

<p>RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO</p> <p>LAWSON LASKI CLARK, PLLC 675 Sun Valley Road, Suite A Post Office Box 3310 Ketchum, Idaho 83340</p>	<p>Instrument # 713853 Blaine County, Hailey, Idaho 08/08/2025 01:21:47 PM No. of Pages: 14 Recorded for: BLAINE COUNTY TITLE Stephen McDougall Graham Fee: \$49.00 Deputy gbrower Electronically Recorded</p>
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RECREATION PARCEL AGREEMENT

This Agreement is entered into on the 8th day of AUGUST, 2025, between Fairway One Owners Association, Inc. ("Fairway Nine I"), an Idaho not-for-profit corporation and the managing body for the real property described in Instrument Nos. 216494, 221013, and 233262, Fairway Nine II Condominium Association, Inc. ("Fairway Nine II"), an Idaho not-for-profit corporation and the managing body for the real property described in Instrument Nos. 301344, 314302, and 322952, and Fairway 9 Condominiums Phase VII Association, Inc. ("Fairway Nine VII"), an Idaho not-for-profit corporation and the managing body for the real property described in Instrument No. 363969, and each of them, being all of the owners in common (hereinafter "Associations" or "Owners") of certain land, improvements and furnishings located on real property legally described as follows:

A parcel of land within Section 17, T4-N, R18E, B.M., Sun Valley, Blaine County, Idaho, and more particularly described as follows:

Commencing at the SE Cor. of said Sec. 17; thence N14°31'54"W, 3751.75 feet to the true point of beginning;

Thence S52°45'36"W, 159.04 feet;

Thence N26°46'11"W, 67.48 feet;

Thence N45°15'45"E, 160.86 feet;

Thence 76.51 feet along a curve to the right with a central angle of 67°26'28", a radius of 65.00 feet and a long chord of 72.17 feet that bears S35°41'13"E;

Thence S1°58'00"E, 18.63 feet to the true point of beginning

(hereinafter the "Recreation Parcel").

RECITALS

WHEREAS on September 20, 1991, a Grant Deed was recorded in the records of Blaine County, Idaho as Instrument No. 333870 wherein six, one-seventh (1/7) ownership interests in the Recreation Parcel were conveyed to the following six corporations as tenants-in-common:

- Fairway #9 Condominium Phase I Association, Inc.
- Fairway #9 Condominiums Phase II Association, Inc.
- Fairway #9 Condominiums Phase III Association, Inc.
- Fairway #9 Condominiums Phase IV Association, Inc.
- Fairway #9 Condominiums Phase V Association, Inc.
- Fairway #9 Condominiums Phase VI Association, Inc.

WHEREAS on June 20, 1994, a Grant Deed was recorded in the records of Blaine County, Idaho as Instrument No. 367324 wherein the remaining 1/7 ownership interest in the Recreation Parcel was conveyed to Fairway 9 Condominiums Phase VII Association, Inc. ("Fairway Nine VII") as a tenant-in-common with the other then-existing associations;

WHEREAS on December 23, 1991, a Certificate of Merger or Consolidation was filed with the Idaho Secretary of State which consolidated Phases I through III into Fairway Nine I which rendered Fairway Nine I as a 3/7 owner of the Recreation Parcel;

WHEREAS on March 2, 1992, a Certificate of Merger or Consolidation was filed with the Idaho Secretary of State which consolidated Phases IV through VI into Fairway Nine II which rendered Fairway Nine II as a 3/7 owner of the Recreation Parcel;

WHEREAS Fairway Nine I is currently governed by the Amended and Restated Condominium Declaration for Fairway Nine One Condominiums recorded on April 15, 2010 in the records of Blaine County, Idaho as Instrument No. 576787;

WHEREAS Fairway Nine II is currently governed by the Declaration of Consolidation of and Amendments to the Condominium Declarations for Fairway 9 Condominiums, Phase IV, V, and VI recorded on May 1, 2013 in the records of Blaine County, Idaho as Instrument Number 608818, which simply adopts the language of the Condominium Declaration for Fairway Nine Phase IV, as amended and recorded as Instrument Nos. 301343 and 314323, as the controlling language governing Fairway II;

WHEREAS Fairway Nine VII is currently governed by the Restated Condominium Declaration for Fairway 9 Condominiums Phase VII, recorded on February 18, 2016 in the records of Blaine County, Idaho as Instrument No. 633190;

WHEREAS Section 8.2¹ of each governing Declaration requires that each Association maintain “all recreation facilities;”

WHEREAS Section 9.2 of each Declaration further states that the Associations may levy periodic assessments which should include “expenses of operating and maintaining recreational facilities;”

WHEREAS, the Recreation Parcel contains three primary amenities—a pool, a spa, and pool house with restrooms, changing areas and a sauna (the “Amenities”)—in addition to hardscape, landscape, fencing and a covered hot tub and patio area (together with the “Amenities,” the “Improvements”);

WHEREAS, certain of the Amenities and Improvements in the Recreation Parcel have reached the end of their useful life and/or are in need of replacement, update, and/or repair;

WHEREAS, Fairway Nine I, Fairway Nine II and Fairway Nine VII each wish to undertake certain work and necessary replacements, updates, and/or repairs of the Amenities and/or Improvements, starting in 2025 or as soon thereafter as practicable;

WHEREAS, Fairway Nine I, Fairway Nine II, and Fairway Nine VII have not previously entered into a formal agreement outlining their respective rights and responsibilities related to their joint ownership of the Recreation Parcel;

WHEREAS, Fairway Nine I, Fairway Nine II, and Fairway Nine VII each want all aspects of their joint ownership of the Recreation Parcel, including use, management, and allocation of costs among the Associations with regard to maintenance, repair, reconstruction, capital improvements, and or any renovation to be governed by written agreement; and

THEREFORE, in consideration of the recitals hereinabove, which are incorporated herein, and the mutual covenants set forth below and other valuable consideration, it is agreed:

1. Scope of Operations; 2025 Plan; and Footprint.

As described above, the Recreation Parcel generally consists of a pool, spa, outdoor lounge areas, and a pool house (with a mechanical room, two restrooms, two changing areas, two shower areas, a storage area, and a sauna) and is intended for the limited uses typically associated with such features. The authorized usage and/or access of the Recreation Parcel will not be expanded or otherwise altered without the written approval of all three Association Boards of Directors (“Boards”), as set forth in paragraph 3 below.

The “2025 Plan” for the Recreation Parcel includes but is not limited to: (a) reconstructing, relocating, and expanding the pool; (b) relocating portions of the fence; (c)

¹ For purposes of this Agreement, the relevant section numbers throughout all three Declarations match, with the exception that the Fairway Nine VII Declaration identifies the sections as 8.02, 9.02, and 9.03 instead of 8.2, 9.2, and 9.3.

reconstructing the spa; (d) constructing a new pool house to include a new mechanical room, new storage areas, new restrooms, new changing areas, new sauna, new shower areas and fixtures that are accessible pursuant to the Americans with Disabilities Act; (e) and installing new landscaping and hardscaping.

2. Access; Use.

Fairway Nine I, Fairway Nine II and Fairway Nine VII condominium owners (“Condominium Owners”) are entitled to use, benefit and possession of the Recreation Parcel, subject to the terms and conditions herein. Invited guests of Condominium Owners (“Guests”) are permitted to use the Recreation Parcel, subject to the terms and conditions herein. The term “Authorized Users” shall reference collectively “Condominium Owners” and “Guests.”

The Recreation Parcel shall be fully enclosed by a metal fence and locked gate that are at least 8 feet high in all places (or the maximum height allowed by applicable law, if the legal maximum is less than 8 feet). At all times, there shall also be signage stating clearly that the Recreation Parcel is for the use of Authorized Users only, and an effective access control system that allows access only to Authorized Users (i.e., a card access or FOB system paired with video surveillance).

3. Management

- a. **Recreation Parcel Committee.** The Recreation Parcel shall be governed and managed by a committee comprised of the Presidents of each Association (“Recreation Parcel Committee”). All determinations, decisions, approvals, and actions affecting the Recreation Parcel and its business affairs, including decisions regarding repairs, maintenance, and reconstruction of existing Improvements and/or Amenities shall be determined, made, approved or authorized by the affirmative vote, approval or consent of a majority of the members of the Recreation Parcel Committee, unless otherwise specifically provided for in section 3.b. below. The members of the Recreation Parcel Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred in the performance of their duties hereunder.

At least once per year, the Recreation Parcel Committee shall hold a meeting with the Recreation Parcel property manager to assess the needs, expenses, insurance coverage, maintenance and overall management of the Recreation Parcel. For informational purposes only, the Committee shall thereafter submit a written report of the same to the three Association Boards and each of their respective property managers within thirty (30) days of the meeting, which report shall include a budget of the projected costs and expenses anticipated or arising from the Recreation Parcel for the upcoming year.

At least once every three years, the Recreation Parcel Committee shall review the agreement with the property manager hired to manage the Recreation Parcel. Upon

review, written, majority approval by the each of the Recreation Parcel Committee members shall be required to approve continued retention of the property manager.

- b. Association Board Approval Required in Specific Circumstances.** While the Recreation Parcel Committee is authorized to make most decisions related to the Recreation Parcel as stated in section 3.a., above, written, majority approval by each Board of all three Associations shall be required to refinance, encumber, sell, transfer, convey, or make any capital improvement² to the Recreation Parcel. Additionally, any action relocating any of the existing fencing or modifying the Recreation Parcel's permitted uses or access shall require written, majority approval by each Board of all three Associations.
- c. Record Keeping.** A written record of all actions taken by the Recreation Parcel Committee (including, without limitation, all votes, approvals and consents) shall be created at the time each such action is taken, preserved for a period of no less than five (5) years, and made available within five (5) business days upon request by a member of the Board of any Association. The Recreation Parcel Committee shall maintain complete financial and operational records for the Recreation Parcel for a period of no less than five (5) years and make such records available within five (5) business days upon request by a member of the Board of any Association.
- d. Nuisances.** No Association shall permit storage or personal property, rubbish or debris of any kind to be placed or permitted to accumulate anywhere upon the Recreation Parcel, and no odor shall be permitted to arise therefrom so as to render the Recreation Parcel or any portion thereof unsanitary, unsightly, offensive, or detrimental to the Recreation Parcel or to its occupants, or to any other property in the vicinity thereof or to its occupants. No noise or other nuisance, as described in the Sun Valley City Code, as amended from time to time, shall be permitted to exist or operate upon any portion of the Recreation Parcel so as to be offensive or detrimental to the property or to any of the three Associations or other property in the vicinity or its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Recreation Parcel Committee), flashing lights, or search lights, shall be located, used, or placed on the Recreation Parcel without the prior written approval of the Recreation Parcel Committee.
- e. No Hazardous Activities; Pets.** No activities shall be conducted on the Recreation Parcel, or on or within any Amenity or Improvement which are or might be unsafe or hazardous to any person or property. The Recreation Parcel Committee shall take reasonable care to secure the Recreation Parcel in a manner that will minimize risk of injury, death or damage. The Recreation Parcel Committee shall reasonably

² For purposes of this Agreement, the term "capital improvement" means a permanent structural change or permanent enhancement to the existing Amenities that expands its size, its useful life, substantially increases the value of, or adapts it such that the Amenity would have a new or different use.

control and maintain the Recreation Parcel in a clean and safe condition and enforce all rules and regulations applicable thereto, as may be amended from time to time. No pets of any kind shall be permitted to access the Amenities or Improvements without express written consent of the Recreation Parcel Committee.

- f. **Damages; Liability.** The Associations agree that, if any individual Member³ or his/her/their invitee or licensee negligently or willfully causes damage or waste to the Recreation Parcel, its Amenities or Improvements, such Member will be held responsible for any expense arising therefrom and the cost to remedy such damage or waste in accordance with each Association's Declaration of Covenants, Conditions, and Restrictions, as may be amended from time to time.
- g. **Violation of Law.** Any violation of any state, municipal, or local law, ordinance, or regulation pertaining to the ownership, occupation, access or use of any aspect of the Recreation Parcel or its Amenities or Improvements is hereby declared to be a violation of this Agreement and subject to any or all of the enforcement procedures available at law and equity.

4. Costs and Expenses.

- a. The parties hereto acknowledge and agree that costs and expenses attributable to or arising from the Recreation Parcel shall be classified into two categories:
 - i. Costs and expenses of the performance of the 2025 Plan as described in paragraph 1 above, shall require written, majority approval by each Board of all three Associations ("2025 Plan Costs and Expenses"); and
 - ii. Costs and expenses attributable to or arising from the ownership, management, operation, repair, care, and maintenance of the Recreation Parcel, including its Amenities and Improvements (including without limitation, any and all real property taxes, premiums and deductibles for casualty and liability and insurance, and utilities) ("General Costs and Expenses"). The costs and expenses arising from each of these two categories below shall be allocated among the three Associations as follows:
- b. **2025 Plan Costs and Expenses.** The costs and expenses arising from the 2025 Plan shall be paid by each Association on a square footage basis, meaning that such costs and expenses shall require written, majority approval by each Board of all three Associations for performance and execution of the 2025 Plan shall be paid by each Association in proportion to the cumulative square footage of the condominium units in that Association divided by the cumulative square footage of the condominium units in all three Associations. Specifically, such costs shall be

³ As defined by each Association's Declaration of Covenants, Conditions, and Restrictions.

divided among the Associations as follows: (a) Fairway Nine I shall be responsible for 58.74%; (b) Fairway Nine II shall be responsible for 29.72%; and (c) Fairway Nine VII shall be responsible for 11.54%. During the pendency of the 2025 Plan, all costs and expenses attributable to or arising from the Recreation Parcel, including the General Costs and Expenses described above shall be divided among the Associations on a square footage basis as specifically described herein.

- c. General Costs and Expenses.** Upon completion of the 2025 Plan as indicated by issuance of a Certificate of Occupancy from the City of Sun Valley, General Costs and Expenses attributable to or arising from the Recreation Parcel, exclusive of the 2025 Plan set forth above, shall be paid by each Association on a per unit basis. Specifically, upon completion of the 2025 Plan, such costs and expenses shall be paid by each Association in proportion to the number of condominium units in that Association divided by the number of condominium units in all three Associations. Specifically, such costs shall be divided among the Associations as follows: (a) Fairway Nine I shall be responsible for 66.15%; (b) Fairway Nine II shall be responsible for 21.54%; and (c) Fairway Nine VII shall be responsible for 12.31%.
- d. Covenant to Pay Costs, Expenses, Damages.** Fairway Nine I, Fairway Nine II, and Fairway Nine VII, hereby covenant and agree to remit payment for all costs, expenses and/or damages as identified herein, specifically including but not limited to costs identified in this section, and agree to pay when due the same. Any Association failing to remit payment for costs, expenses and/or damages as prescribed herein shall have its respective Owner's license or other authorization for use and/or access to the Recreation Parcel revoked until the same is paid in full.

For avoidance of doubt, each Association hereby affirmatively disclaims any cost allocation scheme or other obligations with regard to maintenance, repair, and/or reconstruction responsibilities that differs from the foregoing provisions, including allocations of cost or responsibility based on each Association's ownership interest in the Recreation Parcel.

5. Insurance.

The Recreation Parcel Committee is responsible for ensuring that the Recreation Parcel is appropriately insured, specifically including casualty insurance, general liability insurance and property damage insurance for the full replacement of the Recreation Parcel, its Amenities, and its Improvements. The Recreation Parcel Committee shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified individuals, at least one of which must be familiar with insurable replacement values in Blaine County, Idaho.

Such policies may be joint or separate among the Associations as may be available from reputable insurance carriers and consistent with sound insurance practices. The Associations shall share joint insurance expense in accordance with paragraph 4 above. Any coverage necessary or specific to an individual Association shall be paid exclusively by that Association. Where

available, joint insurance policies or coverage are authorized by this Agreement, the payment for which shall be the sole obligation of the Associations subject thereto.

Nothing shall be done, kept, or permitted on the Recreation Parcel which will increase the rate of insurance relating to or arising from any portion of the Recreation Parcel without the approval of the Recreation Parcel Committee, nor shall anything be done, kept, or permitted on the Recreation Parcel which would result in the cancellation of insurance on the Recreation Parcel or which would be in violation of any law. To the extent that the condition of any Association, the Recreation Parcel, or structure(s) thereon shall disproportionately increase the cost of Insurance, the Recreation Parcel Committee may assess the Association from which the condition or conduct arises at a proportionately higher amount than other Associations, within the Recreation Parcel Committee's sole discretion.

6. Sale or Transfer of Recreation Parcel.

The Recreation Parcel shall be sold, transferred, and/or conveyed only when and if a written, majority approval by each Board of all three Associations agrees to sell, transfer, or convey the Recreation Parcel and that the Associations' Boards attest in writing that they have the authority to approve such an action and have complied with the requirements of their respective Declarations of Covenants, Conditions, and Restrictions in approving such action. In the event that the Recreation Parcel is sold, the proceeds of the sale shall be divided among the Associations on a per square foot basis, regardless of each Association's ownership interest in the Recreation Parcel at the time of the sale. In the event that any of the Associations becomes defunct, it shall forfeit its ownership interest in the Recreation Parcel to the remaining active Associations.

7. Waiver of Partition.

No Association shall seek a judicial partition of the Property and hereby intentionally waives any right to such relief.

8. Recordation.

This Agreement shall be duly recorded in the records of Blaine County, Idaho in the chain of title for the Recreation Parcel and in the chains of title for the Fairway Nine I, Fairway Nine II and Fairway Nine VII condominium projects. The Associations shall share the cost of recording equally.

9. Amendment or Termination.

This Agreement may not be amended except by a writing specifically referring to it and signed by the Presidents of all three Associations, who have obtained express written, majority approval by each Board of all three Associations. Any amendment to this Agreement shall be recorded in the official records of Blaine County, Idaho in the chain of title for the Recreation Parcel and in the chain of title for each Association's condominium project. No waiver, modification, or amendment shall be deemed to result from the conduct of the Associations, nor shall a waiver of any one default, obligation, or payment be construed as a waiver of the right to demand strict performance in the future. This Agreement may be terminated only by a Notice of

Termination executed and acknowledged by the Presidents of all three Associations, who have obtained written, majority approval by each Board of all three Associations, and recorded in the official records of Blaine County, Idaho in the chain of title for the Recreation Parcel and in the chain of title for each Association's condominium project.

10. No Conflicting Agreements.

It is hereby acknowledged and agreed that no contemporaneous or subsequent oral agreement can conflict with, modify, or amend the express provisions of this Agreement. This Agreement sets forth the Associations' entire understanding and agreement with respect to the Recreation Parcel and there are no representations, inducements, or warranties not set forth herein.

11. Individual Liability.

No member of the Boards of the respective Associations, or member of the Recreation Parcel Committee, or any officer of any of the three Associations, or manager, if any, shall be personally liable to any condominium owner within any of the Associations, or to any other party, including guests or any of the three Associations, for any damage, loss, or prejudice suffered or claimed on the account of any act, omission, error, or negligence of the Recreation Parcel Committee, any of the three Associations or their respective Board Members, the manager, if any, or any other representative or employee of the three Associations, provided that such person or entity, upon the basis of such information as may be possessed by the same, has acted in good faith without willful or intentional misconduct.

12. General Provisions.

- a) Attorneys' Fees. If any party commences legal proceedings for any relief against another party arising out of this Agreement, the prevailing party shall be entitled to an award of its legal costs and expenses, including, but not limited to, reasonable attorneys' fees as determined by the court. The prevailing party shall be that party receiving substantially the relief sought in the proceeding, whether brought to final judgment or not.
- b) No Ownership Interest Created for Individual Members. Nothing contained herein shall be construed to create an ownership interest, right, or derivative action in or arising from the Recreation Parcel by individual Association Member, as defined by each respective Association's Declaration of Covenants, Conditions, and Restrictions.
- c) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each party has signed such a counterpart.
- d) Further Assurances. The parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably

required in order to carry out the provisions of this Agreement and the intention of the parties.

- e) Gender, Number. As used herein, the singular shall include the plural and the masculine shall include the feminine, whenever the context so requires.
- f) Governing Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Idaho.
- g) Headings. The captions and paragraph headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the interpretation or construction of any term or provision hereof.
- h) No Partnership Intended. The Owners expressly do not intend hereby to form a partnership or to be partners one to another, or partners to any third party.
- i) Binding Upon Heirs, Successors, and Assigns. In this Agreement, any reference to a party includes that party's successors and assigns.
- j) No Waiver. The failure of any party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any terms and conditions of this Agreement, shall not be construed as subsequently waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

WHEREFORE, the Owners have executed this Agreement effective as of the first date set forth above.

[Signatures on following page.]

Dated: 8/8/25

FAIRWAY ONE OWNERS ASSOCIATION, INC.

Ch Black
By: Christopher Black
Its: President

Dated: 8/8/25

FAIRWAY NINE II CONDOMINIUM ASSOCIATION, INC.

John Haase
By: John Haase
Its: President

Dated: 8/8/25

FAIRWAY 9 CONDOMINIUMS PHASE VII ASSOCIATION, INC.

G. P. Imel
By: George Imel
Its: President

STATE OF IDAHO)
)
County of BLAINE)

This record was acknowledged before me on this 8 day of August, 2025
by Ch Black as President of Fairway One Owners
Association, Inc.



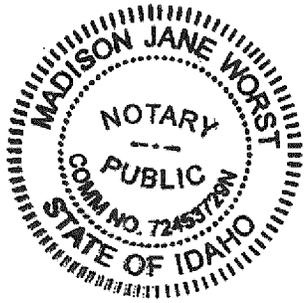
Madison J. Worst

Notary Public of Idaho

Commission Expires: 10/11/2028

STATE OF IDAHO)
)
County of BLAINE)

This record was acknowledged before me on this 8th day of August, 2025
by Jah Haer as President of Fairway Nine II Condominium
Association, Inc.



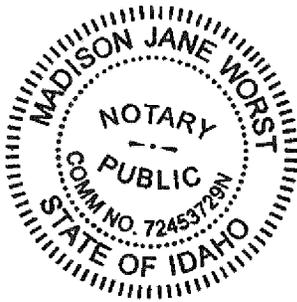
Madison J. Worst

Notary Public of Idaho

Commission Expires: 10/11/2028

STATE OF IDAHO)
)
County of BLAINE)

This record was acknowledged before me on this 8 day of August, 2025
by George Engel as President of Fairway 9 Condominiums Phase
VII Association, Inc.



Madison J. Worst

Notary Public of Idaho

Commission Expires: 10/11/2028