.
ROBERTSON, HEPWORTH, SLETTE,
WORST & STOVER, PLLC
P.O. Box 1906
Twin Falls, Idaho 83303-1906

[☒] U.S. Mail, Postage Prepaid
[☐] Hand Delivered
[☐] Overnight Mail
[☐] Telecopy (208) 736-0041

Ned C. Williamson, Esq.
WILLIAMSON LAW OFFICE, PLLC
115 Second Avenue South
Hailey, Idaho 83333

[☒] U.S. Mail, Postage Prepaid
[☐] Hand Delivered
[☐] Overnight Mail
[☐] Telecopy (208) 788-7901

Edward A. Lawson, Esq.
LAWSON & LASKI, PLLC
Post Office Box 3310
Ketchum, Idaho 83340

[☒] U.S. Mail, Postage Prepaid
[☐] Hand Delivered
[☐] Overnight Mail
[☐] Telecopy (208) 725-0076

15

EXHIBIT "A"

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 19 day of August, 2006, by and between **SUN VALLEY ELKHORN ASSOCIATION, INC.**, an Idaho corporation ("SVEA"); **THE COMMUNITY SCHOOL, INC.**, an Idaho corporation ("School"); the **SAGEWILLOW CHARITABLE TRUST** ("Trust"); and **SAGEWILLOW HOMEOWNERS ASSOCIATION, INC.**, an Idaho nonprofit corporation ("Association").

RECITALS:

- A. The School is the owner of Blocks 1 and 2 of Sagewillow Subdivision, City of Sun Valley, Blaine County, Idaho ("Sagewillow Campus"), having obtained title thereto by gift deed dated December 11, 1998, from Sagewillow, Inc. ("Gift Deed").
- B. The Sagewillow Subdivision is located in that portion of the City of Sun Valley generally known and referred to as "Elkhorn".
- C. The Association is comprised of members owning residences within Sagewillow Subdivision.
- D. The Trust retains a reversionary interest in Sagewillow Campus.
- E. Recorded against the certain real property situated in Elkhorn are certain restrictive covenants set forth in the Replacement Master Declaration of Covenants, Conditions and Restrictions of Elkhorn at Sun Valley, recorded May 20, 1987, as Instrument No. 284533; amended by Instrument No. 292649, recorded February 29, 1988; by Instrument No. 400792, recorded April 11, 1997; by Instrument No. 437922, recorded April 4, 2000 and by Instrument No. 534284, recorded on April 14, 2006; all in the records of Blaine County, Idaho ("Master Declaration").
- F. SVEA was created as the "Master Association" defined in the Master Declaration, for the purpose of enforcing the provisions thereof, including all rules promulgated pursuant thereto, and to otherwise carry out the duties and obligations imposed upon it by the terms of said Master Declaration.
- G. A dispute has arisen between the parties over whether or not the Sagewillow Campus is encumbered by and/or subject to, the Master Declaration and the rules and regulations promulgated pursuant thereto, which dispute has resulted in the School filing Civil Case No. CV-2003-9655 in the district court of the Fifth Judicial District of the State of Idaho, in and for Blaine County, seeking an order quieting its title to the Sagewillow Campus, free and clear of the Master Declaration and in Association filing Civil Case No. 2004-246 in the district court of the Fifth Judicial District of the State of Idaho in and for Blaine County seeking a judgment that the Sagewillow Subdivision is within Elkhorn and subject to the Master Declaration, resulting in the two cases being consolidated (collectively the "Civil Case").

- H. SVEA is defending the Civil Case, alleging that Sagewillow Campus is indeed encumbered by, subject to and under the purview of, the Master Declaration, and all covenants, conditions and restrictions contained therein.
- I. The School is considering the development of the Sagewillow Campus, or portions thereof, for non-residential pre-school and elementary school purposes and/or residential purposes, and desires that SVEA herein provides for that possibility.
- J. The parties hereto desire by this Agreement to resolve the dispute between them with respect to the School's proposed development and use of the Sagewillow Campus; provide specific terms and conditions under which the Sagewillow Campus will be formally brought within the purview of the Master Declaration; designate land use classifications for it consistent with the provision of Section 2.02 of the Master Declaration and establish specific allowable uses; and provide for the dismissal of the Civil Case.

NOW, THEREFORE, the parties hereto, for themselves and their successors, do hereby agree as follows:

1. The School and Trust agree to the annexation of the Sagewillow Campus by SVEA into Elkhorn, and the encumbrance of the Sagewillow Campus with the covenants, conditions and restrictions contained in the Master Declaration. The School and SVEA further agree to jointly petition the Court in the Civil Case to enter judgment consistent with the provisions of this paragraph, and to cooperate in the execution of such other and further documents as may be reasonably necessary to effect or confirm the annexation of the Sagewillow Campus into Elkhorn and subject it to the Master Declaration. Association will cause the Plaintiffs in Civil Case No. 2004-246 to be dismissed. The School shall execute and record in the records of Blaine County, Idaho, a "Notice of Addition of Territory", as contemplated by Sections 2.02 and 2.03 of the Master Declaration, affirming that Sagewillow Campus is annexed into Elkhorn and encumbered by, and subject to, the Master Declaration and designating the use thereof as provided in this Agreement. Trust agrees to subordinate its reversionary interest in the Sagewillow Campus to the documents executed by the parties, including the aforementioned Notice of Addition of Territory. Such annexation shall be deemed completed upon entry of such a judgment in the Civil Case, or upon recordation of the Notice of Addition of Territory in the official records of Blaine County, Idaho.

2. The parties acknowledge and agree that, pursuant to Section 2.02 of the Master Declaration, upon the completion of its annexation by SVEA, the property within the Sagewillow Campus shall be classified as a Residential and Residential Common Area; a Residential/Commercial Area; and a Recreational Area, and shall be entitled to all of the uses provided for those classifications in Sections 4.01, 5.02 and 5.03 of the Master Declaration; provided, however, that the only commercial use allowed for said property shall be a non-residential pre-school and/or elementary school/(that is, grades K-6) with all accessory uses related to a pre-school or elementary school and the following non-accessory uses: (i) all ordinary and customary School sanctioned activities pertaining to grades K-12 and (ii) occasional recreational or cultural uses by non-profit or charitable organizations or local

unincorporated associations registered or filed with the Idaho Secretary of State (such as Sawtooth United's Youth Soccer programs), notwithstanding anything to the contrary contained in Sections 5.01 and/or 5.02 of the Master Declaration. The parties acknowledge and agree that there shall be no amplified sound system or device or flood lights used or situated on the property in connection with any activity permitted pursuant to this paragraph 2.

[3.4] SVEA and the Association agree not to assert in any manner, or in any meeting of the Sun Valley City Council or Planning & Zoning Commission, that Sagewillow Campus is not entitled to be developed and used for any purpose that may now or hereafter be allowed as a permitted or conditional use by the applicable provisions of the Sun Valley Zoning Ordinance; provided such uses are consistent with the provisions of paragraph 2 hereinabove.

4. The School and Trust agree that all improvements proposed on the Sagewillow Campus shall be subject to the following terms and conditions:

- (a) All applicable land use and building ordinances, codes and regulations of the City of Sun Valley.
- (b) Design review approval by the City of Sun Valley of all structures and buildings.
- (c) Approval by the SVEA Architectural Design Committee ("ADC") pursuant to the Master Declaration, except as limited by the provisions of paragraph 5 herein below.
- (d) The terms and conditions of this Settlement Agreement.
- (e) The Master Declaration, to the extent not inconsistent with the provisions of this Settlement Agreement.

5. The School agrees not to commence the installation or construction of any excavations, buildings, structures, roads, driveways, parking areas or fences on the Sagewillow Campus, or alter in any way the exterior of any such improvements now situated thereon, without first obtaining design review approval from ADC as required by the Master Declaration and any applicable rules and guidelines duly adopted by the ADC pursuant thereto ("Guidelines"), as amended from time to time, except as limited by the following terms and conditions:

- (a) Application for design review approval shall be made to the ADC in the manner set forth in Article VIII of the Master Declaration and/or the Guidelines.
- (b) The scope of design review shall be consistent with the provisions of Section 8.02, 8.07 and Article X of the Master Declaration.
- (c) Upon considering an application for design review approval, and holding at least one (1) hearing thereon at which the School may present and

discuss the subject matter of the application, the ADC may approve the application, with or without conditions, or deny the application; provided, however, that any such denial shall cite the basis therefor, and set forth what changes, if any, in the proposed improvements, if incorporated by the applicant in an amended application, would cause the ADC to reconsider its denial.

- (d) Any final approval of an application for design review approval made by the School, whether such approval is rendered by the ADC or, upon appeal, by the SVEA Board of Directors, shall thereafter be binding upon SVEA and its Board of Directors, and shall not be further appealed by the School, SVEA or the Association.

6. The School agrees to pay, within thirty (30) days after completion of annexation of Sagewillow Campus as set forth in paragraph 2, all outstanding balance of dues, fees or assessments that would be payable to SVEA with respect to the Sagewillow Campus as if it had been encumbered by and subject to the Master Declaration from and after its acquisition by the School on December 11, 1998. Thereafter, the School shall pay on a current and continuing basis all such dues, fees and assessments that are duly levied against Sagewillow Campus pursuant to the Master Declaration.

7. Nothing contained herein shall preclude the School or its successors from filing a supplemental declaration of covenants, conditions and restrictions in connection with a specific residential development on Sagewillow Campus, or any portion thereof.

8. The Trust acknowledges that the provisions of this Settlement Agreement furthers the realization of the charitable purposes for which it gifted Sagewillow Campus to the School, and by joining in the execution hereof agrees with all of its terms, conditions and covenants.

9. This Settlement Agreement is contingent upon obtaining the approval of the Court and incorporation of this Settlement Agreement in a judgment rendered in the Civil Case. Upon satisfaction of this contingency, the parties shall seek conclusion of the Civil Case.

10. Except with respect to the obligations created or acknowledged by or arising out of this Agreement, each Party, for itself, himself, herself or themselves and their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, does hereby release and absolutely and forever discharge the other Party and his, her, its or their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, from any and all claims, demands, damages, injuries, losses, debts, liabilities, accounts, reckonings, obligations, costs, expenses, compensation, liens, actions and causes of action of every kind and nature whatsoever, whether or not now known or unknown, suspected or unsuspected, matured or unmatured, fixed or contingent, direct or indirect, which either Party ever had, now has, or may claim to have from the beginning of time against the other Party arising out of or relating to the claims set forth in the Civil Case (the

"Released Matters"). It is the intention of the Parties that the mutual release contained herein shall be effective as a full and final accord and satisfaction and release of and from all of the Released Matters, and that each Party released hereby will have no liability to any Party granting such release by reason of anything occurring prior to the effective date of the release relating to the claims covered by this Agreement.

11. Each party hereto represents and warrants that he/she/it/they has been duly authorized to execute and deliver this Agreement and to act in any manner both necessary and proper to the exercise of the power to execute and deliver this Agreement. Any person signing this Agreement on behalf of a corporate or trust entity represents and warrants that he/she is duly authorized and has all requisite power to enter into this Agreement on behalf of such entity, and to perform all transactions contemplated by this Agreement.

12. If any term, provision, paragraph, or condition of this Agreement is held or determined by any arbitrator or court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall be deemed severable therefrom, shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.

13. This Agreement constitutes the final, complete and exclusive agreement between the Parties relating to the matter set forth herein and supersedes any and all other agreements, understandings, negotiations or discussions, either oral or in writing, either express or implied, between the Parties hereto. Each Party to this Agreement acknowledges that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement, and that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty.

14. This Agreement may not be amended except by an agreement in writing signed by the Party to be charged or bound by such amendment. If such a written amendment is entered into, it shall modify only the provision(s) of this Agreement specifically modified, and shall be deemed to publish, unchanged, all remaining provisions of this Agreement.

15. Any term or provision of this Agreement may be waived in writing at any time by the Party which is entitled to the benefits thereof. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

16. The Parties hereto and their respective counsel have cooperated in the drafting and preparation of this Agreement. In the event of a dispute hereunder, the Agreement shall be interpreted in accordance with its fair meaning and shall not be interpreted, nor any ambiguity resolved, for or against any Party hereto on the ground that any such Party drafted or caused to be drafted this Agreement or any part hereof. Paragraph headings are for reference purposes only and shall not be considered in the interpretation of this Agreement.

17. Each Party shall pay its/their respective attorneys' fees and costs incurred in connection with the Released Matters, including matters related to effectuating and consummating this Agreement, but excluding any fees or costs incurred in attempting to enforce

the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: *Wyle S. Baaner*
Its: *President*

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: _____
Its: _____

"TRUST"

SAGEWILLOW CHARITABLE TRUST

By: _____
Its: _____

"ASSOCIATION"

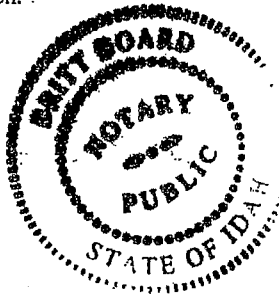
SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

By: _____
Its: _____

STATE OF IDAHO)
)
 ss.
County of Blaine)

On this 31st day of July, 2006, before me, a Notary Public for the State of Idaho, personally appeared Nyle Barnes, known or identified to me, to be the President of Sun Valley Elkhorn Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



[Signature]
NOTARY PUBLIC FOR IDAHO
Residing at Wiley
My commission expires 9-27-2011

STATE OF IDAHO)
)
 ss.
County of Blaine)

On this _____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of The Community School, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

STATE OF IDAHO)
)
 ss.
County of _____)

On this _____ day of _____, 2006, before me, a Notary Public for said County and State, personally appeared _____, known or identified to me, to be the person whose name is subscribed to the within instrument as Trustee of the Sagewillow Charitable Trust, and acknowledged to me that he executed the same as such Trustee.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: _____
Its: _____

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: *Naila P. Pinner*
Its: BOARD CHAIR

"TRUST"

SAGEWILLOW CHARITABLE TRUST

By: *Michelle Dumbke Proggastio*
Its: CO-TRUSTEE

"ASSOCIATION"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

By: _____
Its: _____

)

SS.

)

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

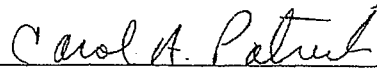
My commission expires

)

SS.

)

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

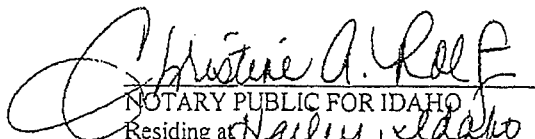


My commission expires

SS.

)

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



My commission expires

be drafted this Agreement or any part hereof. Paragraph headings are for reference purposes only and shall not be considered in the interpretation of this Agreement.

17. Each Party shall pay its/their respective attorneys' fees and costs incurred in connection with the Released Matters, including matters related to effectuating and consummating this Agreement, but excluding any fees or costs incurred in attempting to enforce the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: _____

Its: _____

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: _____

Its: _____

"TRUST"


SAGEWILLOW CHARITABLE TRUST

By: _____

Its: _____

"ASSOCIATION"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

By:  _____

Penny M. Leady
Its: President

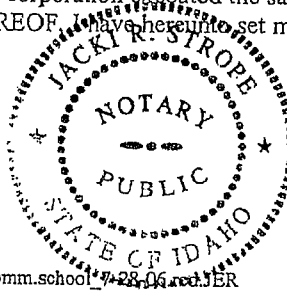
STATE OF IDAHO

)
SS.

)
County of Blaine

On this 10th day of August, 2006, before me, a Notary Public for the State of Idaho, personally appeared Perlin M. Leary known or identified to me, to be the President of Sagewillow Homeowners Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



Jack R. Strobe
NOTARY PUBLIC FOR IDAHO
Residing at Hailey, Idaho
My commission expires 9/3/06

lrim/releases.settle\settlement agree comm.school-7-28-06 not JER

COPY

AGREEMENT

THIS AGREEMENT is made and entered into this 18th day of August, 2006 by and between the Sagewillow Charitable Trust ("Trust") and The Community School, Inc. ("School").

WHEREAS, the School and Edmund W. Dumke and Carol B. Dumke donated real property located in Sun Valley, Idaho to the School, pursuant to the terms and conditions of that certain Agreement for Gift and Acceptance of Real Property, dated December 11, 1998 ("Gift Agreement"). A copy of the Gift Agreement is attached hereto as Exhibit A and is hereby incorporated herein by this reference.

WHEREAS, the School and the Sun Valley Elkhorn Association ("SVEA") became involved in litigation over, among other things, whether the School could use the donated property to construct and operate a school thereon. That suit is entitled The Community School, Inc. vs. Sun Valley Elkhorn Association, Inc., et al, Blaine County Case No. CV 2003-9655 ("Suit").

WHEREAS, the parties to that Suit have resolved their differences and are entering into a Settlement Agreement to set forth the terms, covenants and conditions of their settlement. Due to a provision in the Gift Agreement that provides for a reversion of the donated property to the Trust, the Trust is a party to the Settlement Agreement, even though not a party to the Suit. A copy of the Settlement Agreement to be executed by all the parties is attached hereto as Exhibit B and is hereby incorporated herein by this reference.

WHEREAS, the Trust is in agreement with the terms and conditions of the Settlement Agreement and is willing to execute the Settlement Agreement; provided, however, that the Settlement Agreement not affect or modify in any respect the terms and conditions relating to or triggering the reversion of the donated property to the Trust.

WHEREAS, the School is willing to agree to enter into this Agreement to specifically provide that the terms and conditions relating to or triggering the reversion of the donated property to the Trust under the Gift Agreement shall not be modified or affected in any manner whatsoever by the Settlement Agreement, notwithstanding any terms or conditions therein to the contrary.

NOW, THEREFORE, the parties, intending to be bound, hereby agree as follows:

1. The School agrees that the terms, covenants and conditions of the Settlement Agreement, and specifically paragraph 8 of said Settlement Agreement, shall not modify or affect in any manner whatsoever any of the terms and conditions relating to or triggering the reversion of the donated property to the Trust under the Gift Agreement, notwithstanding any terms, covenants and conditions in the Settlement Agreement to the contrary. To the extent that any provision of the Settlement Agreement could be interpreted as modifying or affecting the

reversion of the donated property to the Trust, such provision is hereby amended by this Agreement to be consistent with the terms and conditions of this Agreement.

2. The execution of the Settlement Agreement by the Trust is conditioned upon the School executing this Agreement as part of the overall settlement of the Suit.

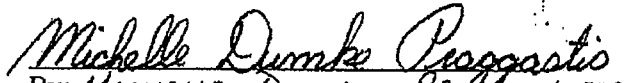
3. This Agreement shall be binding upon and inure to the benefit of the School's and the Trust's successors in interest and assigns.

4. The School and the Trust, and any individuals executing this Agreement on behalf of the School and Trust, represent and warrant that each has been duly authorized to execute the Agreement and has the express power to do so. The parties may execute this Agreement in counterpart.

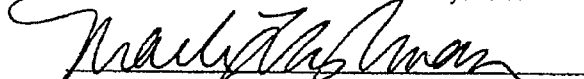
5. Except as expressly modified herein, all other terms, covenants and conditions of the Gift Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year above written.

SAGEWILLOW CHARITABLE TRUST


By: MICHELLE DUMKE PROGGASTIS
Its: CO-TRUSTEE

THE COMMUNITY SCHOOL, INC.


By: MARK C. ESCHMAN
Its: BOARD CHAIR

STATE OF IDAHO)
) ss.
County of Blaine)

On this 10th day of August, 2006, before me, a Notary Public in and for said State, personally appeared Michelle Dunkle Praggastis known or identified to me to be the Co-Trustee of the SAGEWILLOW CHARITABLE TRUST and the person whose name is subscribed to the within instrument, and acknowledged to me that She executed the same on behalf of said trust.

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

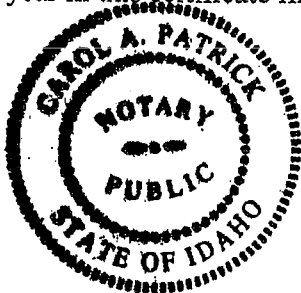


Christine A. Rolf
NOTARY PUBLIC in and for
the State of Idaho,
residing at Sailey, Idaho
Commission expires 10-15-2011

STATE OF IDAHO)
) ss.
County of Blaine)

On this 18 day of August, 2006, before me, a Notary Public in and for said State, personally appeared Mark Chmura known or identified to me to be the Board Chair of THE COMMUNITY SCHOOL, INC., an Idaho corporation, and the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of said corporation.

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



Carol A. Patrick
NOTARY PUBLIC in and for
the State of Idaho,
residing at Blaine County, Idaho
Commission expires 3/12/10

AGREEMENT FOR
GIFT AND ACCEPTANCE OF REAL PROPERTY

THIS AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY is made by and between THE COMMUNITY SCHOOL OF KETCHUM AND SUN VALLEY, INC. an Idaho nonprofit corporation ("School") and SAGEWILLOW, INC., a Nevada corporation ("Sagewillow").

WHEREAS, the School is a non-profit Idaho corporation, and a charitable organization under Section 501(c)(3) of the Internal Revenue Code. The School operates a private school including grades pre-kindergarten through 12.

WHEREAS, Sagewillow owns real property located in Sun Valley, Idaho commonly referred to as the Sagewillow Farm, which Sagewillow desires to continue to retain its open and relatively undeveloped character. Sagewillow also desires to see that the real property be beneficially utilized by the School and the community and, therefore, is willing to donate the real property to the School, subject to the conditions set forth herein. It is Sagewillow's intent that the conditions regarding the use of the real property be covenants running with the land while the School holds title to the real property.

WHEREAS, the School is willing to accept the gift of the real property and is willing to accept the conditions to which the gift is subject.

NOW, THEREFORE, as an inducement to making the gift and further, in consideration of the conditions and promises set forth herein, the parties agree as follows:

1. Sagewillow agrees to give, by Gift Deed, all of its right, title and interest in the real property located in Sun Valley, Idaho and more particularly described in Exhibit A. The gift of this real property includes the water rights appurtenant to the real property and are generally described in Exhibit A, which will be conveyed by Assignment. The School accepts such gift, agrees to use the real property for School Purposes and agrees to the conditions set forth herein. The form of Gift Deed is attached as Exhibit B.

2. The real property consists of areas that are to remain open and undeveloped ("Open Areas"), areas that may be developed for outdoor recreational purposes ("Recreational Areas") and areas that may be improved as the School deems appropriate ("Improved Areas"). A map of the real property, attached as Exhibit C, designates these areas. With the exception of existing structures in the Open Areas, the Open Areas shall not be further improved, except for fencing and landscaping, but shall remain as green belt. The Recreational Areas may be developed into open, outdoor recreational facilities, such as playing fields and soccer fields. The Recreational Areas may include parking and restroom facilities, as long as they are aesthetically landscaped. The Improved Areas may be developed with any buildings or structures as the School deems necessary and appropriate for its operation, including without limitation, a residence for a headmaster or caretaker. Any buildings or

AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY - 1 REVISED 12/14/98 @ 10:17 AM

structures newly constructed on the real property shall be architecturally compatible (generally, roof to be pitched with the existing barn.

3. The School may allow the outdoor recreational facilities to be used by the community at large during those times, especially during the summer, when the facilities are not being used by the School. The School may impose conditions upon any non-school uses as the School deems appropriate. The School may enter into agreements to share the costs of development, construction, maintenance or use of any recreational facilities in the Recreational Areas.

4. The School is encouraged to allow its facilities, buildings and grounds to be used by local community organizations, including fundraising activities by charitable organizations.

5. It is acknowledged that the School may be required to obtain approvals and permits from the City of Sun Valley and other entities. The School shall be solely responsible for obtaining all such necessary permits and approvals.

6. Sagewillow is also conveying water rights that Sagewillow has used. The School will be responsible for obtaining any transfers of those water rights. If the transfers of the water rights are not approved, in whole or in part, then those water rights not approved for transfer will revert to the Sagewillow Charitable Trust.

7. In the event that the School decides not to continue to use the real property for School Purposes, then the real property (and any water rights) shall automatically revert to the Sagewillow Charitable Trust. This automatic reversion shall lapse and be of no force and effect after the deaths of Edmund W. Dumke, Carol B. Dumke and their children.

8. It is Sagewillow's express intent that the School shall be a steward of the land in order for the land to retain its character as of the time of this Agreement. The conditions placed on the real property and imposed on the School are to implement this expressed intent.

9. "School Purposes" shall mean any uses of the real property related to the ordinary and customary activities of a private preschool, pre-kindergarten, elementary, middle or high school.

10. If either party is a corporation, each individual executing this Agreement on behalf of said entity, represents and warrants that he is duly authorized to execute and deliver this Agreement on behalf of said entity, and that this Agreement is binding upon said entity in accordance with these terms.

11. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto; provided, further that the successor in interest to Sagewillow from and after the date of execution of this Agreement shall be the Sagewillow Charitable Trust. The conditions and restrictions set forth herein are covenants running with the land; provided, however, that the use restriction for

School Purposes shall lapse at the time provided for in Article 7 above. If the real property reverts back to the Sagewillow Charitable Trust, then any conditions set forth in this Agreement shall terminate as well.

12. The parties acknowledge that the terms of this Agreement may vary from the terms contained in any other preliminary agreements, written or oral, made prior to the execution of this Agreement and may vary from any negotiations between the parties prior to the execution of this Agreement. The parties agree that the terms, covenants and conditions of this Agreement shall supersede all such prior negotiations and agreements, and that there are no other agreements not contained in this Agreement, and that this Agreement shall be and is the final expression of the agreement of the parties and shall control.

13. Any modification of this Agreement shall be effective only if it is in writing and signed by both parties hereto.

14. All notices or demands of any kind required or desired to be given by the parties hereunder shall be given by hand delivery to either party herein or by mail, certified or registered, postage prepaid, to the parties at the addresses set forth in this provision. All notices or demands shall be deemed delivered upon depositing the notice or demand in the United States Mail, certified or registered, postage prepaid, to the addresses set forth herein, unless any change of address shall have been given by the proper party.

School: **The Community School of Ketchum and
Sun Valley, Inc.**
Post Office Box 2118
Sun Valley, ID 83353

Sagewillow: **Sagewillow Charitable Trust**
2416 Plaza del Grande
Las Vegas, NV 89102

15. The parties are referred to herein without regard to the number or gender of the persons constituting such parties. If any party consists of two or more persons, including but not limited to individuals, partnerships, associations or other entities, such persons shall be jointly and severally liable hereunder. Whenever any other neuter or singular term is used herein, such term shall be construed to include the masculine or feminine gender or plural, and shall include any party whether male, female or partnership or other entity as may be appropriate.

16. In the event any provision of this Agreement or any part thereof shall be determined by any Court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions hereunder, or parts thereof, shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby, it being agreed that such remaining provisions shall be construed in a manner most closely approximating the

intention of the parties with respect to the invalid, void or unenforceable provision or part thereof.

17. A Memorandum of Agreement may be recorded with the Recorder of Blaine County of Blaine County or reference to this Agreement may be made in the Gift Deed to provide notice of this Agreement.

18. All exhibits attached to this Agreement are hereby incorporated into this Agreement by reference.

19. It is agreed by the parties hereto that this Agreement shall be executed in duplicate originals, and may be executed in counterpart, all of which shall constitute one Agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the same counterpart and facsimile signatures will be considered as an original signature.

DATED as of this 16 day of December, 1998.

SAGEWILLOW, INC., a Nevada corporation

Edmund W. Dumke
By: EDMUND W. DUMKE, Director

Carol B. Dumke
By: CAROL B. DUMKE, Director

DATED as of this 9th day of December, 1998.

THE COMMUNITY SCHOOL OF KETCHUM AND
SUN VALLEY, INC., an Idaho nonprofit corporation

Beau Mills
By: BEAU MILLS, Chairman, Trustee

Linda K Sherwood
By: LINDA SHERWOOD, Vice Chairman, Trustee

Neil BAHAN
By: NEIL BAHAN, Secretary, Trustee

Tim Mott
By: TIM MOTT, Treasurer, Trustee Ross Donald

Ray Cairncross
By: RAY CAIRNCROSS, Trustee

Ross Donald
By: ROSS DONALD, Trustee Tim Mott, Treasurer

Dick Fenton
By: DICK FENTON, Trustee

Carol Holman
By: CAROL HOLMAN, Trustee

Michelle Praggastis
By: MICHELLE PRAGGASTIS, Trustee

Becky Smith
By: BECKY SMITH, Trustee

Thomas E. Unger
By: TOM UNGER, Trustee

Barbara Wallace
By: BARBARA WALLACE, Trustee

Jon Maksik
By: JON MAKSIK, Trustee

DATED as of this 9th day of December, 1998.

THE COMMUNITY SCHOOL OF KETCHUM AND
SUN VALLEY, INC., an Idaho nonprofit corporation

Beau Mills
By: BEAU MILLS, Chairman, Trustee

Linda K Sherwood
By: LINDA SHERWOOD, Vice Chairman, Trustee

Neil Rahan
By: NEIL RAHAN, Secretary, Trustee

Ray Ross Donald
By: ~~THOMAS G. L. J.~~ RAY CAIRN CROSS, Trustee Ross Donald

Ray Cairn Cross
By: RAY CAIRN CROSS, Trustee

By: ROSS DONALD, Trustee ~~Tom Mott, Treasurer~~

Dick Fenton
By: DICK FENTON, Trustee

Carol Holman
By: CAROL HOLMAN, Trustee

Michelle Praggastis
By: MICHELLE PRAGGASTIS, Trustee

Becky Smith
By: BECKY SMITH, Trustee

Thomas G. L. J.
By: TOM UNGER, Trustee

Barbara Wallace
By: BARBARA WALLACE, Trustee

John Malesik
By: JOHN MALESIK, Trustee

EXHIBIT A

LEGAL DESCRIPTION

REAL PROPERTY:

PARCELS A and B of THE SAGEWILLOW SUBDIVISION, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho.

WATER RIGHTS:

Approximately .23 CFS for irrigation purposes

Approximately .04 CFS for livestock watering purposes

(Space Above This Line for Recorder's Use)

GIFT DEED

SAGEWILLOW, INC., a Nevada corporation, Grantor, 2416 Plaza del Grande, Las Vegas, Nevada 89102, does hereby convey, release, remise and quitclaim, without consideration therefor, unto THE COMMUNITY SCHOOL OF KETCHUM AND SUN VALLEY, INC., Grantee, Post Office Box 2118, Sun Valley, ID 83353, real property, located in Blaine County, Idaho, and more particularly described as follows:

Parcels A and B of THE SAGEWILLOW SUBDIVISION, Blaine County, Idaho, as shown on the official plat thereof, recorded July 27, 1994, as Instrument No. 368709, records of Blaine County, Idaho.

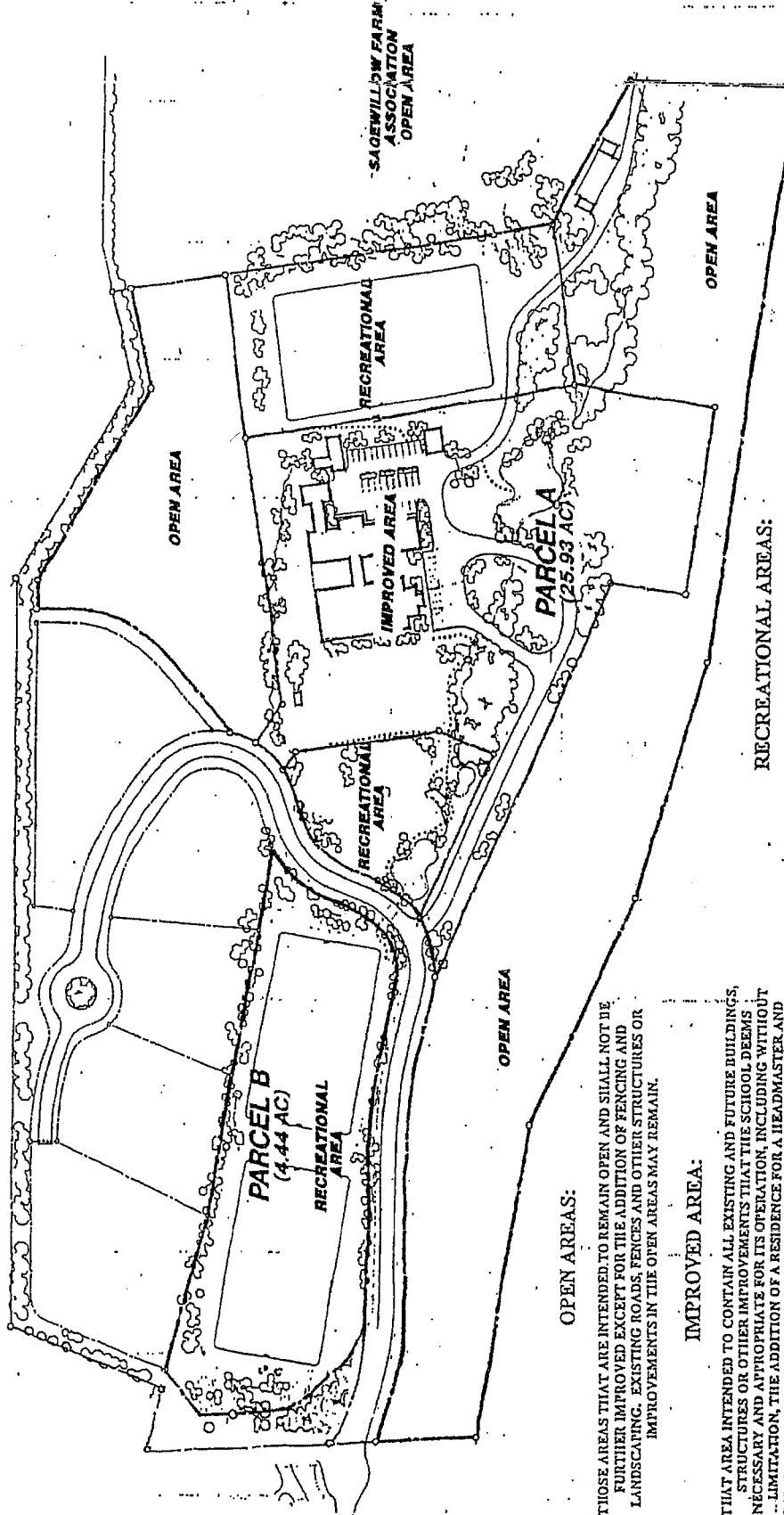
TO HAVE AND TO HOLD the said premises, with their appurtenances unto Grantee and to Grantee's heirs and assigns forever. Grantor does hereby covenant to and with Grantee, that Grantor is the owner in fee simple of said premises; that they are free from all encumbrances except as described above; and that Grantor will warrant and defend the same from all lawful claims whatsoever.

The real property described in this Gift Deed is subject to a certain Agreement for Gift and Acceptance of Real Property, attached hereto as Exhibit A and incorporated herein by this reference.

DATED this _____ day of _____, 1998.

SAGEWILLOW, INC.
a Nevada corporation

By: **EDMUND W. DUMKE,**
President



OPEN AREAS:

THOSE AREAS THAT ARE INTENDED TO REMAIN OPEN AND SHALL NOT BE FURTHER IMPROVED EXCEPT FOR THE ADDITION OF FENCING AND LANDSCAPING. EXISTING ROADS, FENCES AND OTHER STRUCTURES OR IMPROVEMENTS IN THE OPEN AREAS MAY REMAIN.

IMPROVED AREA:

THAT AREA INTENDED TO CONTAIN ALL EXISTING AND FUTURE BUILDINGS, STRUCTURES OR OTHER IMPROVEMENTS THAT THE SCHOOL DEEMS NECESSARY AND APPROPRIATE FOR ITS OPERATION, INCLUDING WITHOUT LIMITATION, THE ADDITION OF A RESIDENCE FOR A HEADMASTER AND CARETAKER. ANY BUILDINGS, STRUCTURES OR IMPROVEMENTS PROPOSED TO BE CONSTRUCTED OR REMODELED WITHIN THE IMPROVED AREA SHALL NOT EXCEED FORTY-FOUR (44) FEET IN HEIGHT MEASURED DIRECTLY TO EXISTING OR APPROVED GRADE, AND SHALL GENERALLY BE ARCHITECTURALLY COMPATIBLE WITH THE EXISTING HARN COMPLEX, INCLUDING THE USE OF PITCHED OR GAULED ROOFS.

RECREATIONAL AREAS:

THOSE AREAS THAT MAY BE DEVELOPED OR IMPROVED FOR OPEN, OUTDOOR RECREATIONAL PURPOSES OR FACILITIES SUCH AS, BUT NOT LIMITED TO, PLAYING FIELDS AND SOCCER FIELDS. THESE SAME RECREATIONAL AREAS MAY ALSO INCLUDE PARKING AND RESTROOM FACILITIES AS LONG AS SUCH USES ARE REASONABLY SCREENED BY APPROPRIATE LANDSCAPING.

SAGEWILLOW

CAMPUS

EXHIBIT "C" - LAND USE DESIGNATION MAP

ILLUSTRATIVE SITE PLAN



- H. SVEA is defending the Civil Case, alleging that Sagewillow Campus is indeed encumbered by, subject to and under the purview of, the Master Declaration, and all covenants, conditions and restrictions contained therein.
- I. The School is considering the development of the Sagewillow Campus, or portions thereof, for non-residential pre-school and elementary school purposes and/or residential purposes, and desires that SVEA herein provides for that possibility.
- J. The parties hereto desire by this Agreement to resolve the dispute between them with respect to the School's proposed development and use of the Sagewillow Campus; provide specific terms and conditions under which the Sagewillow Campus will be formally brought within the purview of the Master Declaration; designate land use classifications for it consistent with the provision of Section 2.02 of the Master Declaration and establish specific allowable uses; and provide for the dismissal of the Civil Case.

NOW, THEREFORE, the parties hereto, for themselves and their successors, do hereby agree as follows:

1. The School and Trust agree to the annexation of the Sagewillow Campus by SVEA into Elkhorn, and the encumbrance of the Sagewillow Campus with the covenants, conditions and restrictions contained in the Master Declaration. The School and SVEA further agree to jointly petition the Court in the Civil Case to enter judgment consistent with the provisions of this paragraph, and to cooperate in the execution of such other and further documents as may be reasonably necessary to effect or confirm the annexation of the Sagewillow Campus into Elkhorn and subject it to the Master Declaration. Association will cause the Plaintiffs in Civil Case No. 2004-246 to be dismissed. The School shall execute and record in the records of Blaine County, Idaho, a "Notice of Addition of Territory", as contemplated by Sections 2.02 and 2.03 of the Master Declaration, affirming that Sagewillow Campus is annexed into Elkhorn and encumbered by, and subject to, the Master Declaration and designating the use thereof as provided in this Agreement. Trust agrees to subordinate its reversionary interest in the Sagewillow Campus to the documents executed by the parties, including the aforementioned Notice of Addition of Territory. Such annexation shall be deemed completed upon entry of such a judgment in the Civil Case, or upon recordation of the Notice of Addition of Territory in the official records of Blaine County, Idaho.

2. The parties acknowledge and agree that, pursuant to Section 2.02 of the Master Declaration, upon the completion of its annexation by SVEA, the property within the Sagewillow Campus shall be classified as a Residential and Residential Common Area; a Residential/Commercial Area; and a Recreational Area, and shall be entitled to all of the uses provided for those classifications in Sections 4.01, 5.02 and 5.03 of the Master Declaration; provided, however, that the only commercial use allowed for said property shall be a non-residential pre-school and/or elementary school (that is, grades K-6) with all accessory uses related to a pre-school or elementary school and the following non-accessory uses: (i) all ordinary and customary School sanctioned activities pertaining to grades K-12 and (ii) occasional recreational or cultural uses by non-profit or charitable organizations or local

unincorporated associations registered or filed with the Idaho Secretary of State (such as Sawtooth United's Youth Soccer programs), notwithstanding anything to the contrary contained in Sections 5.01 and/or 5.02 of the Master Declaration. The parties acknowledge and agree that there shall be no amplified sound system or device or flood lights used or situated on the property in connection with any activity permitted pursuant to this paragraph 2.

3. SVEA and the Association agree not to assert in any manner, or in any meeting of the Sun Valley City Council or Planning & Zoning Commission, that Sagewillow Campus is not entitled to be developed and used for any purpose that may now or hereafter be allowed as a permitted or conditional use by the applicable provisions of the Sun Valley Zoning Ordinance; provided such uses are consistent with the provisions of paragraph 2 hereinabove.

4. The School and Trust agree that all improvements proposed on the Sagewillow Campus shall be subject to the following terms and conditions:

- (a) All applicable land use and building ordinances, codes and regulations of the City of Sun Valley.
- (b) Design review approval by the City of Sun Valley of all structures and buildings.
- (c) Approval by the SVEA Architectural Design Committee ("ADC") pursuant to the Master Declaration, except as limited by the provisions of paragraph 5 herein below.
- (d) The terms and conditions of this Settlement Agreement.
- (e) The Master Declaration, to the extent not inconsistent with the provisions of this Settlement Agreement.

5. The School agrees not to commence the installation or construction of any excavations, buildings, structures, roads, driveways, parking areas or fences on the Sagewillow Campus, or alter in any way the exterior of any such improvements now situated thereon, without first obtaining design review approval from ADC as required by the Master Declaration and any applicable rules and guidelines duly adopted by the ADC pursuant thereto ("Guidelines"), as amended from time to time, except as limited by the following terms and conditions:

- (a) Application for design review approval shall be made to the ADC in the manner set forth in Article VIII of the Master Declaration and/or the Guidelines.
- (b) The scope of design review shall be consistent with the provisions of Section 8.02, 8.07 and Article X of the Master Declaration.
- (c) Upon considering an application for design review approval, and holding at least one (1) hearing thereon at which the School may present and

discuss the subject matter of the application, the ADC may approve the application, with or without conditions, or deny the application: provided, however, that any such denial shall cite the basis therefor, and set forth what changes, if any, in the proposed improvements, if incorporated by the applicant in an amended application, would cause the ADC to reconsider its denial.

- (d) Any final approval of an application for design review approval made by the School, whether such approval is rendered by the ADC or, upon appeal, by the SVEA Board of Directors, shall thereafter be binding upon SVEA and its Board of Directors, and shall not be further appealed by the School, SVEA or the Association.

6. The School agrees to pay, within thirty (30) days after completion of annexation of Sagewillow Campus as set forth in paragraph 2, all outstanding balance of dues, fees or assessments that would be payable to SVEA with respect to the Sagewillow Campus as if it had been encumbered by and subject to the Master Declaration from and after its acquisition by the School on December 11, 1998. Thereafter, the School shall pay on a current and continuing basis all such dues, fees and assessments that are duly levied against Sagewillow Campus pursuant to the Master Declaration.

7. Nothing contained herein shall preclude the School or its successors from filing a supplemental declaration of covenants, conditions and restrictions in connection with a specific residential development on Sagewillow Campus, or any portion thereof.

8. The Trust acknowledges that the provisions of this Settlement Agreement furthers the realization of the charitable purposes for which it gifted Sagewillow Campus to the School, and by joining in the execution hereof agrees with all of its terms, conditions and covenants.

9. This Settlement Agreement is contingent upon obtaining the approval of the Court and incorporation of this Settlement Agreement in a judgment rendered in the Civil Case. Upon satisfaction of this contingency, the parties shall seek conclusion of the Civil Case.

10. Except with respect to the obligations created or acknowledged by or arising out of this Agreement, each Party, for itself, himself, herself or themselves and their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, does hereby release and absolutely and forever discharge the other Party and his, her, its or their present, past and future parent and subsidiary corporations, divisions, affiliates, predecessors, partners, and joint venturers, and any and all of their officers, directors, shareholders, agents, employees, insurers, successors, or assigns of such persons or entities, from any and all claims, demands, damages, injuries, losses, debts, liabilities, accounts, reckonings, obligations, costs, expenses, compensation, liens, actions and causes of action of every kind and nature whatsoever, whether or not now known or unknown, suspected or unsuspected, matured or unmatured, fixed or contingent, direct or indirect, which either Party ever had, now has, or may claim to have from the beginning of time against the other Party arising out of or relating to the claims set forth in the Civil Case (the

"Released Matters"). It is the intention of the Parties that the mutual release contained herein shall be effective as a full and final accord and satisfaction and release of and from all of the Released Matters, and that each Party released hereby will have no liability to any Party granting such release by reason of anything occurring prior to the effective date of the release relating to the claims covered by this Agreement.

11. Each party hereto represents and warrants that he/she/it/they has been duly authorized to execute and deliver this Agreement and to act in any manner both necessary and proper to the exercise of the power to execute and deliver this Agreement. Any person signing this Agreement on behalf of a corporate or trust entity represents and warrants that he/she is duly authorized and has all requisite power to enter into this Agreement on behalf of such entity, and to perform all transactions contemplated by this Agreement.

12. If any term, provision, paragraph, or condition of this Agreement is held or determined by any arbitrator or court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall be deemed severable therefrom, shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.

13. This Agreement constitutes the final, complete and exclusive agreement between the Parties relating to the matter set forth herein and supersedes any and all other agreements, understandings, negotiations or discussions, either oral or in writing, either express or implied, between the Parties hereto. Each Party to this Agreement acknowledges that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or anyone acting on their behalf, which are not embodied in this Agreement, and that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty.

14. This Agreement may not be amended except by an agreement in writing signed by the Party to be charged or bound by such amendment. If such a written amendment is entered into, it shall modify only the provision(s) of this Agreement specifically modified, and shall be deemed to publish, unchanged, all remaining provisions of this Agreement.

15. Any term or provision of this Agreement may be waived in writing at any time by the Party which is entitled to the benefits thereof. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.

16. The Parties hereto and their respective counsel have cooperated in the drafting and preparation of this Agreement. In the event of a dispute hereunder, the Agreement shall be interpreted in accordance with its fair meaning and shall not be interpreted, nor any ambiguity resolved, for or against any Party hereto on the ground that any such Party drafted or caused to be drafted this Agreement or any part hereof. Paragraph headings are for reference purposes only and shall not be considered in the interpretation of this Agreement.

17. Each Party shall pay its/their respective attorneys' fees and costs incurred in connection with the Released Matters, including matters related to effectuating and consummating this Agreement, but excluding any fees or costs incurred in attempting to enforce

the terms of this Agreement in the event of a default or breach by any Party hereto with respect to the terms or conditions of the Agreement. In the event of a default or breach by any Party with respect to the terms or conditions of the Agreement, the defaulting or breaching Party shall pay to the non-defaulting or non-breaching Party the reasonable attorneys' fees and costs incurred by the non-defaulting or non-breaching Party in enforcing this Agreement.

18. This Agreement may be executed in counterparts, with the same effect as if all Parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument.

19. The date of the last signature placed on this Agreement shall be known as the "effective date" of this Agreement.

20. This Agreement shall be governed and construed in accordance with the laws of the State of Idaho, without regard to the conflict of laws principles of such state.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

"SVEA"

SUN VALLEY ELKHORN
ASSOCIATION, INC.

By: _____

Its: _____

"SCHOOL"

THE COMMUNITY SCHOOL, INC.

By: _____

Its: _____

"TRUST"

SAGEWILLOW CHARITABLE TRUST

By: _____

Its: _____

"ASSOCIATION"

SAGEWILLOW HOMEOWNERS
ASSOCIATION, INC.

By: _____

Its: _____

STATE OF IDAHO)
)
 ss.
County of Blaine)

On this _____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of Sun Valley Elkhorn Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

STATE OF IDAHO)
)
 ss.
County of Blaine)

On this _____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of The Community School, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

STATE OF IDAHO)
)
 ss.
County of _____)

On this _____ day of _____, 2006, before me, a Notary Public for said County and State, personally appeared _____, known or identified to me, to be the person whose name is subscribed to the within instrument as Trustee of the Sagewillow Charitable Trust, and acknowledged to me that he executed the same as such Trustee.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

STATE OF IDAHO)
 ss.
County of Blaine)

On this ____ day of _____, 2006, before me, a Notary Public for the State of Idaho, personally appeared _____, known or identified to me, to be the _____ of Sagewillow Homeowners Association, Inc., and the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My commission expires _____

lrlm\releases.settle\settlement agree comm.school_7-28-06.final

ITEM G

2023

Community School
Rezone Application

Applicant's submittal:

Sagewillow Campus Zoning Map Amendment (rezone)

(ZMA 2021-01)

To be considered during the

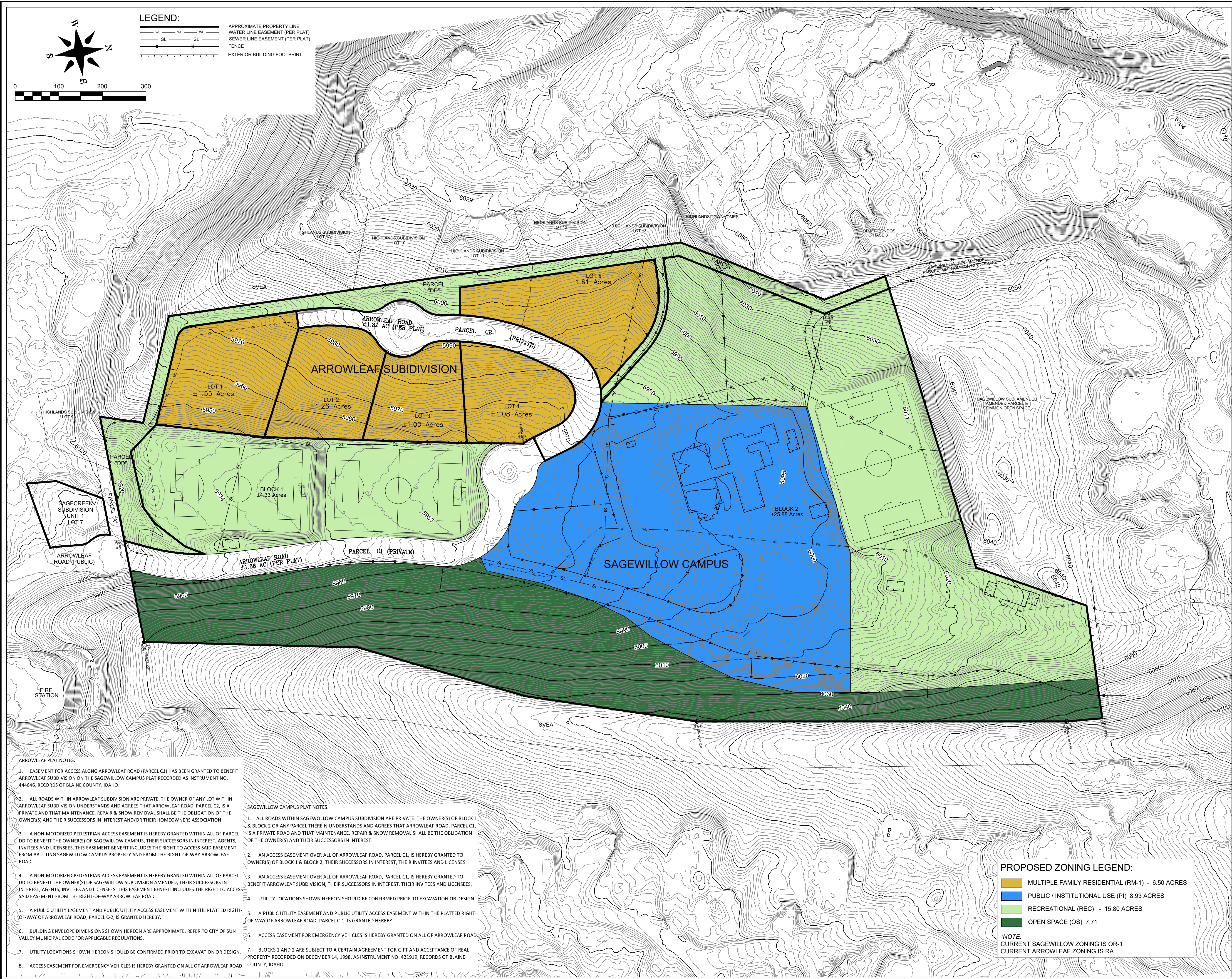
City of Sun Valley Planning and Zoning Commission Public Hearing

scheduled for

9:00 a.m., Thursday, February 9th, 2023

Note: During the previous hearing held January 27th, 2022, the Planning and Zoning Commission motioned to table the application and requested the applicant, the Community School Inc., return with additional information. The additional information submitted by the applicant, public comment, and the staff report will be considered during a public hearing scheduled for Thursday, February 9th, 2022 at 9:00 a.m. in Sun Valley City Hall (81 Elkhorn Road, Sun Valley, ID 83353). Participation via Zoom will be available as well.

Please check the [Agendas & Packets section](https://www.sunvalleyidaho.gov/agendas-packets) of the City of Sun Valley website (www.sunvalleyidaho.gov) for the meeting agenda, Zoom information, and staff report. These documents will be posted no later than February 6th, 2023.



NOTES

- SURVEY NARRATIVE:**
1. THE PURPOSE OF THIS MAP IS TO SHOW 1' CONTOUR LINES IN RELATION TO PLATTED LOT LINES AND EASEMENTS PER SAGEWILLOW CAMPUS SUBDIVISION INST. # 444646 AND ARROWLEAF SUBDIVISION INST. # 444647.
 2. BOUNDARY DIMENSIONS ARE NOT SHOWN HEREON. SEE REFERENCED SURVEYS/PLATS FOR RECORD DIMENSIONS.
 3. VERTICAL DATUM: ELEVATIONS BASED ON ASSUMED DATUM.
 4. UNDERGROUND UTILITIES WERE NOT LOCATED AND ARE NOT SHOWN HEREON.
 5. THIS MAP WAS PREPARED FOR THE EXPRESS USE OF THE CLIENT AND IS NOT TRANSFERABLE TO OTHERS WITHOUT WRITTEN CONSENT.
 6. A TITLE POLICY HAS NOT BEEN SUBMITTED TO BENCHMARK ASSOCIATES, NOR HAS A TITLE SEARCH BEEN REQUESTED. CERTAIN INFORMATION CONTAINED WITHIN SAID POLICY MAY NOT APPEAR ON THIS MAP OR MAY AFFECT ITEMS SHOWN ON THIS MAP.
 7. ELECTRONIC DATA: BENCHMARK ASSOCIATES ACCEPTS NO RESPONSIBILITY OR LIABILITY FOR THE REUSE, DISTRIBUTION OR ACCURACY OF DATA CONTAINED ON ELECTRONIC COPIES OF THIS DRAWING. THE STAMPED HARD COPY OF THIS DRAWING IS THE FINAL PRODUCT.
 8. THIS DRAWING IS VOID AFTER 2 YEARS AND NO FURTHER COPIES OR DIGITAL FILES WILL BE TRANSMITTED.

- EASEMENTS, ENCUMBRANCES AND RESTRICTIONS:**
9. BUILDING AREA: BUILDING ENVELOPE IF SHOWN, IS PER PLAT. SETBACK AND FOOTPRINT REQUIREMENTS PER CURRENT CITY/COUNTY ORDINANCES MAY VARY FROM PLAT. IT IS RECOMMENDED THAT SAID ORDINANCES BE REVIEWED PRIOR TO DESIGN.
 10. GENERAL RESTRICTIONS: EXCEPT AS SPECIFICALLY STATED OR SHOWN ON THIS MAP, THIS SURVEY DOES NOT PURPORT TO REFLECT ANY OF THE FOLLOWING WHICH MAY APPLICABLE TO THE SUBJECT OF REAL ESTATE: EASEMENTS, OTHER THAN THOSE SHOWN OR LISTED HEREON, BUILDING SETBACK LINES, RESTRICTIVE COVENANTS, SUBDIVISION RESTRICTIONS, ZONING, WETLANDS, AVALANCHE OR ANY OTHER LAND-USE REGULATIONS OR HAZARDS.

- SURVEY AND SITE FEATURES:**
11. BOUNDARY LINES AND CERTAIN EASEMENTS SHOWN HEREON ARE PER PLAT. REFER TO PLAT & CC&S FOR CONDITIONS AND/OR RESTRICTIONS REGARDING THIS PROPERTY. A BOUNDARY SURVEY HAS NOT BEEN COMPLETED AT THIS TIME. PROPERTY LINES ARE APPROXIMATE.
 12. UTILITIES AND DRAIN PIPES IF SHOWN HEREON ARE PER SURFACE EVIDENCE ONLY. OTHER UNDERGROUND UTILITIES MAY EXIST. LOCATION OF UNDERGROUND UTILITIES AND SERVICES SHOULD BE CONFIRMED PRIOR TO EXCAVATION OR DESIGN.
 13. BUILDING WALLS IF SHOWN HEREON ARE OUTSIDE FACE OF BUILDING UNLESS OTHERWISE NOTED.
 14. SPRINKLER HEADS AND IRRIGATION LINES ARE NOT SHOWN HEREON.
 15. TREE LOCATIONS AND DRIP LINES IF SHOWN HEREON ARE APPROXIMATE.
 16. ORTHOPHOTOGRAPHY: PHOTO RECTIFIED AT GROUND LEVEL ONLY. IMAGES OF OBJECTS ABOVE GROUND LEVEL (TREES, BUILDINGS, POWER POLES, ETC.) MAY BE DISPLACED. DATE OF PHOTOGRAPHY: MAY 2017.
 17. CONTOUR INTERVAL: 1' - CONTOURS IN AREAS OF DENSE VEGETATION MAY DEVIATE FROM TRUE ELEVATION BY ONE HALF THE HEIGHT OF THE VEGETATION. DATE OF LIDAR FLIGHT FOR CONTOURS: 2015.
 18. MAP SCALE: DUE TO ELECTRONIC MAP DELIVERY AND ALTERNATE PRINTING METHODS, PLEASE USE BAR SCALE TO DETERMINE ACTUAL PRINTED SCALE.
 19. FEATURES OBSCURED FROM VIEW BY DEBRIS, SNOW, VEGETATION OR VEHICLES AT THE TIME OF SURVEY, DO NOT APPEAR ON THIS MAP.
 20. ACREAGE IS PER ARROWLEAF AND SAGEWILLOW CAMPUS PLATS.

PREPARED BY:
BENCHMARK ASSOCIATES, P.A.
P.O. BOX 733 - 100 BELL DRIVE, KETCHUM, IDAHO, 83340
PHONE (208)726-9512 FAX (208)726-9514
WEB: <http://benchmark-associates.com/>
Copyright ©2020 by Benchmark Associates.

WETLANDS

WETLANDS AND RIPARIAN: CERTAIN AREAS WITHIN THIS MAP MAY CONTAIN RIPARIAN, RIVERINE OR WETLANDS CONDITIONS. SAID AREAS AND THE LOCATION OF ORDINARY HIGH WATER (OHW), IF SHOWN HEREON, ARE SUBJECT TO INTERPRETATION. IT IS RECOMMENDED THAT THE LANDOWNER OR CLIENT RETAIN THE SERVICES OF AN ENVIRONMENTAL SPECIALIST IN ORDER TO ASCERTAIN IF SAID CONDITIONS EXIST, AND TO FURTHER IDENTIFY SAID AREAS IF THEY DO EXIST. PERMITS MAY BE REQUIRED FROM LOCAL, STATE OR FEDERAL AGENCIES PRIOR TO CONSTRUCTION, EXCAVATION OR FILL ACTIVITIES.

STORMWATER

STORM WATER PLAN: IF SOIL DISTURBANCE, CLEARING, GRADING AND/OR EXCAVATION OF ONE (1) ACRE OR MORE IS TO TAKE PLACE A FEDERAL GENERAL CONSTRUCTION PERMIT, INCLUDING A STORM WATER POLLUTION PREVENTION PLAN (SWPPP), MUST BE PREPARED AND SUBMITTED TO AND APPROVED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY PRIOR TO ANY SITE DISTURBANCE.

PROPOSED REZONE MAP



SAGEWILLOW CAMPUS SUBD. AND ARROWLEAF SUBD.
LOCATED WITHIN
SECTION 16, TOWNSHIP 4 NORTH, RANGE 18 EAST, B.M., CITY OF SUN VALLEY, BLAINE COUNTY, IDAHO

PREPARED FOR : SUN VALLEY COMMUNITY SCHOOL

PROJECT NO. 20239	DWG BY: ROB/HDB	CRD: 20239.CRD	20239 TOPO.DWG
PROPOSED REZONE MAP	DATE: 11/7/2021		SHEET: 1 OF 1

PROPOSED ZONING LEGEND:

- MULTIPLE FAMILY RESIDENTIAL (RM-1) - 6.50 ACRES
- PUBLIC / INSTITUTIONAL USE (PI) 8.93 ACRES
- RECREATIONAL (REC) - 15.80 ACRES
- OPEN SPACE (OS) 7.71

***NOTE:**
CURRENT SAGEWILLOW ZONING IS OR-1
CURRENT ARROWLEAF ZONING IS RA

- ARROWLEAF PLAT NOTES:**
1. EASEMENT FOR ACCESS ALONG ARROWLEAF ROAD (PARCEL C1) HAS BEEN GRANTED TO BENEFIT ARROWLEAF SUBDIVISION ON THE SAGEWILLOW CAMPUS PLAT RECORDED AS INSTRUMENT NO. 444646, RECORDS OF BLAINE COUNTY, IDAHO.
 2. ALL ROADS WITHIN ARROWLEAF SUBDIVISION ARE PRIVATE. THE OWNER OF ANY LOT WITHIN ARROWLEAF SUBDIVISION UNDERSTANDS AND AGREES THAT ARROWLEAF ROAD, PARCEL C2, IS A PRIVATE AND THAT MAINTENANCE, REPAIR & SNOW REMOVAL SHALL BE THE OBLIGATION OF THE OWNER(S) AND THEIR SUCCESSORS IN INTEREST AND/OR THEIR HOMEOWNERS ASSOCIATION.
 3. A NON-MOTORIZED PEDESTRIAN ACCESS EASEMENT IS HEREBY GRANTED WITHIN ALL OF PARCEL DD TO BENEFIT THE OWNER(S) OF SAGEWILLOW CAMPUS, THEIR SUCCESSORS IN INTEREST, AGENTS, INVITEES AND LICENSEES. THIS EASEMENT BENEFIT INCLUDES THE RIGHT TO ACCESS SAID EASEMENT FROM ABUTTING SAGEWILLOW CAMPUS PROPERTY AND FROM THE RIGHT-OF-WAY ARROWLEAF ROAD.
 4. A NON-MOTORIZED PEDESTRIAN ACCESS EASEMENT IS HEREBY GRANTED WITHIN ALL OF PARCEL DD TO BENEFIT THE OWNER(S) OF SAGEWILLOW SUBDIVISION AMENDED, THEIR SUCCESSORS IN INTEREST, AGENTS, INVITEES AND LICENSEES. THIS EASEMENT BENEFIT INCLUDES THE RIGHT TO ACCESS SAID EASEMENT FROM THE RIGHT-OF-WAY ARROWLEAF ROAD.
 5. A PUBLIC UTILITY EASEMENT AND PUBLIC UTILITY ACCESS EASEMENT WITHIN THE PLATTED RIGHT-OF-WAY OF ARROWLEAF ROAD, PARCEL C-2, IS GRANTED HEREBY.
 6. BUILDING ENVELOPE DIMENSIONS SHOWN HEREON ARE APPROXIMATE. REFER TO CITY OF SUN VALLEY MUNICIPAL CODE FOR APPLICABLE REGULATIONS.
 7. UTILITY LOCATIONS SHOWN HEREON SHOULD BE CONFIRMED PRIOR TO EXCAVATION OR DESIGN.
 8. ACCESS EASEMENT FOR EMERGENCY VEHICLES IS HEREBY GRANTED ON ALL OF ARROWLEAF ROAD.
- SAGEWILLOW CAMPUS PLAT NOTES:**
1. ALL ROADS WITHIN SAGEWILLOW CAMPUS SUBDIVISION ARE PRIVATE. THE OWNER(S) OF BLOCK 1 & BLOCK 2 OR ANY PARCEL THEREIN UNDERSTANDS AND AGREES THAT ARROWLEAF ROAD, PARCEL C1, IS A PRIVATE ROAD AND THAT MAINTENANCE, REPAIR & SNOW REMOVAL SHALL BE THE OBLIGATION OF THE OWNER(S) AND THEIR SUCCESSORS IN INTEREST.
 2. AN ACCESS EASEMENT OVER ALL OF ARROWLEAF ROAD, PARCEL C1, IS HEREBY GRANTED TO OWNER(S) OF BLOCK 1 & BLOCK 2, THEIR SUCCESSORS IN INTEREST, THEIR INVITEES AND LICENSEES.
 3. AN ACCESS EASEMENT OVER ALL OF ARROWLEAF ROAD, PARCEL C1, IS HEREBY GRANTED TO BENEFIT ARROWLEAF SUBDIVISION, THEIR SUCCESSORS IN INTEREST, THEIR INVITEES AND LICENSEES.
 4. UTILITY LOCATIONS SHOWN HEREON SHOULD BE CONFIRMED PRIOR TO EXCAVATION OR DESIGN.
 5. A PUBLIC UTILITY EASEMENT AND PUBLIC UTILITY ACCESS EASEMENT WITHIN THE PLATTED RIGHT-OF-WAY OF ARROWLEAF ROAD, PARCEL C-1, IS GRANTED HEREBY.
 6. ACCESS EASEMENT FOR EMERGENCY VEHICLES IS HEREBY GRANTED ON ALL OF ARROWLEAF ROAD.
 7. BLOCKS 1 AND 2 ARE SUBJECT TO A CERTAIN AGREEMENT FOR GIFT AND ACCEPTANCE OF REAL PROPERTY RECORDED ON DECEMBER 14, 1998, AS INSTRUMENT NO. 421919, RECORDS OF BLAINE COUNTY, IDAHO.



SUN VALLEY
COMMUNITY
SCHOOL

The Dumke Family Sagewillow Campus
Sun Valley Community School

Planning for the Future

TABLE OF CONTENTS



- 2 APPLICATION + THE REASONS BEHIND IT**
- 3 POTENTIAL FUTURE USES**
- 6 REZONING OUR ARROWLEAF LOTS**
- 7 INITIAL DESIGN DRAFTS FOR ARROWLEAF**
- 8 ON BEING A GOOD NEIGHBOR**
- 9 THE SVCS ECONOMIC IMPACT**
- 10 WHO WE ARE: A Private School with Public Purpose**
- 11 SUN VALLEY COMPREHENSIVE PLAN'S APPROACH TO SVCS**
- 12 FIVE FINDINGS OF FACT**
- 13 FAQs**

REZONE APPLICATION + THE REASONS BEHIND IT

SVCS is seeking to be in compliance with the 2015 Comprehensive Plan and current zone code, as required by the City of Sun Valley Municipal Code, through a zone change.

We are not applying for specific building entitlements; we are not petitioning for a building plan to be approved. **We are asking to have our obsolete zoning updated to current zoning districts consistent with the City's Comp plan map.**

As City staff noted on January 27, 2022, there have been other entities (such as Sun Valley Company, Sun Valley Elkhorn Association, Lane Ranch, and Prospect Hills) whose OR-1 zone was made obsolete by the 2015 Comp plan. They have applied for and have been granted a rezone in accordance with the 2015 Comp plan map.

Ultimately, the City staff report found that “There is ample support in the Comprehensive Plan to apply a blend of RM-1, REC, OS, and PI zoning to the subject parcels as requested by the applicant.”

Since our last appearance before the P+Z and the community, we have reconfigured our zoning request to be more optimal for all stakeholders, to protect riparian zones, and to responsibly and effectively address the housing issues threatening our school community and the wider Wood River Valley.

It is important to note that we are not proposing a development plan at this time. Approval of the rezone application does not imply approval for new development. Any proposed future development within the rezone area would be subject to the city's subdivision and/or design review process. In addition, we would only apply for the sorts of developments already adjudicated and agreed to in the settlement between SVEA and SVCS.



POTENTIAL FUTURE USES OF SAGEWILLOW CAMPUS

SAGEWILLOW, ARROWLEAF, + THE REZONE

Sun Valley Community School is committed to finding ways to solve our housing needs internally without taxing the current affordable/workforce housing supply in the valley. To help achieve this goal, our Board of Trustees has committed to a 3-pronged approach outlined below to address the need for workforce housing: **The charts below maps out the various zoning designations requested and the acreage that falls within that zoning for the Sagewillow property and the Arrowleaf subdivision lots owned by SVCS.**

Comprehensive Plan Designation	Requested Zoning Designation	Acreage
Medium Density Residential (4-14 dwelling units/acre)	Recreation (REC)	+/-6.20 acres
Public/Quasi Public	Public-Institution (P1)	+/- 8.93 acres
Recreational	Recreation (REC)	+/-9.60 acres
Open Space	Open Space (OS)	+/- 7.71 acres
		REC Total: 15.8 acres
		Total: 32.44 acres

The Arrowleaf Subdivision Lots (4 lots)

Comprehensive Plan Designation	Requested Zoning Designation	Acreage
Low Density Residential	Multi-Family Residential (RM-1)	6.5 acres

Sun Valley Community School's Three-Prong Approach to Workforce Housing:

- 1. Rental assistance** to help existing faculty to manage the steep rent increases that have been prevalent in recent years. We are in the process of fundraising for this initiative.
- 2. Invest in new housing stock** to allow faculty to transition to the Valley or deal with rental housing loss. We have purchased one 4-unit complex in Hailey and secured the rights to another 4 units through the Wood River Community Housing Trust. Any future building at Sagewillow in the multi-family zoning designation would fall under this initiative.

- 3. Provide down-payment assistance** so faculty can invest in their future in the Wood River Valley. We are in the process of fundraising for this initiative as well.

Concurrent with the initiatives above, we are committed to and have been working to **elevate the base salaries for our faculty and staff**; as we are able to raise the broadband salary scale, this certainly gives our faculty and staff more to work with financially, but it does not address the severely limited housing supply for rent or purchase.

POTENTIAL FUTURE USES OF SAGEWILLOW CAMPUS (CONTINUED)

WORKFORCE HOUSING AT SAGEWILLOW

The “What” is Needed

With the land proposed to be zoned RM-1, we would like to build a total of 69 units, a mix of 1-, 2-, and 3-bedroom units for workforce housing. We are investigating ways to partner with mission-aligned organizations in the valley to help alleviate their housing needs. This could be a mix of cottage and apartment type buildings.

The potential for multi-family residential development at the Arrowleaf property is consistent with the character of the surrounding community as the Highlands, Bluff, Fairway Nine, Summit II and many other Elkhorn developments which are already multi-family developments.

The “Why” This Is Necessary

Currently, we have nearly 30% of our staff who rent and who have been adversely affected by the drastic increase in rent and the noticeable decrease of units in the rental pool valley-wide. For our ongoing hiring searches, **housing is the number one worry of every candidate as they look to relocate to join our community.** To be able to attract and retain exceptional faculty and staff, as the Wood River Valley community is addressing this issue, we too in Sun Valley must do our part. The urgency of this only increases as retirements and natural attrition occur over the next decade because the number of faculty and staff needing to rent will rise. These units would allow us to cover the needs of up to 50% of our faculty and staff well into the future AND help the larger community with the housing crisis.

Additionally, we have invested in securing real estate in the south valley for our faculty and staff. But clearly having school-owned housing on or near our campuses drastically improves the quality of our faculty and staff's lives and enables them to be fully invested and involved in the community in which they work. This benefits the students and families of the school in a myriad of ways. **It also says that we value our team and think of them as a part of our community. Finally, as the SVCS Economic Impact section below notes,** Community School's annual direct impact on the economy is roughly \$5 million. The fiscal health of SVCS directly impacts the City of Sun Valley.

Building workforce housing at Sagewillow also does not take housing options out of the housing pool for other members of our Wood River Valley community. And, building on land that we already own makes the most financial sense for our institution.

Should this zoning change be approved, we would be open to discussing the potential use of some of the housing for other essential workers after the needs of the school are met. It is worth noting that as recently as February 16, 2022, the Sun Valley Elkhorn Association posted in its newsletter its need for workforce housing a number of times.

The “How” We Do This Together

Once we get our zoning aligned with the current land use map and Comprehensive Plan, we will be able to more thoroughly and openly plan for future uses. **If and when we are ready to apply to build workforce housing, there is a set process for design review and public comment.**

We will provide the community, both residents and the city, with continued access to the trails on our property, and we will continue to work with The City of Sun Valley to allow snow storage and Fire Department training; as well, we will continue to listen to and work with our Elkhorn neighbors as we have a long history of doing. Already, we have begun a “listening tour” for our Head of School and select trustees so that we can learn all community perspectives. Any building of faculty housing would be subject to design review, permitting, and approval through the City of Sun Valley, compliance with the Sun Valley Elkhorn Association master declaration, fundraising realities, and actual building timelines.

We value the open space, our athletic and outdoor program space, and we are committed to environmental stewardship. Thus, as we consider potential building envelopes and plans, we are committed to minimizing the impact and total scope of the project. **We are also committed to working within the existing and future city zoning regulations, the Sun Valley Elkhorn Association's master declaration, and our 2006 settlement agreement with SVEA.**

POTENTIAL FUTURE USES OF SAGEWILLOW CAMPUS (CONTINUED)

OUR FOCUS IS ON THE COMMUNITY, NOT THE FOLLOWING:

We are not interested in selling any portion of the Sagewillow property or related Arrowleaf subdivision for a profit to support our programming. The Sagewillow Campus and adjacent Arrowleaf subdivision lots that are owned by the School are essential to the health and success of our current and future programming. The National Association of Independent Schools (NAIS) and Independent School Management (ISM), two thought leaders and professional organizations in the independent school world, posit that it is best practice in schools to expand land holdings when possible. For this best practice and many other reasons, **we have no interest in decreasing our holdings or selling our property for others to develop.**

Housing is a priority, not expanding our campus footprint:

Public/Institutional (PI) Zoning District

Comprehensive Plan Designation	Zoning Designation	Acreage
Public/Quasi Public	Public-Institution (P1)	+/- 8.93 acres

One of the decisions in the 2006 settlement that we agreed to with the SVEA was that SVCS could build an **elementary school** on Sagewillow Campus. Currently and into the foreseeable future, we have no intention of doing that because to separate the ES from the rest of the school goes against our preK-12 “One School” philosophy and fundamentally changes the SVCS experience. However, should conditions arise that would require an expansion of the school or changes to our main academic campus at Trail Creek, building an elementary school division on Sagewillow remains a consideration and is a legally settled right. That said, maintaining our current programming and housing are our priorities.

Supporting and enhancing our existing programs, including athletics, is a priority:

Recreation (REC) Zoning District

Comprehensive Plan Designation	Zoning Designation	Acreage
Recreational	Recreation (REC)	9.60 acres + the additional 6.2 acres TOTAL: 15.8 acres

We will continue to use the Sagewillow Campus for our outdoor and athletic programs and critical partner programs such as SVSEF. Users of the fields include but are not limited to school athletic teams and partner teams and programs such as Sun Valley Lacrosse. Users of the Airbarn will continue to be our snowsport athletes—both SVSA and SVSEF student-athletes—as they chase 2x Olympian and SVSA alum Chase Josey! And our Outdoor Program will continue to use the Outdoor Outfitting Barn as a place to store equipment, facilitate meetings and training, stage, launch, and welcome back our school’s iconic Outdoor Trips for students of all ages.

We believe in open space for our students and the Sun Valley community: Open Space (OS) Zoning District

Comprehensive Plan Designation	Zoning Designation	Acreage
Open Space (OS)	Open Space	+/- 7.71 acres

We are committed to maintaining open space on the Sagewillow campus for exploration, vistas, wildlife, etc.

REZONING THE ARROWLEAF LOTS



After our initial P&Z meeting and consulting with city staff, we have applied to rezone lots 200, 201, 203, 205, and 207 Arrowleaf Road in the Arrowleaf subdivision from from RA single family zoning to RM-1 multi-family zoning (14 units per acre).

Benefits of this potential switch and adjustment include:

- + The subdivision is already zoned for residential;
- + An increase in total recreational land within the Sagewillow campus;
- + A natural recreational space that will buffer between the existing residential structures and the Arrowleaf subdivision;
- + Protecting view corridors and natural topography;
- + Road and other utility infrastructure are already in place;
- + Environmental impact would be lessened as the lots are further from wetlands/riparian areas;
- + Slopes on the lots are more manageable;
- + Total designation for residential in the Arrowleaf subdivision and the adjacent Dumke Family Sagewillow property would be decreased, which would mitigate any future traffic concerns;
- + 69 units of multifamily would meet our long-term projected needs for faculty housing and help alleviate housing concerns for the City of Sun Valley and the Wood River Valley.

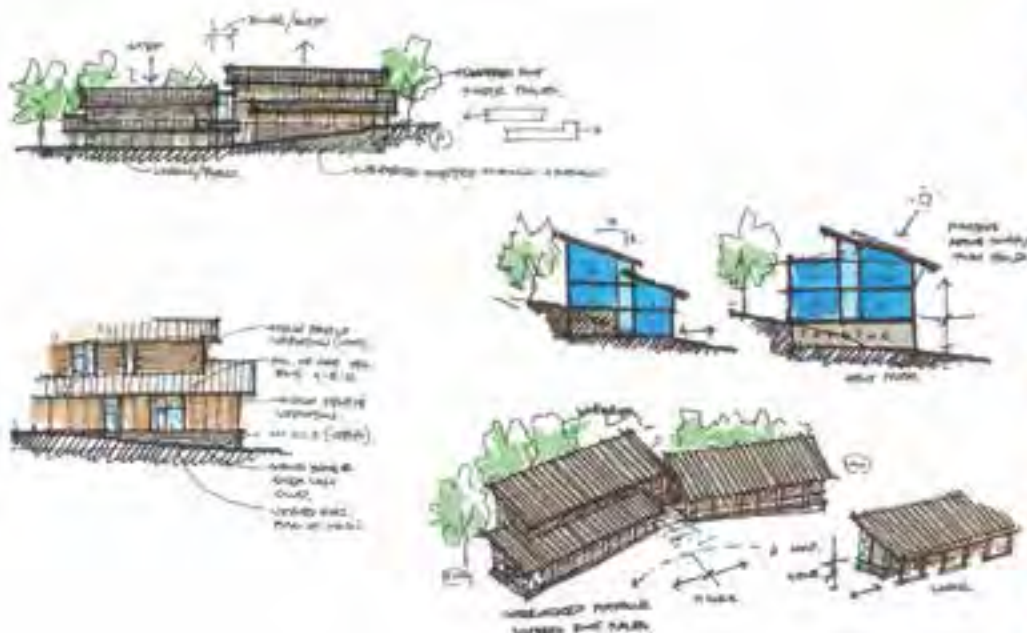


INITIAL DESIGN DRAFTS FOR ARROWLEAF

POTENTIAL MASSING + LAYERING | TOWNHOMES



POTENTIAL MASSING + LAYERING | APARTMENTS



SUN VALLEY COMMUNITY SCHOOL

50 YEARS OF BEING A GOOD NEIGHBOR

*Sun Valley Community School has been an integral part of the City of Sun Valley and the Wood River Valley fabric for 50 years. The school has evolved as the valley has grown over the years, but the character and the fundamental reasons for being have not changed. **Community has always been at the heart of Sun Valley Community School—our school community, but also the larger Wood River Valley community.***

Not only has the school served the local population (including many Sun Valley-based families), but SVCS has also been a major draw to families, faculty, and staff from outside of the area who have relocated here above other mountain towns because of the school and the sense of community that defines

the school. The existence of this unique and vibrant school community in the City of Sun Valley benefits the Sun Valley area in economic, cultural, and social ways, as noted by the authors of the Comprehensive Plan.

Sun Valley Community School's mission is to inspire students to think critically, engage confidently, embrace challenges, and lead impactful, purposeful lives. The school exists to serve a wide variety of students. Over the past 4 years, the school has given over \$10M to students of need in the form of financial aid; 85% of those students are from the Wood River Valley. This significant investment in financial assistance stems from the school's belief in the power of community.



THE SVCS POSITIVE ECONOMIC IMPACT

In 2013 Harry Griffith, Sun Valley Economic Development Executive Director, originally calculated the economic impact of Community School by combining direct impacts such as tuition, payroll, expenses for supplies, and even school lunches with indirect impacts such as visits from family and friends of students, estimated relocations due to Community School, and expenses associated with outdoor trips. Griffith then used a multiplier of 1.17, obtained from the Bureau of Economic Affairs and specific to the education sector in Blaine County. When he applied that multiplier, he discovered that the economic impact of Community School in 2016 was \$15.4 million annually, significantly more than the entire operating budget of the City of Sun Valley at the time. “The economic impact could be more,” Griffith told the Board at the time. He had not completed a study of the property owned by Community School parents and the taxes paid, so there was room for growth. **That original study made it clear that Community School is to Sun Valley what many universities are to the towns they are located in—a vital economic contributor and an integral part of the fabric of the community.**

Griffith provided a set of data that compared Community School to other industries and events in the Wood River Valley. For example, Community School’s direct impact on the economy, roughly \$5 million, is larger than the direct impacts of Nordic skiing, the Sun Valley Summer Symphony (now Sun Valley Summer Festival), and the Allen & Co. conference held at the Resort.

In the more recent 2019 study, SVED found that SVCS contributed over \$25.5 million in direct, indirect, and induced salary payments, housing purchases, taxes, and other remittances to the local economy. As the second largest employer in Sun Valley, second only to Sun Valley Company, and one of the largest employers in the valley, SVCS has an operating budget of \$12.5 million annually and a stake in the workforce housing efforts. We educate 450 students from age two through high school graduation and 73 of the School’s current families reside in Sun Valley proper. Including Ketchum, the School is responsible for educating the children of 230 north valley households.

The same 2019 study found that the School is indirectly responsible for relocation and visit inflows in excess of \$4.5mm annually. That figure has undoubtedly grown since the start of the COVID epidemic. A national consultant puts the current number at \$5.4 million, considering that the 2019 study used a base of 409 students and we currently have 450 students enrolled.

Finally, SVCS has served as a magnet to attract and retain tax payers to Sun Valley, the North Valley, and Blaine County as a whole.

NUMBER OF SV RESIDENTS ENROLLED AT SVCS

- + 73 Families
- + 258 Individuals

This equates to 25% of the population of the City of Sun Valley.



A PRIVATE SCHOOL WITH A PUBLIC PURPOSE

Since its founding in 1973, SVCS has welcomed and partnered with local families who make the Wood River Valley the special and vibrant place that it is. Because tuition can be a barrier for many families to entertain sending their children to a private school, over 30 percent of Community School's 450 enrolled students receive some form of financial aid; annually, the School gives over \$3 million in aid to students who seek a SVCS experience. **Our commitment to tuition assistance is our 'social contract' with the community.** In fact, the level of financial aid offered by Community School exceeds that offered by the vast majority of independent schools across the nation.

Community School has an impact on the county financially, but it offers other benefits that are harder to put a monetary value on. Students, parents, and teachers donated a total of 23,500 hours in volunteer time to community-related activities last year. Students alone donated nearly 6,000 hours helping organizations including The Hunger Coalition and the Animal Shelter of the Wood River Valley.



WHY THE SUN VALLEY COMPREHENSIVE PLAN ASSERTS THE NEED TO SUPPORT + PARTNER WITH SVCS

The Sun Valley Comp Plan of 2015 lists a number of goals that speak to the necessary and beneficial role SVCS plays in the City of Sun Valley. As stated in Goal 3, the Comp Plan emphasizes the need “to foster social, economic and educational diversity and to protect the vitality and cultural heritage of Sun Valley.” With this goal, the Comp Plan lists the following goals, objectives and action items:

GOAL 3: FOSTER SOCIAL, ECONOMIC, AND EDUCATIONAL DIVERSITY AND PROTECT THE VITALITY AND CULTURAL HERITAGE OF SUN VALLEY.

OBJECTIVE 3.1: Provide a sufficient quantity and mix of workforce housing to retain a high-quality workforce and a diverse social and economic population of all ages.

Action Items:

- + 3.1.1 Evaluate incentives to maximize the participation of the business community, residential developers, local governments, and nonprofit organizations to contribute to the development of workforce housing.
- + 3.1.3 Provide for a mix of workforce housing types, including sale and rental units, and encourage integration of units into all development zones of the City to provide for a healthy social and economic balance for the community.

OBJECTIVE 2.2: PROMOTE A HEALTHY AND DIVERSE ECONOMIC BASE THAT ENRICHES THE LOCAL ECONOMY AND THE TOURIST INDUSTRY.

Action Items:

- + 2.2.1 Seek to maintain and encourage businesses and nonprofits (e.g. Community School) that offer a diverse range of services and retail sales for the needs of the tourist base and the permanent residents.

OBJECTIVE 3.3: MAINTAIN AND ENHANCE THE ARTS, EDUCATIONAL, AND CULTURAL ATTRACTIONS FOR THE ENRICHMENT AND VIBRANCY OF THE COMMUNITY.

Action Items:

- + 3.3.3 The Community School is an important community resource. Provide The Community School with the support and partnership it needs to continue to be a successful educational institution and a key provider of arts, educational, and cultural attractions to meet the long-term needs of the City.

OBJECTIVE 3.5: SUPPORT THE CONTRIBUTIONS OF COMMUNITY-BASED ASSETS TO THE SOCIAL AND ECONOMIC FABRIC OF THE COMMUNITY.

Action Items:

- + 3.5.1 Recognize the contribution of schools, religious organizations, and other nonprofit organizations to the richness and diversity of the community and support these nonprofit organizations in resolving their need for workforce housing, facility maintenance, and expansion.
- + 3.5.2 Foster long-term relationships with the Sun Valley Resort, SVEA, The Community School, and the City of Ketchum to continue the use of respective facilities for civic meetings, music, art and cultural events and for recreation.
- + 3.5.3 Recognize The Community School's future needs, including lands, classrooms, sports fields, parking, and staff resident housing.

The Comprehensive Plan specifically called out the need to support and partner with Sun Valley Community School in order to continue to see the school succeed and thrive. The authors of the Comp Plan understood the unique contributions that SVCS makes to the City of Sun Valley, its citizens and throughout the Wood River Valley.

Clearly, SVCS building workforce housing on our Sage-willow property, falls within the Comp Plans' stated Goals, Objectives, and Action Items. As outlined above, the school would like to help solve the need for workforce housing providing an increase in the local supply rather than draw from the existing and already-taxed supply.

FIVE FINDINGS OF FACT

The Sun Valley Municipal Code requires specific Findings of Fact to be made concurrent with all rezone. The required Findings of Fact are as follows:

1. The official zoning map amendment is consistent with the agreed to 2015 comprehensive plan and future land use map and reasonably implements the applicable provisions of the comprehensive plan, a previously approved master plan development that is consistent with the comprehensive plan that existed at the time of approval, if applicable; and (Ord. 455, 12-6-2012)

The SVCS application for a rezone meets this finding of fact.

2. The official zoning map amendment complies with the regulations in effect for the proposed zoning district, including the purpose statement, and is suitable for the proposed permitted uses; and

The SVCS application for a rezone meets this finding of fact.

3. The official zoning map amendment has minimal or no adverse impacts on the natural environment, including, but not limited to, water quality, air quality, vegetation, riparian corridors, hillsides and other natural features.

As with our other campuses, and as it is a fundamental and foundational part of our school ethos, SVCS will take great care to protect the environment. Our revised proposal relocates the medium density residential areas designated on the comp plan land use map to the less environmentally sensitive (wetlands and hillside) Arrowleaf lots.

4. The official zoning map amendment is not materially detrimental to the public health, safety, and welfare, or any significant impacts can be mitigated satisfactorily as determined by the planning and zoning commission or city council.

The SVCS application for a rezone meets this finding of fact.

5. Essential public facilities and services, including, but not limited to, emergency services, transit, work-force housing and schools, are available to support the proposed uses and density or intensity without creating additional requirements at public cost for such public facilities and services.

The SVCS application for a rezone meets this finding of fact.

And it is with these 5 findings of fact that we look forward to working with the City of Sun Valley on this plan.



FAQS

Q: Does SVCS intend to sell any of the land for a profit to support its programming?

A: No. The school does not intend to sell any of the property. The Sagewillow property is a vital part of our school and will be essential in our successful operations as the only Sun Valley-based school. The best use of the Sagewillow Campus is to develop the property to enable and enhance our programming rather than to sell it off and fund our programming. Best practices in independent school management call for a buy-and-hold strategy.

Q: Does SVCS intend to build an Elementary School?

A: As of now, building an elementary school at the Dumke Family Sagewillow Campus is not in our long-term plan. However, should the need arise to expand our programs, building an elementary school on that property is possible and was agreed upon in the 2006 settlement with SVEA.

Q: What about the traffic?

A: According to a 2005 Jacobs Engineering road study, the existing road system will “not be overburdened” with this proposed project.

Q: Sun Valley Community School is a private school. What public purpose could it possibly serve?

A: Because SVCS was started to serve the Wood River Valley, we believe it is our social contract to continue to serve the public interest. Here are a few recent examples of our public impact:

Over the past four years, Sun Valley Community School has given over \$10M in financial aid to families who sought a Community School education for their child(ren). We are fully committed to ensuring that a Community School education is accessible and possible for a wide range of families of various economic backgrounds and means.

SVCS supports, in partnership with the YMCA and the College of Idaho, the Power Scholars Academy. Power Scholars Academy™, a six-week summer program designed not only to tackle summer learning loss in math and reading but also to foster physical and social-emotional growth.

Our parents, students, faculty, and staff dedicate, on average, over 25,000 hours annually to community service.

High Desert College Collaborative, a 501(c)3 of Sun Valley Community School, is dedicated to making a college education a reality to students around Southern Idaho.

Students recently filled 800 racer bags for the Boulder Mountain Tour and filled out over 1,000 raffle tickets.

When Souper Suppers shut down, our Service Learning and Community Connections Coordinator worked with SVCS students, a home-schooled student, and students from Wood River High School to continue meeting the community’s food insecurity issue through hosting a Community Table in various underserved communities in the valley.



Q: Why should the City of Sun Valley and its residents care about having a private school in the city limits?

A: SVCS has served Sun Valley proper for nearly 50 years and while there are excellent public schools in our valley, there is no other school in the City of Sun Valley. And just like the public schools in the area, we draw from the entirety of the Wood River Valley.

We all know that the cities in this valley are incredibly interconnected and the residents of each city depend on the other cities for amenities and services. As recognized by the City of Sun Valley’s own Comprehensive Plan (2015), SVCS’s 50-year history in Sun Valley, has made it a vital part of the fabric of the community and the comp plan stated that it was a priority to “partner with and support Sun Valley Community School” to continue to be a successful educational institution.

We support other community endeavors as well. For instance, SVCS was an essential and founding partner to the Sun Valley Writers Conference and provided a home to many of the talks and workshops in the early years of that conference. We have welcomed many other arts organizations on our campuses over the years including Sun Valley Summer Music Festival, Company B, and Footlight Dance.

And finally, SVCS is the second largest employer in the City of Sun Valley after the Resort. The school has long had a successful and mutually beneficial relationship with the Resort.

Q: How do you justify trading low density for medium density on the Arrowleaf lots?

A: The Arrowleaf lots are clearly the best suited for the medium-density build. We not only moved development away from the riparian zone, but we also are voluntarily offering up 6.2 acres for additional recreational zoning. This will benefit the community at large.

NEXT STEPS

As we have done with each building project in recent years, we will follow the guidelines and processes established by the City of Sun Valley as we move into any development on the Sagewillow Campus. We will also continue to prioritize being a good neighbor. Ultimately, our mission is centered on community.

We organized and participated in a “listening tour” with stakeholders so that we understand as many perspectives as possible.

We will continue to work with stakeholders to realize a vision that serves the school’s and the wider community’s needs while also reasonably protecting the character of the Sagewillow area.



**From our campus to the wilderness,
we inspire students to think
critically, engage confidently,
embrace challenges, and lead
impactful, purposeful lives.**

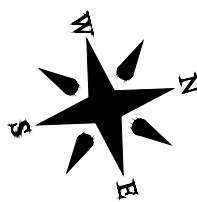


PRE-K-12 DAY & BOARDING SCHOOL IN SUN VALLEY, IDAHO

Offering Boarding, Outdoor, Creative Arts Academy, and Sun Valley Ski Academy programs.

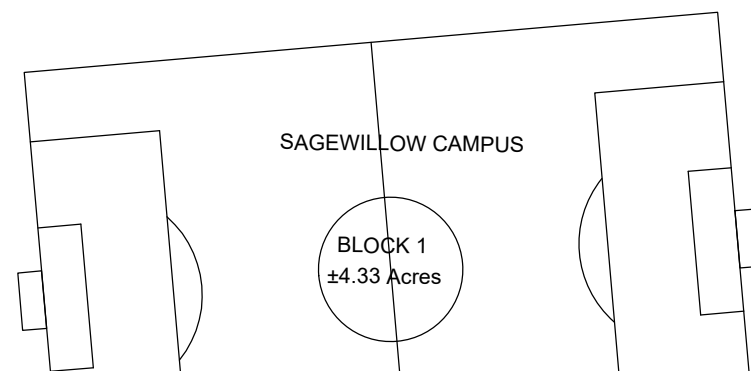
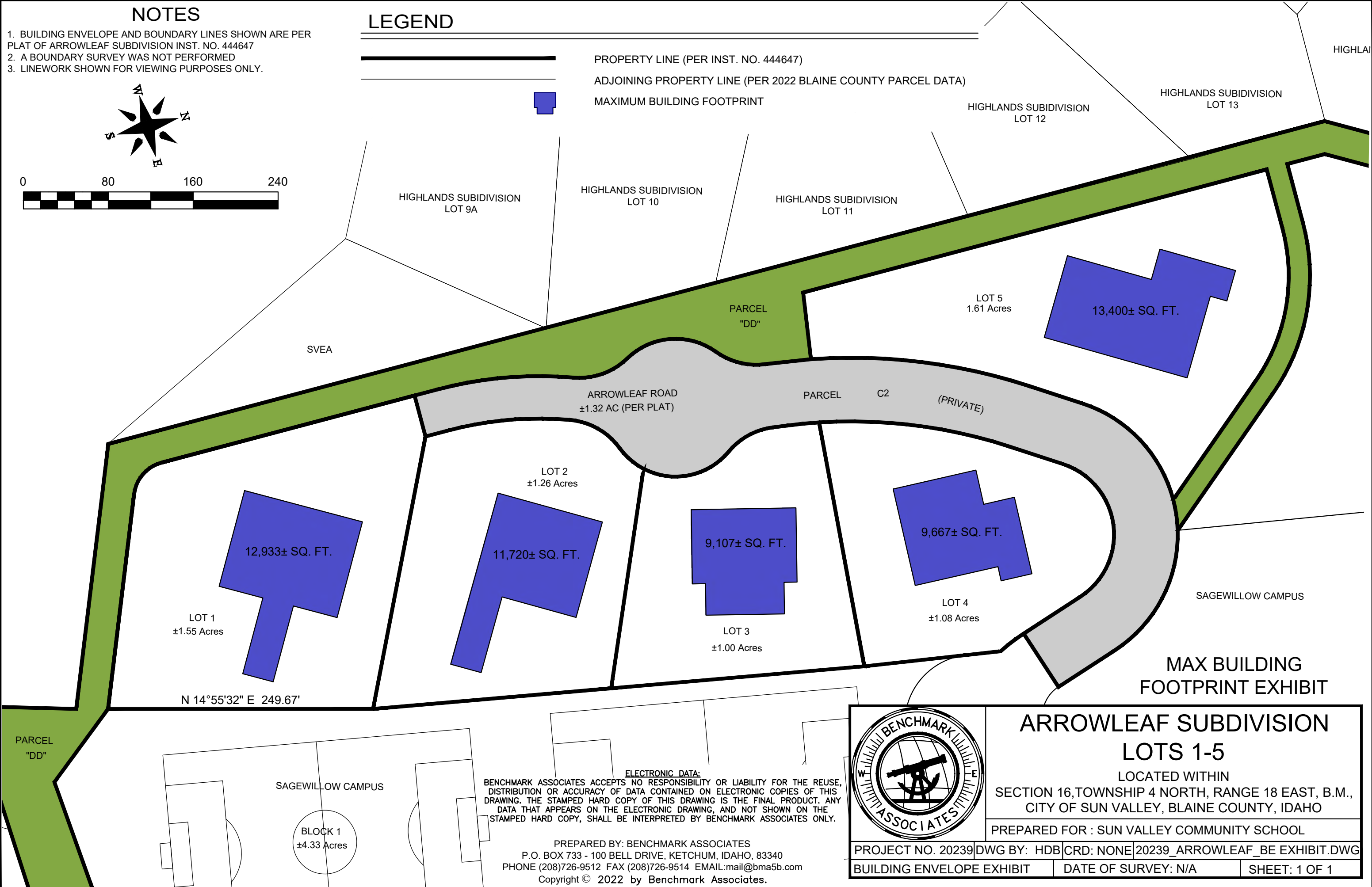
NOTES

- 1. BUILDING ENVELOPE AND BOUNDARY LINES SHOWN ARE PER PLAT OF ARROWLEAF SUBDIVISION INST. NO. 444647
- 2. A BOUNDARY SURVEY WAS NOT PERFORMED
- 3. LINEWORK SHOWN FOR VIEWING PURPOSES ONLY.



LEGEND

- PROPERTY LINE (PER INST. NO. 444647)
- ADJOINING PROPERTY LINE (PER 2022 BLAINE COUNTY PARCEL DATA)
- MAXIMUM BUILDING FOOTPRINT



ELECTRONIC DATA:
BENCHMARK ASSOCIATES ACCEPTS NO RESPONSIBILITY OR LIABILITY FOR THE REUSE, DISTRIBUTION OR ACCURACY OF DATA CONTAINED ON ELECTRONIC COPIES OF THIS DRAWING. THE STAMPED HARD COPY OF THIS DRAWING IS THE FINAL PRODUCT. ANY DATA THAT APPEARS ON THE ELECTRONIC DRAWING, AND NOT SHOWN ON THE STAMPED HARD COPY, SHALL BE INTERPRETED BY BENCHMARK ASSOCIATES ONLY.

PREPARED BY: BENCHMARK ASSOCIATES
P.O. BOX 733 - 100 BELL DRIVE, KETCHUM, IDAHO, 83340
PHONE (208)726-9512 FAX (208)726-9514 EMAIL:mail@bma5b.com
Copyright © 2022 by Benchmark Associates.



ARROWLEAF SUBDIVISION
LOTS 1-5
LOCATED WITHIN
SECTION 16,TOWNSHIP 4 NORTH, RANGE 18 EAST, B.M.,
CITY OF SUN VALLEY, BLAINE COUNTY, IDAHO

PREPARED FOR : SUN VALLEY COMMUNITY SCHOOL

PROJECT NO. 20239	DWG BY: HDB	CRD: NONE	20239_ARROWLEAF_BE EXHIBIT.DWG
BUILDING ENVELOPE EXHIBIT		DATE OF SURVEY: N/A	SHEET: 1 OF 1

Arrowleaf footprint and bulk analysis

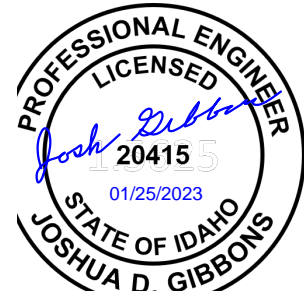
			External BE	Assessory	Max. Allowable	Max. Bulk with 2-	Max. Bulk with 3-			
Lot	BE Dimensions	BE Area	footprint*	footprint	footprint	story construction	story construction**	Lot Size	Lot Coverage	
Lot 1	70	115	8,050	2,657	2,200	12,907	25,813	30,072	1.55	19%
Lot 2	70	102	7,140	2,356	2,200	11,696	23,392	27,252	1.26	21%
Lot 3	70	74	5,180	1,709	2,200	9,089	18,179	21,178	1	21%
Lot 4	70	80	5,600	1,848	2,200	9,648	19,296	22,480	1.08	21%
Lot 5	80	105	8,400	2,772	2,200	13,372	26,744	31,157	1.61	19%
Totals			34,370	11,342	11,000	56,712	113,424	132,139	6.5	20%

*SV Codes allows 1/3 of structur to be outside BE

**SV code limits heights over 30' to 1/3 of total footprint

MEMORANDUM

Date: January 25, 2023
To: The Community School, Inc.
From: Hales Engineering
Subject: ID Sun Valley SVCS Sagewillow Traffic Study



UT23-2421

Introduction

This memorandum discusses the traffic study completed for the Sun Valley Community School (SVCS) Sagewillow campus in Sun Valley, Idaho. A vicinity map of the proposed development is shown in Figure 1.

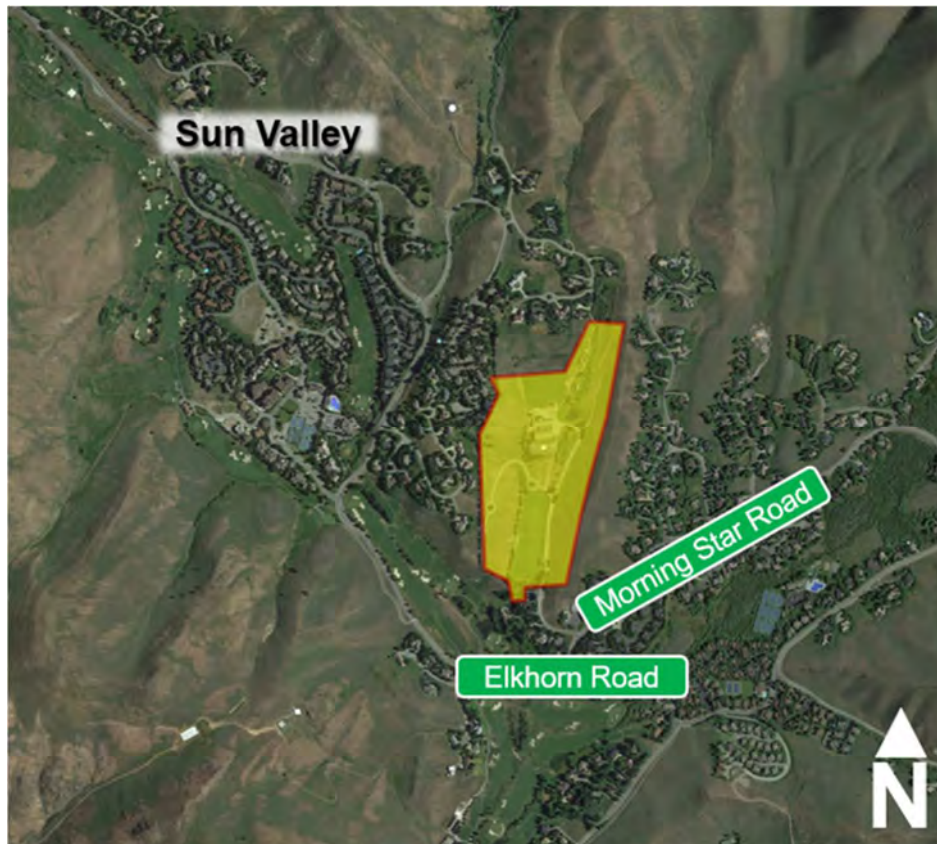


Figure 1: Vicinity image of the proposed development in Sun Valley, Idaho

Project Description

Three land use scenarios are being considered for the proposed development. The three land use scenarios are as follows:

1. Multi-family development only (69 units)
2. Elementary School only (up to 180 students)
3. Both the multi-family and elementary school

Data Collection

Hales Engineering collected 12-hour turning movement count data between 7:00 a.m. and 7:00 p.m. at the Morning Star Road / Elkhorn Road intersection on Thursday, January 12, 2023. These counts were collected in the off-season for athletic events that occur on-site. Detailed turning movement counts are provided in Appendix A.

Trip Generation

Hales Engineering performed trip generation for the three land use scenarios to generate weekday, morning, and evening peak hour trips associated with the proposed development. Trip generation for the development was calculated using trip generation rates published in the Institute of Transportation Engineers (ITE) *Trip Generation (11th Edition, 2021)*. Trip generation for all three scenarios for the proposed project is included in Table 1, where the "Total" row represents scenario 3.

Table 1: Trip Generation

Trip Generation ID Sun Valley - SVCS Sagewillow TS								
Land Use ¹	# of Units	Unit Type	Trip Generation			New Trips		
			Total	% In	% Out	In	Out	Total
Weekday Daily								
Multifamily Housing (Low-Rise) (220)	69	DU	466	50%	50%	233	233	466
Elementary School (520)	180	Students	410	50%	50%	205	205	410
TOTAL (Scenario 3)			876			438	438	876
AM Peak Hour								
Multifamily Housing (Low-Rise) (220)	69	DU	46	24%	76%	11	35	46
Elementary School (520)	180	Students	134	54%	46%	72	62	134
TOTAL (Scenario 3)			180			83	97	180
PM Peak Hour								
Multifamily Housing (Low-Rise) (220)	69	DU	52	63%	37%	33	19	52
Elementary School (520)	180	Students	30	46%	54%	14	16	30
TOTAL (Scenario 3)			82			47	35	82
1. Land Use Code from the Institute of Transportation Engineers (ITE) <i>Trip Generation</i> , 11th Edition, 2021. SOURCE: Hales Engineering, January 2023								

As shown in Table 1, it is anticipated that scenario 1 will generate approximately 466 trips on an average weekday, including 46 trips during the morning peak hour, and 52 trips during the evening peak hour. Scenario 2 will generate approximately 410 trips on an average weekday, including 134 trips during the morning peak hour, and 30 trips during the evening peak hour. Scenario 3 will generate the total of scenarios 1 and 2: approximately 876 trips on an average weekday, including 180 trips during the morning peak hour, and 82 trips during the evening peak hour.

Trip Distribution and Assignment

Project traffic is assigned to the roadway network based on the type of trip and the proximity of project access points to major streets, high population densities, and regional trip attractions. Existing travel patterns observed during data collection also provide helpful guidance to establishing these distribution percentages, especially near the site. The resulting distribution of project generated trips during the peak hour is shown in Table 2.

Table 2: Trip Distribution

Direction	% To/From Project
East	40%
West	60%

These trip distribution assumptions were used to assign the weekday daily trip generation at the study intersection to create trip assignment for each scenario of the proposed development.

Volume Analysis and Comparison

Hales Engineering utilized the new count data and previous data collected in the vicinity of the project for calibration in identifying existing daily (24-hour) volumes on Elkhorn Road. Based on the previous data, 24-hour counts were approximately 8% higher than the 12-hour counts. Therefore, Hales Engineering increased the 12-hour counts by 8% to convert to a 24-hour period.

The previous data was also used to make seasonal adjustments to the observed traffic volumes. It was observed that new count data in January are equal to approximately 58% of average traffic volumes in the vicinity of the project. Therefore, the new count data observed traffic was increased accordingly to determine average volumes at the study intersection.

Hales Engineering then assigned approximate traffic that would be entering and exiting the site for athletic events to the study intersection, based on a 2021 athletics calendar provided by SVCS and using the same distribution that was used to assign the weekday daily trip generation. This estimated traffic for athletic events, in addition to the adjusted new count data, represent peak weekday daily existing background traffic at the study intersection. The background traffic volumes and the trip assignment for the weekday daily trip generation (for all three scenarios) are provided in Figure 2, where volumes are shown in vehicles per day (vpd).



As shown in Figure 2, it is anticipated that scenario 2 will result in the lowest increase (approximately 4%) of typical weekday daily traffic compared to the existing conditions. However, scenario 2 may have the largest morning peak hour impact along Elkhorn Road. Scenario 3 will result in the highest increase (approximately 8%) of typical weekday daily traffic compared to the existing conditions. However, since this is an increase of less than 10%, it is not anticipated to have a significant impact on the traffic operations along Elkhorn Road except during the morning peak hour when there may be a larger impact due to the elementary school.

Conclusions

The findings of this study are as follows:

- Three land use scenarios are being considered for the proposed development:
 - Multi-family development only (69 units)
 - Elementary School only (up to 180 students)
 - Both the multi-family and elementary school
- Hales Engineering performed trip generation for all three scenarios
 - Scenario 1 will generate approximately 466 trips on an average weekday, including 46 trips during the morning peak hour, and 52 trips during the evening peak hour.
 - Scenario 2 will generate approximately 410 trips on an average weekday, including 134 trips during the morning peak hour, and 30 trips during the evening peak hour.
 - Scenario 3 will generate approximately 876 trips on an average weekday, including 180 trips during the morning peak hour, and 82 trips during the evening peak hour.
- It is anticipated that scenario 2 will result in the lowest increase (approximately 4%) of typical weekday daily traffic compared to the existing conditions
- Similarly, it is anticipated that Scenario 3 will result in the highest increase (approximately 8%) of typical weekday daily traffic compared to the existing conditions.
 - Since this is an increase of less than 10%, it is not anticipated to have a significant impact on the traffic operations along Elkhorn Road except during the morning peak hour when there may be a larger impact due to the elementary school.

If you have any questions regarding this memorandum, please contact us at 801.766.4343.

APPENDIX A

Turning Movement Counts

L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

Page No : 1

Groups Printed- General Traffic

Start Time	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					Int. Total
	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	
07:00 AM	0	0	1	0	1	3	9	0	0	12	0	0	0	0	0	0	5	0	0	5	18
07:15 AM	0	0	1	1	2	2	14	0	0	16	0	0	0	0	0	0	5	2	0	7	25
07:30 AM	6	0	1	0	7	7	12	0	0	19	0	0	0	0	0	0	14	2	0	16	42
07:45 AM	4	0	1	1	6	3	35	0	0	38	0	0	0	0	0	0	10	3	0	13	57
Total	10	0	4	2	16	15	70	0	0	85	0	0	0	0	0	0	34	7	0	41	142
08:00 AM	6	0	4	0	10	6	53	0	0	59	0	0	0	0	0	0	14	3	0	17	86
08:15 AM	6	0	10	1	17	7	36	0	0	43	0	0	0	0	0	0	17	1	0	18	78
08:30 AM	5	0	6	0	11	3	30	0	0	33	0	0	0	0	0	0	17	7	0	24	68
08:45 AM	8	0	3	0	11	5	25	0	0	30	0	0	0	0	0	0	13	3	0	16	57
Total	25	0	23	1	49	21	144	0	0	165	0	0	0	0	0	0	61	14	0	75	289
09:00 AM	8	0	2	0	10	3	22	0	0	25	0	0	0	0	0	0	16	5	0	21	56
09:15 AM	9	0	3	0	12	4	24	0	0	28	0	0	0	0	0	0	8	6	0	14	54
09:30 AM	7	0	3	1	11	5	15	0	0	20	0	0	0	0	0	0	10	7	0	17	48
09:45 AM	8	0	6	1	15	6	23	0	0	29	0	0	0	0	0	0	17	11	0	28	72
Total	32	0	14	2	48	18	84	0	0	102	0	0	0	0	0	0	51	29	0	80	230
10:00 AM	8	0	6	0	14	1	23	0	0	24	0	0	0	0	0	0	12	8	0	20	58
10:15 AM	8	0	4	0	12	3	22	0	0	25	0	0	0	0	0	0	9	2	0	11	48
10:30 AM	7	0	2	0	9	5	13	0	0	18	0	0	0	0	0	0	12	7	0	19	46
10:45 AM	15	0	8	0	23	9	16	0	0	25	0	0	0	0	0	0	18	4	0	22	70
Total	38	0	20	0	58	18	74	0	0	92	0	0	0	0	0	0	51	21	0	72	222
11:00 AM	6	0	7	0	13	0	18	0	0	18	0	0	0	0	0	0	21	4	0	25	56
11:15 AM	10	0	7	1	18	8	27	0	0	35	0	0	0	0	0	0	9	13	0	22	75
11:30 AM	7	0	3	2	12	7	21	0	0	28	0	0	0	0	0	0	19	9	0	28	68
11:45 AM	10	0	8	3	21	5	19	0	0	24	0	0	0	0	0	0	25	6	0	31	76
Total	33	0	25	6	64	20	85	0	0	105	0	0	0	0	0	0	74	32	0	106	275
12:00 PM	11	0	2	1	14	3	17	0	0	20	0	0	0	0	0	0	20	8	0	28	62
12:15 PM	8	0	7	0	15	6	17	0	0	23	0	0	0	0	0	0	28	10	0	38	76
12:30 PM	12	0	5	0	17	1	31	0	0	32	0	0	0	0	0	0	24	8	0	32	81
12:45 PM	5	0	5	0	10	5	31	0	0	36	0	0	0	0	0	0	27	9	0	36	82
Total	36	0	19	1	56	15	96	0	0	111	0	0	0	0	0	0	99	35	0	134	301
01:00 PM	7	0	3	0	10	8	25	0	0	33	0	0	0	0	0	0	28	11	0	39	82
01:15 PM	8	0	4	0	12	6	24	0	0	30	0	0	0	0	0	0	20	7	0	27	69
01:30 PM	5	0	5	0	10	5	23	0	0	28	0	0	0	0	0	0	24	9	0	33	71
01:45 PM	7	0	7	2	16	7	19	0	0	26	0	0	0	0	0	0	30	13	0	43	85
Total	27	0	19	2	48	26	91	0	0	117	0	0	0	0	0	0	102	40	0	142	307
02:00 PM	12	0	6	0	18	5	17	0	0	22	0	0	0	0	0	0	31	11	0	42	82
02:15 PM	12	0	3	3	18	7	24	0	0	31	0	0	0	0	0	0	12	9	0	21	70
02:30 PM	7	0	4	0	11	8	23	0	0	31	0	0	0	0	0	0	25	6	0	31	73
02:45 PM	6	0	9	1	16	8	18	0	0	26	0	0	0	0	0	0	30	6	0	36	78
Total	37	0	22	4	63	28	82	0	0	110	0	0	0	0	0	0	98	32	0	130	303
03:00 PM	7	0	3	3	13	3	18	0	0	21	0	0	0	0	0	0	16	10	0	26	60
03:15 PM	11	0	4	1	16	2	11	0	0	13	0	0	0	0	0	0	49	13	0	62	91
03:30 PM	2	0	3	3	8	0	18	0	0	18	0	0	0	0	0	0	30	9	0	39	65
03:45 PM	5	0	6	0	11	5	16	0	0	21	0	0	0	0	0	0	26	9	0	35	67
Total	25	0	16	7	48	10	63	0	0	73	0	0	0	0	0	0	121	41	0	162	283

L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

Page No : 2

Groups Printed- General Traffic

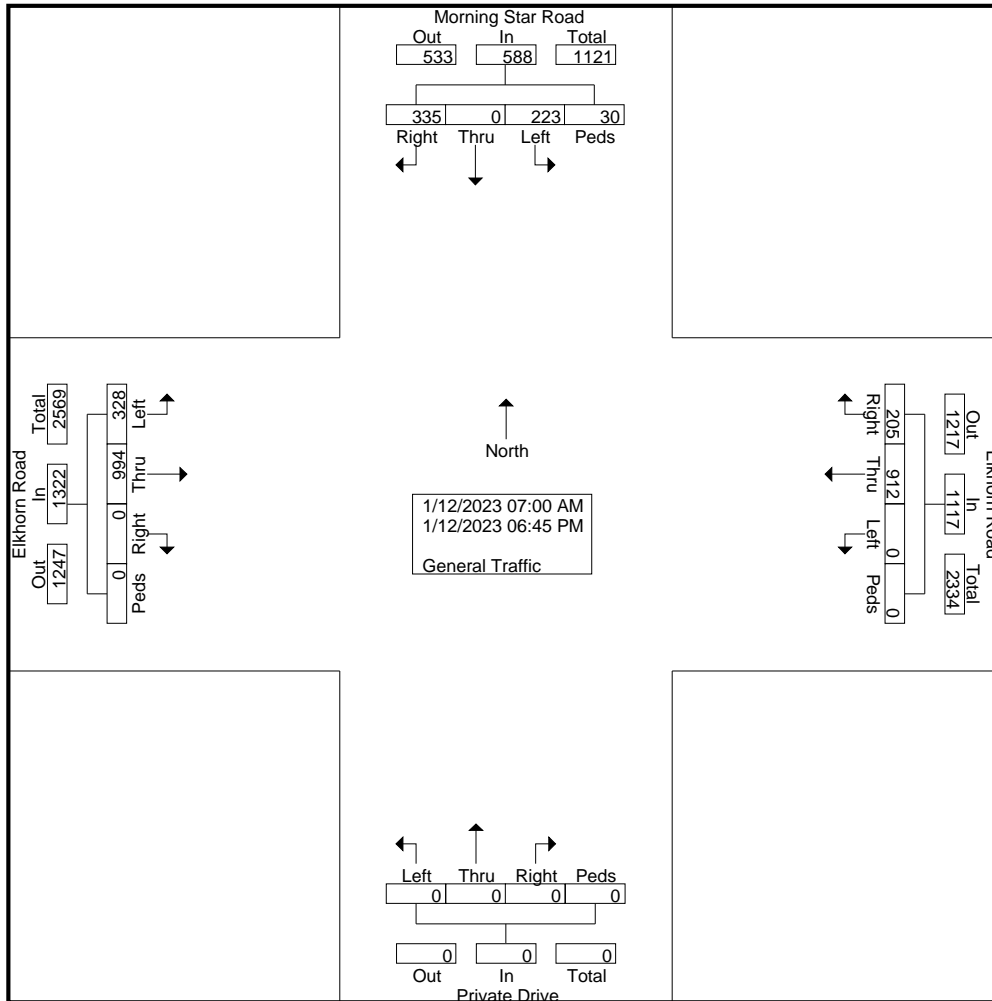
Start Time	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					Int. Total
	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	
04:00 PM	13	0	5	0	18	2	8	0	0	10	0	0	0	0	0	0	45	15	0	60	88
04:15 PM	6	0	7	0	13	2	7	0	0	9	0	0	0	0	0	0	51	11	0	62	84
04:30 PM	8	0	3	0	11	1	18	0	0	19	0	0	0	0	0	0	38	4	0	42	72
04:45 PM	6	0	9	0	15	7	15	0	0	22	0	0	0	0	0	0	35	9	0	44	81
Total	33	0	24	0	57	12	48	0	0	60	0	0	0	0	0	0	169	39	0	208	325
05:00 PM	8	0	11	0	19	3	15	0	0	18	0	0	0	0	0	0	23	9	0	32	69
05:15 PM	5	0	7	0	12	7	6	0	0	13	0	0	0	0	0	0	29	3	0	32	57
05:30 PM	8	0	9	3	20	3	10	0	0	13	0	0	0	0	0	0	22	7	0	29	62
05:45 PM	3	0	3	1	7	4	9	0	0	13	0	0	0	0	0	0	17	6	0	23	43
Total	24	0	30	4	58	17	40	0	0	57	0	0	0	0	0	0	91	25	0	116	231
06:00 PM	8	0	2	1	11	2	10	0	0	12	0	0	0	0	0	0	11	4	0	15	38
06:15 PM	3	0	2	0	5	0	7	0	0	7	0	0	0	0	0	0	13	4	0	17	29
06:30 PM	2	0	1	0	3	1	11	0	0	12	0	0	0	0	0	0	13	3	0	16	31
06:45 PM	2	0	2	0	4	2	7	0	0	9	0	0	0	0	0	0	6	2	0	8	21
Total	15	0	7	1	23	5	35	0	0	40	0	0	0	0	0	0	43	13	0	56	119
Grand Total	335	0	223	30	588	205	912	0	0	1117	0	0	0	0	0	0	994	328	0	1322	3027
Apprch %	57	0	37.9	5.1		18.4	81.6	0	0		0	0	0	0		0	75.2	24.8	0		
Total %	11.1	0	7.4	1	19.4	6.8	30.1	0	0	36.9	0	0	0	0	0	0	32.8	10.8	0	43.7	

L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071
Intersection: Morning Star / Elkhorn Rd
City, State: Sun Valley, Idaho
Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd
Site Code : 00000000
Start Date : 1/12/2023
Page No : 3



L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

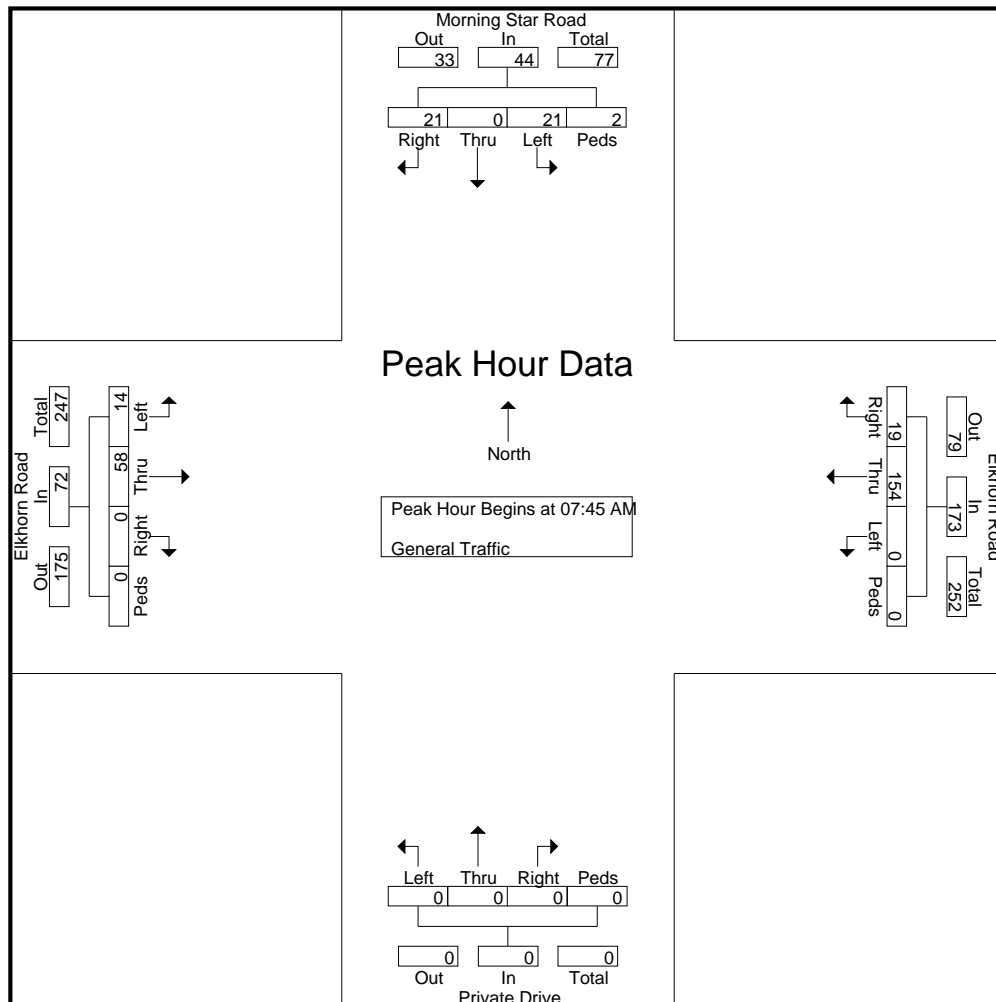
Page No : 4

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total

Peak Hour Analysis From 07:00 AM to 09:45 AM - Peak 1 of 1

Peak Hour for Entire Intersection Begins at 07:45 AM

07:45 AM	4	0	1	1	6	3	35	0	0	38	0	0	0	0	0	0	10	3	0	13	57
08:00 AM	6	0	4	0	10	6	53	0	0	59	0	0	0	0	0	0	14	3	0	17	86
08:15 AM	6	0	10	1	17	7	36	0	0	43	0	0	0	0	0	0	17	1	0	18	78
08:30 AM	5	0	6	0	11	3	30	0	0	33	0	0	0	0	0	0	17	7	0	24	68
Total Volume	21	0	21	2	44	19	154	0	0	173	0	0	0	0	0	0	58	14	0	72	289
% App. Total	47.7	0	47.7	4.5		11	89	0	0		0	0	0	0		0	80.6	19.4	0		
PHF	.875	.000	.525	.500	.647	.679	.726	.000	.000	.733	.000	.000	.000	.000	.000	.000	.853	.500	.000	.750	.840



L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

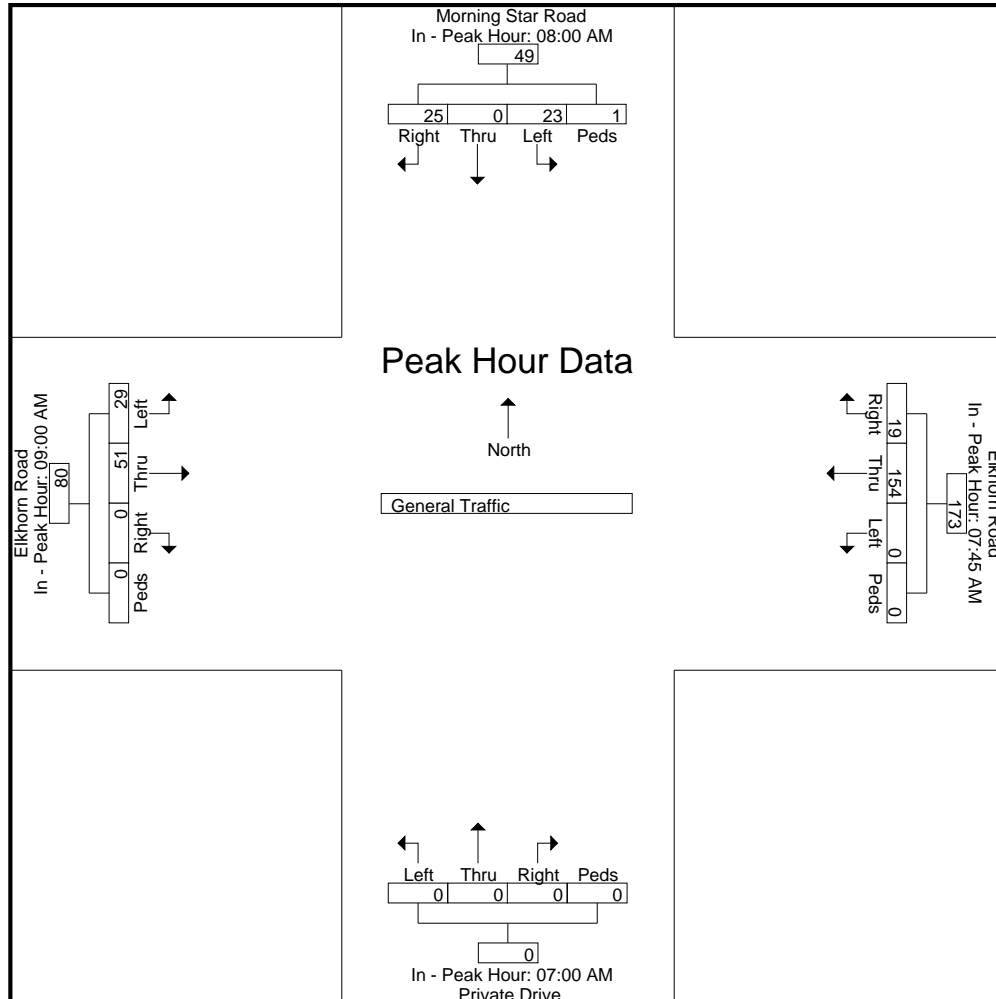
Page No : 5

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total

Peak Hour Analysis From 07:00 AM to 09:45 AM - Peak 1 of 1

Peak Hour for Each Approach Begins at:

	08:00 AM					07:45 AM					07:00 AM					09:00 AM				
+0 mins.	6	0	4	0	10	3	35	0	0	38	0	0	0	0	0	0	16	5	0	21
+15 mins.	6	0	10	1	17	6	53	0	0	59	0	0	0	0	0	0	8	6	0	14
+30 mins.	5	0	6	0	11	7	36	0	0	43	0	0	0	0	0	0	10	7	0	17
+45 mins.	8	0	3	0	11	3	30	0	0	33	0	0	0	0	0	0	17	11	0	28
Total Volume	25	0	23	1	49	19	154	0	0	173	0	0	0	0	0	0	51	29	0	80
% App. Total	51	0	46.9	2		11	89	0	0		0	0	0	0		0	63.8	36.2	0	
PHF	.781	.000	.575	.250	.721	.679	.726	.000	.000	.733	.000	.000	.000	.000	.000	.000	.750	.659	.000	.714



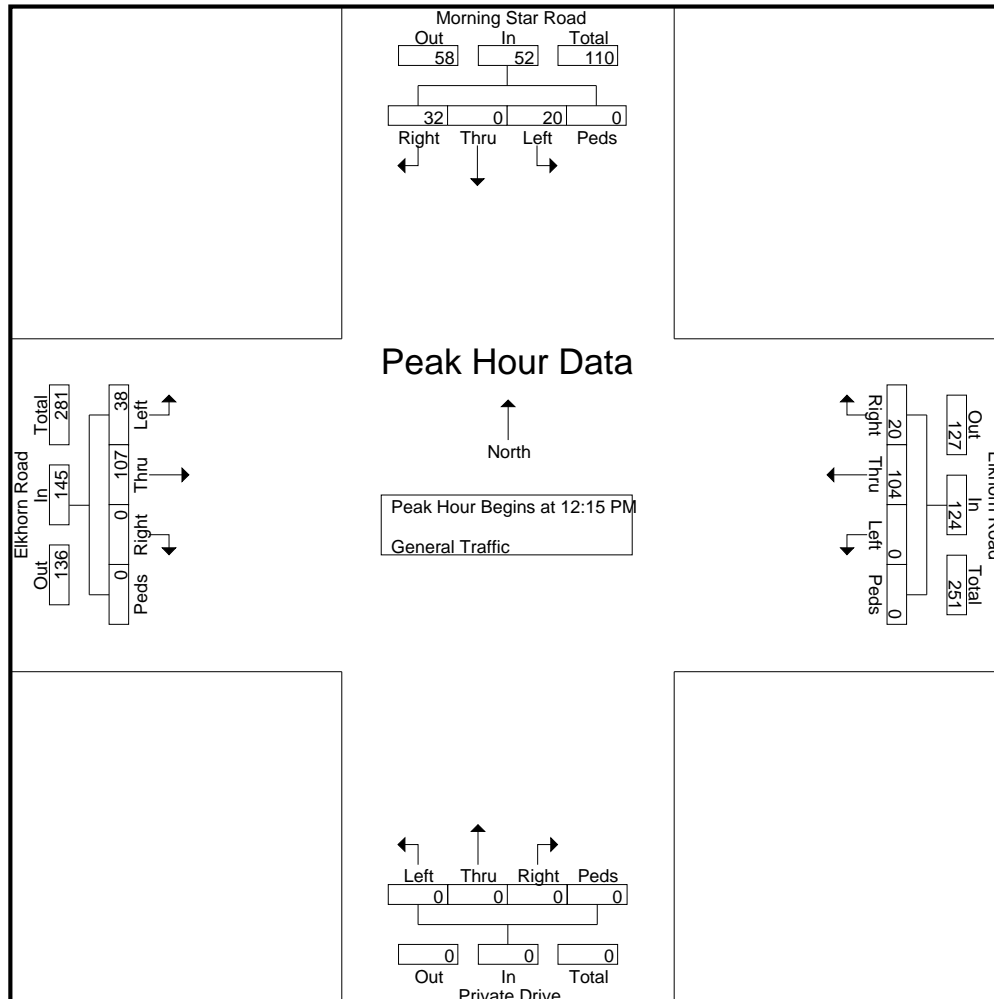
L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071
Intersection: Morning Star / Elkhorn Rd
City, State: Sun Valley, Idaho
Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd
Site Code : 00000000
Start Date : 1/12/2023
Page No : 6

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total
Peak Hour Analysis From 10:00 AM to 01:45 PM - Peak 1 of 1																					
Peak Hour for Entire Intersection Begins at 12:15 PM																					
12:15 PM	8	0	7	0	15	6	17	0	0	23	0	0	0	0	0	0	28	10	0	38	76
12:30 PM	12	0	5	0	17	1	31	0	0	32	0	0	0	0	0	0	24	8	0	32	81
12:45 PM	5	0	5	0	10	5	31	0	0	36	0	0	0	0	0	0	27	9	0	36	82
01:00 PM	7	0	3	0	10	8	25	0	0	33	0	0	0	0	0	0	28	11	0	39	82
Total Volume	32	0	20	0	52	20	104	0	0	124	0	0	0	0	0	0	107	38	0	145	321
% App. Total	61.5	0	38.5	0		16.1	83.9	0	0		0	0	0	0		0	73.8	26.2	0		
PHF	.667	.000	.714	.000	.765	.625	.839	.000	.000	.861	.000	.000	.000	.000	.000	.000	.955	.864	.000	.929	.979



L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

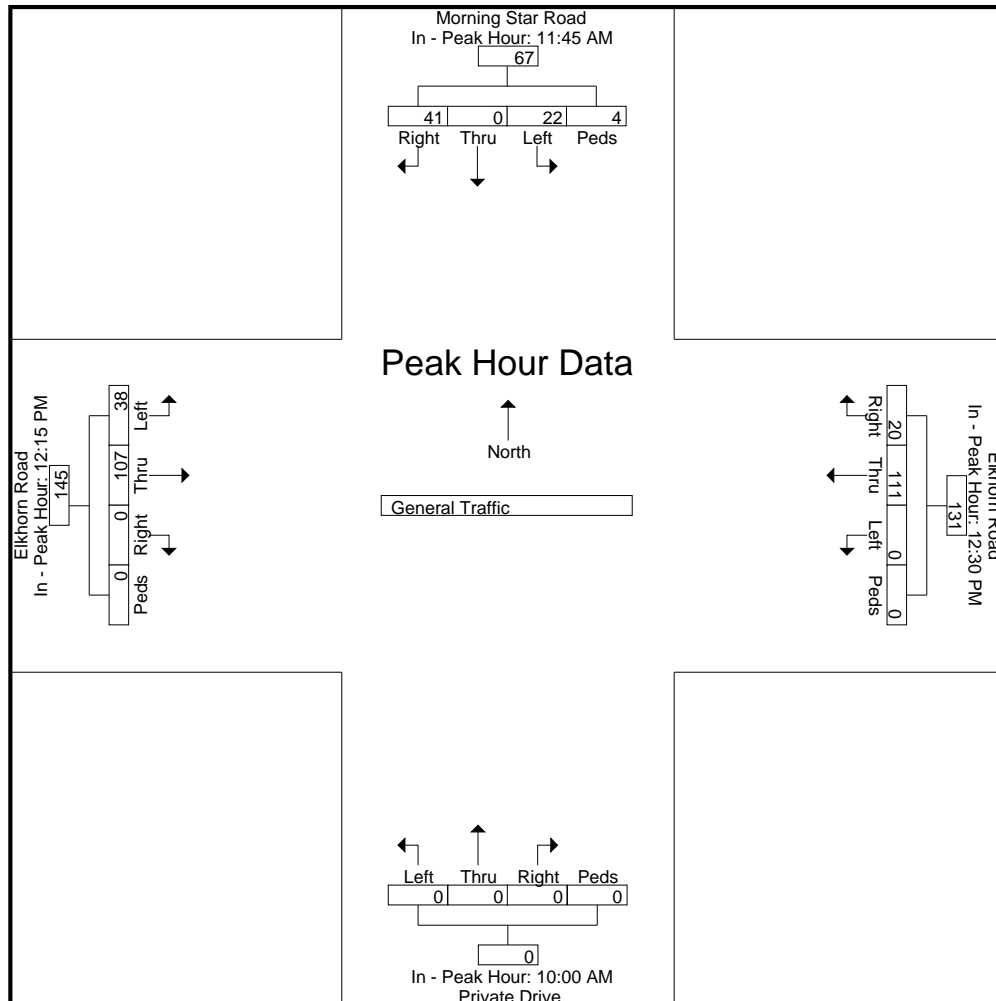
Page No : 7

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total

Peak Hour Analysis From 10:00 AM to 01:45 PM - Peak 1 of 1

Peak Hour for Each Approach Begins at:

	11:45 AM					12:30 PM					10:00 AM					12:15 PM				
+0 mins.	10	0	8	3	21	1	31	0	0	32	0	0	0	0	0	0	28	10	0	38
+15 mins.	11	0	2	1	14	5	31	0	0	36	0	0	0	0	0	0	24	8	0	32
+30 mins.	8	0	7	0	15	8	25	0	0	33	0	0	0	0	0	0	27	9	0	36
+45 mins.	12	0	5	0	17	6	24	0	0	30	0	0	0	0	0	0	28	11	0	39
Total Volume	41	0	22	4	67	20	111	0	0	131	0	0	0	0	0	0	107	38	0	145
% App. Total	61.2	0	32.8	6		15.3	84.7	0	0		0	0	0	0		0	73.8	26.2	0	
PHF	.854	.000	.688	.333	.798	.625	.895	.000	.000	.910	.000	.000	.000	.000	.000	.000	.955	.864	.000	.929



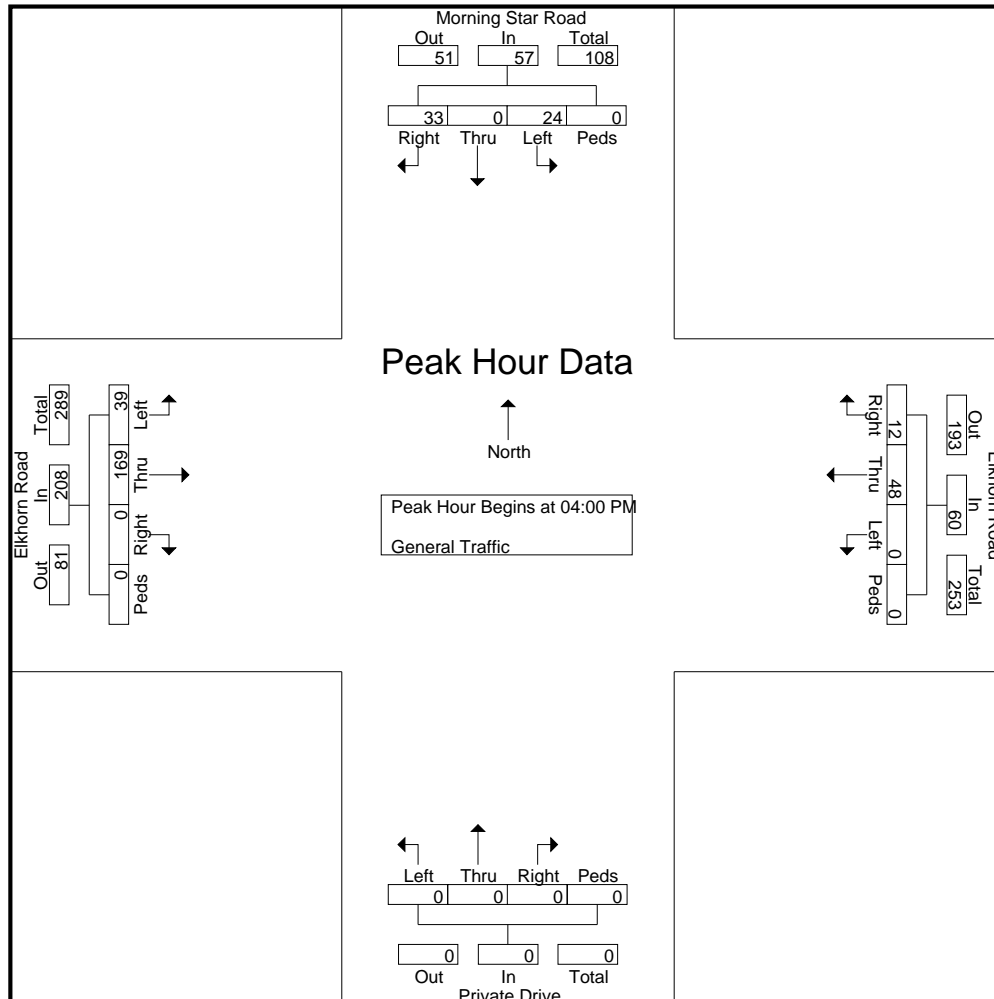
L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071
Intersection: Morning Star / Elkhorn Rd
City, State: Sun Valley, Idaho
Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd
Site Code : 00000000
Start Date : 1/12/2023
Page No : 8

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total
Peak Hour Analysis From 02:00 PM to 06:45 PM - Peak 1 of 1																					
Peak Hour for Entire Intersection Begins at 04:00 PM																					
04:00 PM	13	0	5	0	18	2	8	0	0	10	0	0	0	0	0	0	45	15	0	60	88
04:15 PM	6	0	7	0	13	2	7	0	0	9	0	0	0	0	0	0	51	11	0	62	84
04:30 PM	8	0	3	0	11	1	18	0	0	19	0	0	0	0	0	0	38	4	0	42	72
04:45 PM	6	0	9	0	15	7	15	0	0	22	0	0	0	0	0	0	35	9	0	44	81
Total Volume	33	0	24	0	57	12	48	0	0	60	0	0	0	0	0	0	169	39	0	208	325
% App. Total	57.9	0	42.1	0		20	80	0	0		0	0	0	0		0	81.2	18.8	0		
PHF	.635	.000	.667	.000	.792	.429	.667	.000	.000	.682	.000	.000	.000	.000	.000	.000	.828	.650	.000	.839	.923



L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071

Intersection: Morning Star / Elkhorn Rd

City, State: Sun Valley, Idaho

Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd

Site Code : 00000000

Start Date : 1/12/2023

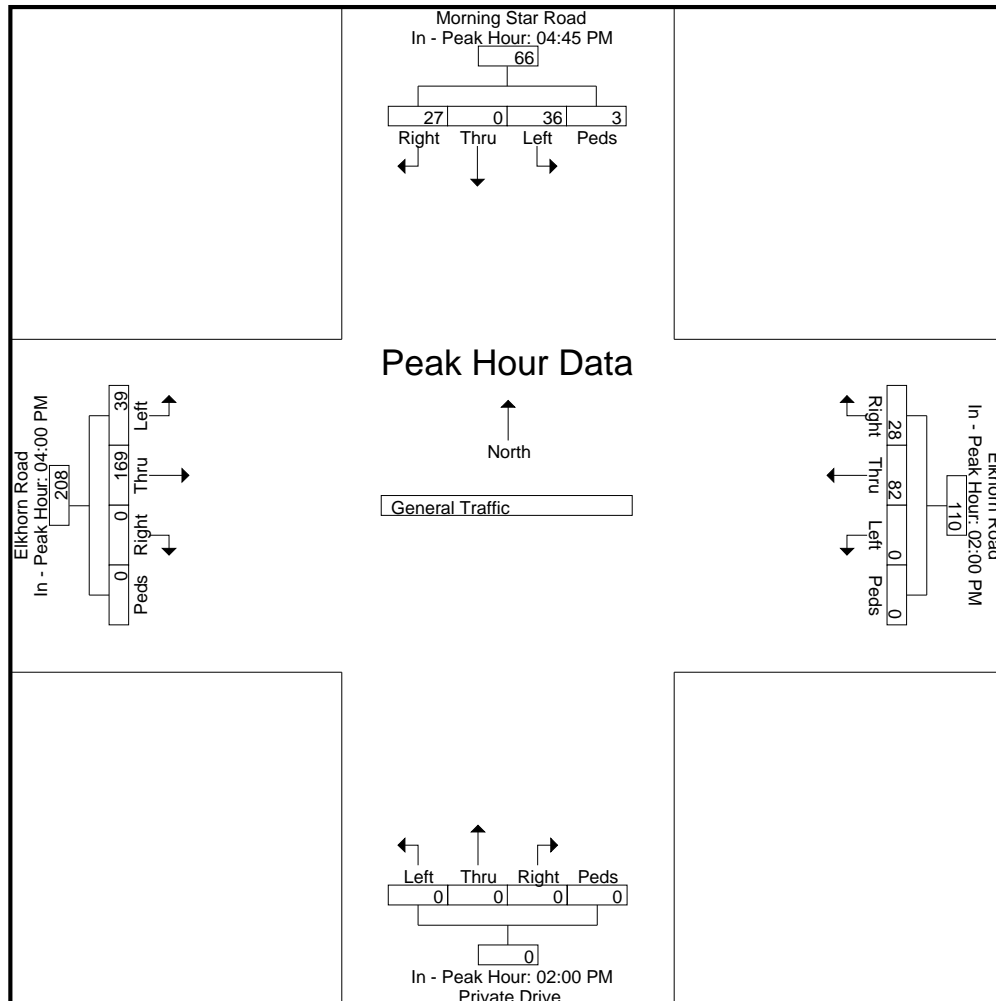
Page No : 9

	Morning Star Road From North					Elkhorn Road From East					Private Drive From South					Elkhorn Road From West					
Start Time	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Right	Thru	Left	Peds	App. Total	Int. Total

Peak Hour Analysis From 02:00 PM to 06:45 PM - Peak 1 of 1

Peak Hour for Each Approach Begins at:

	04:45 PM					02:00 PM					02:00 PM					04:00 PM					
+0 mins.	6	0	9	0	15	5	17	0	0	22	0	0	0	0	0	0	45	15	0	0	60
+15 mins.	8	0	11	0	19	7	24	0	0	31	0	0	0	0	0	0	51	11	0	0	62
+30 mins.	5	0	7	0	12	8	23	0	0	31	0	0	0	0	0	0	38	4	0	0	42
+45 mins.	8	0	9	3	20	8	18	0	0	26	0	0	0	0	0	0	35	9	0	0	44
Total Volume	27	0	36	3	66	28	82	0	0	110	0	0	0	0	0	0	169	39	0	0	208
% App. Total	40.9	0	54.5	4.5		25.5	74.5	0	0		0	0	0	0		0	81.2	18.8	0		
PHF	.844	.000	.818	.250	.825	.875	.854	.000	.000	.887	.000	.000	.000	.000	.000	.000	.828	.650	.000		.839



L2 Data Collection

L2DataCollection.com
Idaho (208) 860-7554 Utah (801) 413-2993

Study: HALE0071
Intersection: Morning Star / Elkhorn Rd
City, State: Sun Valley, Idaho
Control: Stop Sign

File Name : Morning Star Rd & Elkhorn Rd
Site Code : 00000000
Start Date : 1/12/2023
Page No : 10

Image 1

