

RESOLUTION NO. 2007-12

A RESOLUTION OF THE NORTH KOOTENAI WATER DISTRICT, OF KOOTENAI COUNTY, IDAHO ACCEPTING A PETITION OF PROPERTY OWNERS FOR ANNEXATION; MAKING CERTAIN FINDINGS RELATIVE TO THE PETITION; SETTING A PUBLIC HEARING TO CONSIDER THE POSSIBLE ANNEXATION OF CERTAIN REAL PROPERTY INTO THE DISTRICT; DIRECTING THAT NOTICE OF SUCH PUBLIC HEARING BE PUBLISHED AND POSTED; AND OTHER MATTERS PROPERLY RELATING THERETO

**NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho**

Hayden Ridge Annexation

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF NORTH KOOTENAI WATER DISTRICT, of Kootenai County, Idaho, as follows:

WHEREAS, North Kootenai Water District (the "District") is a duly and properly formed water district under and by virtue of the laws of the State of Idaho and is governed by a Board of Directors (the "Board");

WHEREAS, the Board has authority pursuant to Idaho Code Section 42-3218 to consider annexation of property into the District upon the presentation of a petition of property owners meeting certain requirements;

WHEREAS, certain property owners have presented an appropriate petition to the Board of Directors for consideration;

WHEREAS, the Board wishes to make certain findings regarding this petition and also set a public hearing on the possible annexation of real property into the District.

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1: Findings of the Board Relative to the Petition for Annexation of Real Property. The Board hereby makes the following findings of fact relative to the petitions it has received from property owners:

(a) The Board has received 1) a petition signed by Jay Audia, Manager, Edge Devolvement Group, LLC (the "Hayden Ridge Property"). (A copy of the petition with

signatures thereon is attached hereto and incorporated herein by this referenced as Exhibit "A".)

(b) The Hayden Ridge property proposed to be annexed into the District is described and depicted in map form as Exhibit "B", hereto.

(c) The petitioners did pay a reasonable filing fee as determined by the Board, and have also provided security for other expenses that the Board and District may incur in the annexation process.

(d) The Board wishes to hold a public hearing on the annexation of the property to obtain further comments from those affected.

Section 2: Public Hearing. The Board hereby sets November 1, 2007, as the date of the public hearing on the Petition to Annex Real Property into the District. The hearing will be held at 12:30 p.m. in the offices of the Board, located at 1841 West Hayden Avenue in Hayden, Idaho. The Board will consider written comments, public testimony and other information in making its determination as to whether this real property should be annexed into the District. The Board also reserves the right to continue this public hearing to such later date as it may deem advisable in order to make its final decision.

Section 3: Notice. Pursuant to Idaho Code Section 42-3218, the Secretary of the District shall publish notice of the public hearing in the official newspaper of the District, twice, with the first publication at least twelve (12) days in advance of the public hearing and the second publication, one week later.

Section 4: Ratification. The Board hereby ratifies all acts taken by members of the Board and/or agents on behalf of the Board or District relative to this potential annexation and the hearing process is hereby ratified and approved.

Section 5: Severability. If any section, paragraph, clause, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of each section, paragraph, clause, or provision shall in no manner affect any remaining provision of this Resolution.


Section 6: Effective Date. This Resolution shall become and is effective as of the date of its adoption.

DATED this 4th day of October, 2007.

NORTH KOOTENAI WATER DISTRICT,
Kootenai County, Idaho


Chairman, Board of Directors

ATTEST:


District Secretary



I, the undersigned, Secretary of the Board of Directors of North Kootenai Water District, of Kootenai County, Idaho, hereby certify that the foregoing Resolution is a full, true, and correct copy of a Resolution duly adopted at a regular meeting of the District, duly and regularly held at the regular meeting place thereof on October 4, 2007, of which meeting all members of the Board had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES, and in favor thereof, Directors: *Five*

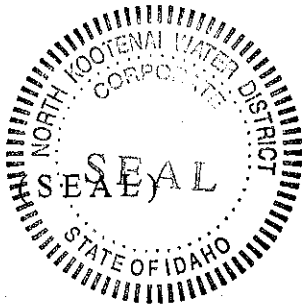
NAYS, Directors: *None*

ABSENT, Directors: *None*

ABSTAIN, Directors: *None*

I further certify that I have carefully compared the same with the original Resolution on file and of record in my office; that said Resolution is a full, true, and correct copy of the original Resolution adopted at said meeting; and that said Resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the District on October 4, 2007.



Bainhurst

District Secretary

**NOTICE OF PUBLIC HEARING
OF ANNEXATION OF PROPERTY
INTO NORTH KOOTENAI WATER DISTRICT**

**NORTH KOOTENAI WATER DISTRICT
Kootenai County, Idaho**

HAYDEN RIDGE ANNEXATION

The Board of Directors (the "Board") of the North Kootenai Water District (the "District") will be holding a public hearing on the annexation of property into the District. The public hearing will be held as follows:

Day: Thursday

Date: November 1, 2007

Time: 12:30 p.m.

Location: 1841 W. Hayden Ave., Hayden, ID 83835

The annexation hearing is based upon petitions filed by Edge Development Group, LLC (Hayden Ridge), August 21, 2007. A copy of the Petition and a description of the area covered by the Petition can be obtained from the District by sending a request to:

North Kootenai Water District
P.O. Box 2290
Hayden, ID 83835

All persons interested in appearing at the time and place of the hearing may show cause in writing why the Petition for Annexation should not be granted. The Board shall consider, at the hearing, any objection presented in writing. The failure of any person to show cause in writing shall be deemed as an assent to include their property within the boundaries of the District.

Anyone wishing to provide written comments, who is unable to attend the hearing, may provide them in advance of the hearing by sending them, first class mail, postage pre-paid, to:

North Kootenai Water District
Attn: Secretary
P.O. Box 2290
Hayden, ID 83835

Failure to have your written comments to the Board in advance of the public hearing means they will not be considered by the Board at the public hearing.

DATED this 4th day of October, 2007.

NORTH KOOTENAI WATER DISTRICT, Kootenai County,
Idaho

By: 
Its: Secretary

EXHIBIT A

Petition for Annexation

Hayden Ridge

Michael C Ormsby
Attorney at Law
Preston[Gates]Ellis LLP
601 West Riverside Avenue, Suite 1400
Spokane WA 99201-0628
Phone: (509) 624-2100
Fax: (509) 444-7858

Attorney for North Kootenai Water District

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND
FOR THE COUNTY OF KOOTENAI

In the Matter of:

NORTH KOOTENAI WATER
DISTRICT

PETITION FOR ANNEXATION

Come now the undersigned, being all of the owners of the parcel of real property in Kootenai
County, Idaho, described more particularly as: (insert or attach legal description)

who individually and collectively pray that such property be annexed and included in the North Kootenai
Water District upon adoption of a resolution to such effect by the Board of Directors of said District.

As specified by Idaho Code Section 42-3218, a filing fee in the amount of \$500.00 representing
the costs of filing, publication and processing of this petition accompanies the petitioners' submission of
this request to the District.

Dated this 21st day of AUGUST, 2007

(Notarized Owner's Signatures)

EDGE DEVELOPMENT GROUP, LLC

by Jay Audia
JAY AUDIA, Manager

STATE OF OREGON

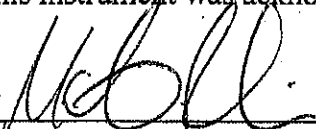
)

ss.

County of Deschutes

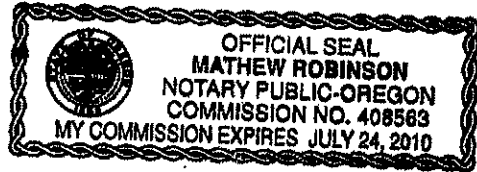
)

This instrument was acknowledged before me on August 21, 2007, by Jay Audia



Signature of notarial officer

Seal:



My commission expires: 07/24/2010

On this _____ day of _____, _____, before me, a Notary Public in
and for the State of Idaho, personally appeared _____
known or identified to me to be the persons whose names are subscribed to the within instrument, and
acknowledged to me that they executed the same.

Notary Public for Idaho
Residing at _____
Commission Expires: _____



PioneerTitleCo.

GOING BEYOND

100 Wallace Avenue/ Coeur d Alene, Idaho 83814

TO: Dan Simms

DATE: April 19, 2006

ORDER NO.: 122117

RE: Edge Development, LLC

Enclosed:
Report

Thank you for giving us the opportunity to serve you. We appreciate your business and will strive to merit the confidence you have shown in us.

If you have any questions, please contact the following:

TITLE OFFICER
Tanya Travis



Schedule A
COMMITMENT

Pioneer Title Company of Kootenai County
100 Wallace Avenue
Coeur d'Alene, ID 83814
(208) 664-8254/Fax (208) 664-9479
Escrow Officer:
Title Officer: Tanya Travis

Order No. 122117

REPORT ONLY

1. Effective Date: **March 29, 2006** at 8:00 A.M.

2. Policy or Policies to be issued:	Policy Amount	Amount
(a) <input checked="" type="checkbox"/> Owner's Policy Proposed Insured: Edge Development, LLC Credit: reissue Endorsements:	\$300.00	\$300.00 (\$50.00)
	Total Premium:	\$ 250.00
(b) <input type="checkbox"/> Loan Policy Proposed Insured: NONE Endorsements:	- 0 -	-0-
	Total Premium:	\$ 0.00

3. The estate or interest in the land described or referred to in this Commitment and Covered herein is:

Fee Simple

4. Title to the estate or interest in said land is at the effective date hereof vested in:

Edge Development Group L.L.C., an Oregon Limited Liability Company

5. The land referred to in this Commitment is described as follows:

The West 400 feet of Government Lot 4 in Section 21, Township 51 North, Range 3 West, Boise Meridian, Kootenai County, Idaho.

LESS platted portion thereof.

EXCEPTING THEREFROM that portion conveyed to Lakes Highway District by Right-of-Way Deed recorded October 31, 2001 as Instrument No. 1702809, records of Kootenai County, Idaho.

Schedule B - Section I

EXCEPTIONS

Order Number: 122117

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
2. **General Exceptions:**
 - (a) Rights or claims of parties in possession not shown by the public records.
 - (b) Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey or inspection of the premises including, but not limited to, insufficient or impaired access or matters contradictory to any survey plat shown by the public records.
 - (c) Easements, or claims of easements, not shown by the public records.
 - (d) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
 - (e) (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims to title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
 - (f) Taxes or special assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices to such proceedings, whether or not shown by the records of such agency or by the public records.

*PARAGRAPHS A, B, C, D, E AND F WILL NOT APPEAR AS PRINTED EXCEPTIONS ON EXTENDED COVERAGE POLICIES, EXCEPT AS TO SUCH PARTS THEREOF, WHICH MAY BE TYPED AS A SPECIAL EXCEPTION IN SCHEDULE B- SECTION II.

Schedule B - Section II
COMMITMENT

SPECIAL EXCEPTIONS

Order Number: 122117

1. General taxes for the year 2005, which are a lien, in the original sum of \$923.02, of which the first half has been paid. The second half of which will not become delinquent until June 20th.

Parcel No.: 51N03W-21-5525

B/N: 135630

2. General taxes for the year 2006, which are liens, are not yet due and payable.

Tax Parcel No.: 51N03W-21-5525 B/N: 135630

3. Liens and assessments of Hayden Lake Recreational Water and Sewer District. No delinquencies appear in the County Recorders office.

4. Liens and assessments of Hayden Lake Development and Recreation Association and the rights and powers thereof as provided by law. No delinquencies appear in the County Recorder's office.

5. Reservation by the United States of America of all minerals except coal and iron, as contained in the Patent recorded in Book 60 of Deeds, Page 176, records of Kootenai County, Idaho.

6. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: October 1, 1928

Instrument No.: Book 93 of Deeds, Pages 68 to 69 inclusive

7. Road easement reserved by Fred S. Hall and Ida E. Hall, husband and wife, as contained in Deed recorded in Book 93 of Deeds, Page 71, as the same affects the West 400 feet of Government Lot 4, Section 21, Township 51 North, Range 3 West, Boise Meridian, the location of said road is not defined of record.

8. Road easement granted to Dalton Highway District by Deed recorded in Book 94, Page 302. The location of said road is not defined of record.

9. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein

For: The purpose of a public highway forever

In Favor of: The County of Kootenai, State of Idaho, its successors and assigns

Recorded: April 7, 1934

Instrument No.: Book 101, Page 234

10. Amended Articles of Association of Hayden Lake Development and Recreation Association recorded April 20, 1984 as Instrument No. 970009.

Schedule B - Section II
COMMITMENT

SPECIAL EXCEPTIONS

Order Number: 122117

11. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein

For: Slop and utility purposes and for cut slope and access for slope stabilization purposes

In Favor of: Lakes Highway District, a quasi-municipal corporation, its successors and assigns

Recorded: October 31, 2001

Instrument No.: 1702809

12. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: October 31, 2001

Instrument No.: 1702809

As Follows: **CONDITION SUBSEQUENT:** In the even that Grantee, its successors, or assigns does not commence improvements to Lower Hayden Lake Road by December 31, 2005, then ownership of the strip shall immediately revert to Grantor, his heirs or assigns, who may immediately upon abandonment re-enter and occupy the premises.

13. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: January 24, 2006

Instrument No.: 2009559

As Follows: No access or use of the beach and/or any other property belonging to Hayden Lake Development and Recreation Association and/or it's members is being granted.. Also, Kootenai Land and Trust, LLC will not be a party of the association and therefore will not be responsible to pay dues.

Notes:

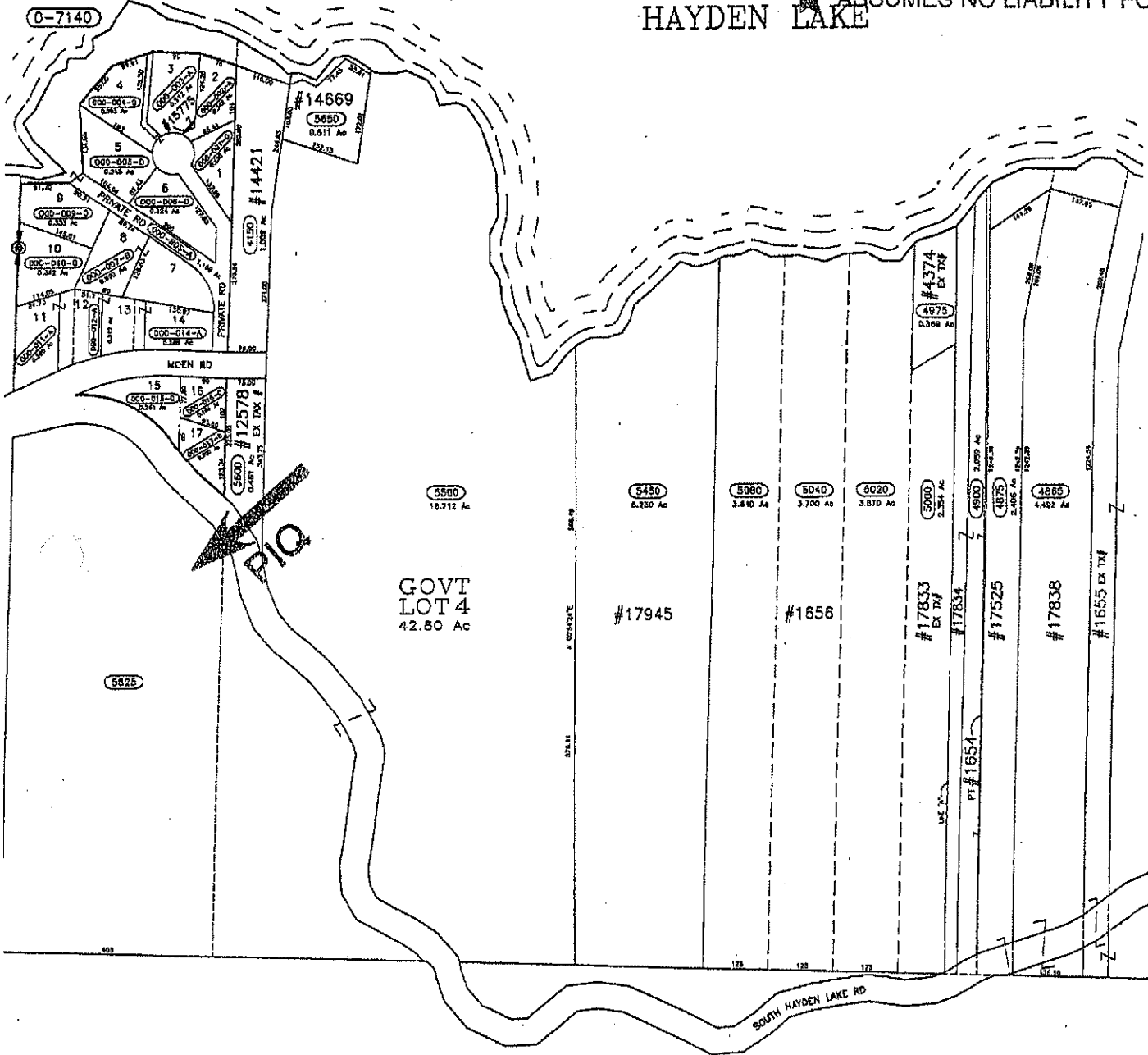
1. The address of the subject property is as follows: **Vacant land.**

Gov't Lts 3 & 4 Sec.21 Twp. 51 N. R.3 W.B.M.

↑ THIS IS NOT A SURVEY. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. PIONEER TITLE COMPANY MAKES NO REPRESENTATIONS AS TO THE ACCURACY OF THE MAP AND ASSUMES NO LIABILITY FOR IT.

HAYDEN LAKE

Sandy Cove Add



SCALE: 1 INCH = 200 FEET

Gov't Lts 3 & 4 Sec.2

(Your Letterhead)

(Date)

Board of Directors
North Kootenai Water District
PO Box 2290
Hayden, ID. 83835

RE: Request For Water Service

Ladies and Gentlemen,

This letter is a formal request for water service by (name of person requesting water or developer) for the subdivision named (subdivision name), located (cross streets, etc), whose legal description is (legal description). The development shall consist of (# of parcels/lots) parcels/lots.

- Or -

This letter is a formal request for water service by (name of person requesting water or developer) for the lot split of (original legal description) located (cross streets, etc), whose new legal description is (new legal description). The development shall consist of (# of parcels/lots) parcels/lots.

Enclosed are the following documents: (only complete applications will be considered)

1. Preliminary Subdivision Application for Water Service (\$250 fee attached for new subdivision)
2. Letter from the appropriate fire district outlining fire flow requirements
3. Petition for annexation into the North Kootenai Water District (\$500 fee attached)
4. Copy of title report for the property
5. Map of proposed subdivision
6. Map of surrounding area

I understand that by submitting this information, NKWD does not guarantee that water service is available to the subject property. I also understand that should service be available, the District may require an engineering study at my expense.

This is the initial step in requesting water service by NKWD. Should the District be unable to serve this project, the petition for annexation fee will be refunded.

I have read and understand the request for water service.

EDGE DEVELOPMENT GROUP, LLC

Submitted by JAY AUDIA, MANAGER
Printed name

Signature

Jay Audia

Date 8-20-07

North Kootenai Water District

Preliminary Subdivision Application for Water Service

Subdivision Name: Hayden Ridge
 Application for: Lot Split _____ Subdivision _____ # of Lots: 19
 Legal Description: Parcel # 51N 03W-21-5525 Sec 21 Twp 51N Rng 3W
 Zoning District Restricted Residential
 Directions to Site: South Side E. Hayden Lake Road

Edge Development		541-389-2084	
Applicant Name	Phone	E-mail	
170 SW Scalehouse Loop	Bend	OR	97702
Applicant Address	City	State	Zip
Same			
Property Owner(s) Name(s)	Phone	E-mail	
Property Owner(s) Address	City	State	Zip
Robert Tate	208-676-8708	rtate@tate-eng.com	
Engineer	Phone	E-mail	
Tate Engineering	1103 N. 4th St.	Coeur d'Alene	ID 83814
Engineering Firm Name	Address	City	State Zip

Contact Person (select one): Owner Applicant Engineer

Application Requirements

Agency Letters:	Req'd	Rev'd	Req'd	Rev'd
Fire District (stating req'd fire flows)	<input type="checkbox"/>	<input type="checkbox"/>		
Other _____	<input type="checkbox"/>	<input type="checkbox"/>		

Other Items:

Application Form	<input type="checkbox"/>	<input type="checkbox"/>	Title Report	<input type="checkbox"/>	<input type="checkbox"/>
Initial Request Letter to Board	<input type="checkbox"/>	<input type="checkbox"/>	Small Plat/Plan (max 11" x 17")	<input type="checkbox"/>	<input type="checkbox"/>
Petition for Annexation	<input type="checkbox"/>	<input type="checkbox"/>	Surrounding Area Map	<input type="checkbox"/>	<input type="checkbox"/>

I hereby authorize North Kootenai Water District to enter onto and inspect the property that is the subject of this application.

Property Owner's Signatures: EDGE DEVELOPMENT GROUP, LLC
Jay Audia Date: 8-20-07
JAY AUDIA, MANAGER Date: _____



September 11, 2007

North Kootenai Water District
PO Box 2290
Hayden, ID 83835

Re: Edge Development Group, LLC
Request for Water Service

To whom it may Concern,

Edge Development Group, LLC (Edge) is the owner of property on the south side of East Hayden Lake Road, described as Parcel #51N 03W-21-5525, Section 21, Township 51N, Range 3W. Edge filed its Preliminary Subdivision Application for Water Service along with its formal Request for Water Service several weeks ago.

The purpose of this letter is to serve as our authorization for Dan Sims to handle any and all matters in Edge's behalf pertaining to our application for water service and/or the Petition for Annexation with the North Kootenai Water District.

Please advise us if you require anything further.

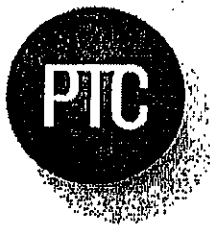
Sincerely,

Edge Development Group, LLC

By Andrew J. Gerlicher, CFO
Andrew J. Gerlicher, Chief Financial Officer

DEVELOPMENT GROUP

233 SW Wilson Ave., Suite 100
Phone: (841) 830-8700
Fax: (841) 830-0470
COB #17140000



Pioneer Title Co.

GOING BEYOND

100 Wallace Avenue/ Coeur d Alene, Idaho 83814 / (208) 664-8254

INVOICE

Riley & Ritter Construction
Attn: Dan Sims

Invoice Date

Invoice Number

September 6, 2007

127526

Customer Reference

Buyer

Seller

Edge Development
Group llc

n/a

Property Address

..

<u>Date</u>	<u>Description</u>	<u>Charges</u>	<u>Credits</u>
09/06/07	Title Report	300.00	

Balance Due: \$ \$ 300.00

Thank You for Your Business



PioneerTitleCo.

GOING BEYOND

100 Wallace Avenue/ Coeur d Alene, Idaho, 83814

TO: Riley Ritter Construction Co.

DATE: September 6, 2007

ATTN: Dan Sims

ORDER NO.: 127526

RE: Edge Development Group llc

Enclosed:
Report

Thank you for giving us the opportunity to serve you. We appreciate your business and will strive to merit the confidence you have shown in us.

If you have any questions, please contact the following:

TITLE OFFICER
Tanya Travis

ESCROW OFFICER
Title Only



Schedule A
COMMITMENT

Pioneer Title Company of Kootenai County
100 Wallace Avenue
Coeur d'Alene, ID 83814
(208) 664-8254/Fax (208) 664-9479
Escrow Officer: Title Only
Title Officer: Tanya Travis

Order No. 127526

REPORT ONLY

1. Effective Date: August 10, 2007 at 8:00 A.M.

2. Policy or Policies to be issued:	Policy Amount	Amount
(a) <input checked="" type="checkbox"/> Owner's Policy Proposed Insured: Edge Development Group LLC	\$300.00	\$300.00
Endorsements:		
	Total Premium:	\$ 300.00
(b) <input type="checkbox"/> Loan Policy Proposed Insured: NONE	- 0 -	-0-
Endorsements:		
	Total Premium:	\$ 0.00

3. The estate or interest in the land described or referred to in this Commitment and Covered herein is:
Fee Simple

4. Title to the estate or interest in said land is at the effective date hereof vested in:
Edge Development Group L.L.C., an Oregon Limited Liability Company

5. The land referred to in this Commitment is described as follows:

The West 400 feet of Government Lot 4 in Section 21, Township 51 North, Range 3 West, Boise Meridian, Kootenai County, Idaho.

LESS platted portion thereof.

EXCEPTING THEREFROM that portion conveyed to Lakes Highway District by Right-of-Way Deed recorded October 31, 2001 as Instrument No. 1702809, records of Kootenai County, Idaho.

Schedule B - Section I

EXCEPTIONS

Order Number: 127526

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.
2. **General Exceptions:**
 - (a) Rights or claims of parties in possession not shown by the public records.
 - (b) Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey or inspection of the premises including, but not limited to, insufficient or impaired access or matters contradictory to any survey plat shown by the public records.
 - (c) Easements, or claims of easements, not shown by the public records.
 - (d) Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
 - (e) (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims to title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
 - (f) Taxes or special assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices to such proceedings, whether or not shown by the records of such agency or by the public records.

*PARAGRAPHS A, B, C, D, E AND F WILL NOT APPEAR AS PRINTED EXCEPTIONS ON EXTENDED COVERAGE POLICIES, EXCEPT AS TO SUCH PARTS THEREOF, WHICH MAY BE TYPED AS A SPECIAL EXCEPTION IN SCHEDULE B- SECTION II.

Schedule B - Section II
COMMITMENT

SPECIAL EXCEPTIONS

Order Number: 127526

1. General taxes for the year 2006, which are liens, in the original sum of \$782.30, the first half of which is paid and the second half is now delinquent, plus penalty and interest.

Parcel No.: 51N03W-21-5525 B/N: 135630

2. General taxes for the year 2007, which are liens, are not yet due and payable.

Parcel No.: 51N03W-21-5525 B/N: 135630

3. The taxes showing in the title report and closing documents reflect the current information available from the Kootenai County Treasurer. Any discrepancy with the taxes will be the responsibility of the seller/borrower.

4. Liens and assessments of Hayden Lake Recreational Water and Sewer District. No delinquencies appear in the County Recorders office.

5. Liens and assessments of Hayden Lake Development and Recreation Association and the rights and powers thereof as provided by law. No delinquencies appear in the County Recorder's office.

6. Reservation by the United States of America of all minerals except coal and iron, as contained in the Patent recorded in Book 60 of Deeds, Page 176, records of Kootenai County, Idaho.

7. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: October 1, 1928

Instrument No.: Book 93 of Deeds, Pages 68 to 69 inclusive

8. Road easement reserved by Fred S. Hall and Ida E. Hall, husband and wife, as contained in Deed recorded in Book 93 of Deeds, Page 71, as the same affects the West 400 feet of Government Lot 4, Section 21, Township 51 North, Range 3 West, Boise Meridian, the location of said road is not defined of record.

9. Road easement granted to Dalton Highway District by Deed recorded in Book 94, Page 302. The location of said road is not defined of record.

10. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein

For: The purpose of a public highway forever

In Favor of: The County of Kootenai, State of Idaho, its successors and assigns

Recorded: April 7, 1934

Instrument No.: Book 101, Page 234

11. Amended Articles of Association of Hayden Lake Development and Recreation Association recorded April 20, 1984 as Instrument No. 970009.

Schedule B - Section II
COMMITMENT

SPECIAL EXCEPTIONS

Order Number: 127526

12. An easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein

For: Slope and utility purposes and for cut slope and access for slope stabilization purposes
In Favor of: Lakes Highway District, a quasi-municipal corporation, its successors and assigns
Recorded: October 31, 2001
Instrument No.: 1702809

13. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: October 31, 2001
Instrument No.: 1702809
As Follows: **CONDITION SUBSEQUENT:** In the event that Grantee, its successors, or assigns does not commence improvements to Lower Hayden Lake Road by December 31, 2005, then ownership of the strip shall immediately revert to Grantor, his heirs or assigns, who may immediately upon abandonment re-enter and occupy the premises.

14. Covenants, conditions, restrictions and easements contained in Deed.

Recorded: January 24, 2006
Instrument No.: 2009559
As Follows: No access or use of the beach and/or any other property belonging to Hayden Lake Development and Recreation Association and/or its members is being granted. Also, Kootenai Land and Trust, LLC will not be a party of the association and therefore will not be responsible to pay dues.

Corrected and re-recorded January 25, 2006 as Instrument No. 2009862.

15. A Deed of Trust to secure an indebtedness of \$566,800.00, and any other amounts as therein provided, payable under the terms, conditions, provisions and stipulations thereof.

Dated: May 15, 2006
Grantor: Edge Development Group LLC, an Oregon Limited Liability Company
Trustee: Pioneer Title Co.
Beneficiary: Bank of the Cascades
Recorded: May 19, 2006
Instrument No.: 2032287

16. Amended Articles of the Association of Hayden Lake Development and Recreational Association recorded on September 15, 2006 as Instrument No. 2055892000.

Notes:

1. The address of the subject property is described as follows: NNA

ALTA Commitment Form - 1982

EXHIBIT B

Map (Hayden Ridge Property)

Govt Lts 3 & 4 Sec.21 Twp. 51N-3

THIS DRAWING IS TO BE USED FOR REFERENCE PURPOSES ONLY. THE COUNTY IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED.



1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36

KOOTENAI COUNTY
IDAHO

ARCHIVE REVISIONS

INITIALS	ACTIVITY	DATE
JMJ	INITIAL CONVERSION	11-03-87

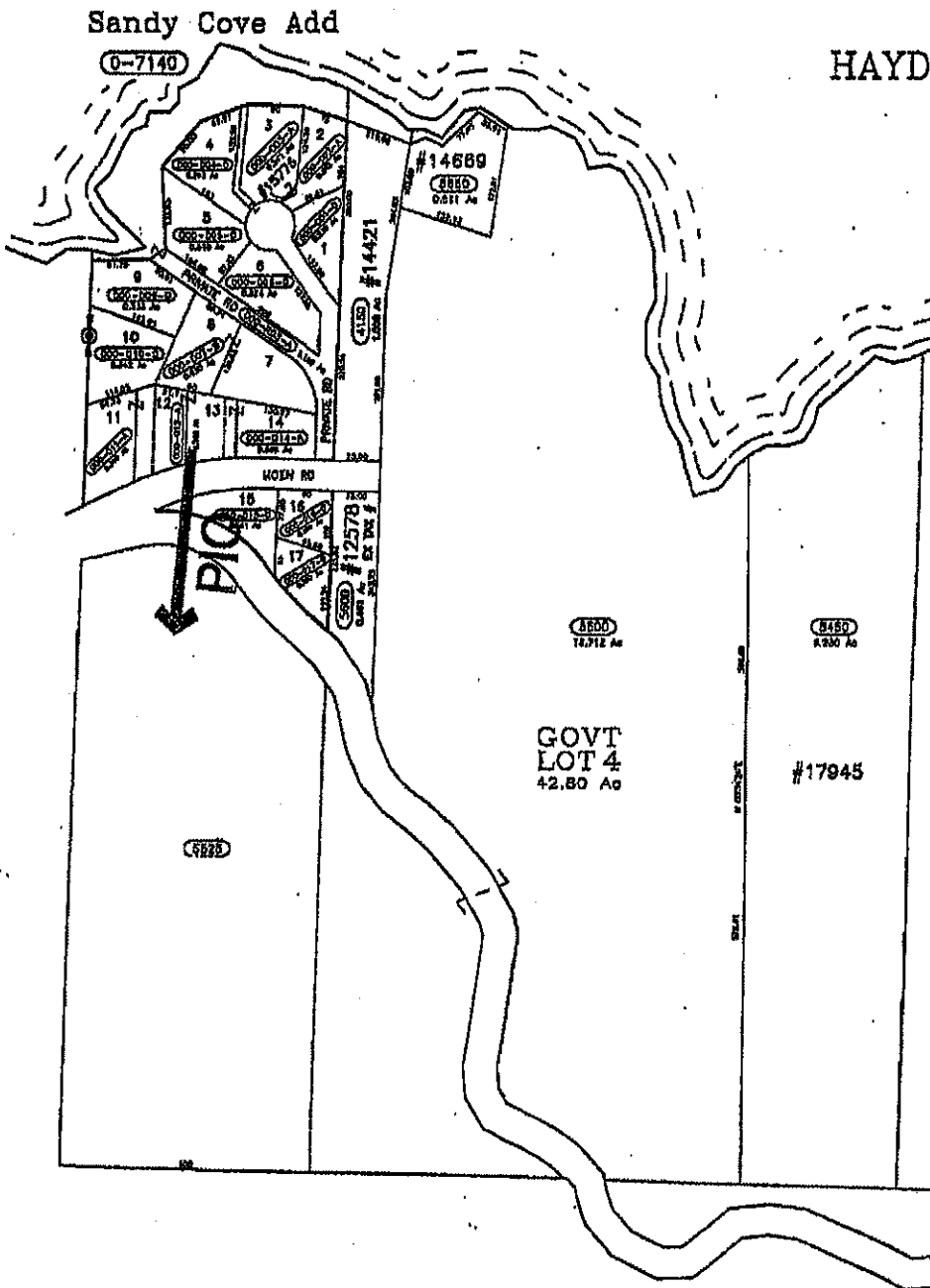
IMAGE FILED: NOT USED
DRAWING FILED: 11/03/87

NOTES:

All lots or parcels with their bearings and distances were calculated by computer software. All other parcels were calculated by the field records method procedure and the given information on length multiplied by 5280. All distances, therefore, are given from existing lots and bearings are given. All distances shown are not necessarily right-of-way where applicable, but have been rounded. Distances and are shown in feet. They may not be shown for 1/4 section. Distances in parentheses are parenthetical data shown on or placed in the drawing.

Records of Survey Used:

BOOK	DESCRIPTION



HAYD.

↑ THIS IS NOT A SURVEY. THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY. PIONEER TITLE COMPANY MAKES NO REPRESENTATIONS AS TO THE ACCURACY OF THE MAP AND ASSUMES NO LIABILITY FOR IT.

SCALE: 1 INCH = 200 F.