

CONSTRUCTION AGREEMENT

Agreement for Construction, Landscaping, Additions, Alterations, and/or Improvements at The Valley Club Subdivision

THIS AGREEMENT is made and entered into as of the date of the last party to sign by and between The Valley Club Owners Association, Inc., an Idaho nonprofit corporation with an address of PO Box 2466, Hailey, ID 83333 ("Association"); and _____ ("Owner") address _____ ("Address").

RECITALS

- A. The Owner intends to construct, improve, or otherwise alter (collectively, "Improvement(s)") the Owner's or Trust's Lot located at _____ Hailey, ID 83333 ("Lot") located in the Valley Club Subdivision ("Subdivision") and has submitted plans ("Plans") to the Association's Architectural Design Review Committee ("ADRC").
- B. On _____, 2025 ("Approval Date") the ADRC approved the Plans on behalf of the Association, which are on file with the Association's property manager. Any conditions related to the approval of the Plans are part of the Plans.
- C. (Remove if not applicable). The Trust owns the Lot and the Owner is acting for, and on behalf of, the Trust and all decisions, agreements, payments, commitments, liabilities, and certifications made by the Owner under this Agreement are jointly and severally those of the Trust and the Owner.
- D. The Owner certifies that the Owner has read the Amended and Restated Declaration of Covenants and Restrictions for The Valley Club, recorded on March 19, 2004 as Blaine County Instrument No. 500610 ("Declaration"), the Association's Bylaws, including any amendments to the Declaration or Bylaws, and the Association's Architectural Design Review Guidelines as approved on November 16, 2023 ("Guidelines") and the Owner fully understands the Association's design approval and building processes.
- E. The Owner's general contractor has executed the Contractor Agreement on _____, 2025.
- F. Prior to, or concurrent with, the execution of this Agreement, the Owner has submitted a construction deposit to the Association in the amount of \$25,000 (Twenty-Five Thousand Dollars) ("Deposit").
- G. When the term Owner is used below in relation to Improvements, the term may refer to the Owner's general contractor, subcontractors, employees, agents, and all other people or entities working on behalf of the Owner (collectively, "Agents") to alter the Lot.

AGREEMENT

Therefore, for valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Compliance with the Plans. The Owner shall Improve the Lot in strict compliance with the Plans, the Declaration, and the Guidelines. Any Improvements to the Lot not included in the Plans, or any changes to the Plans, shall not be permitted without the express authority of the ADRC.
2. Compliance with the Law. The Owner shall comply with all laws, codes, ordinances, and regulations, including without limitation, those regulations promulgated by the Occupational Safety and Health Administration.
3. Timing. The Plans are approved for one (1) year from the Approval Date and if Improvements, according to the Plans, do not commence within one (1) year from the Approval Date, the Plans are deemed to no longer be approved and must be resubmitted to the ADRC. Upon commencement of the Improvement, the Owner shall complete the Improvements, according to the Plans, within thirty (30) months; however, at the ADRC's sole discretion, the ADRC may extend the time required for completion due to labor strikes, fires, emergencies, or natural calamities.
4. Responsibility for Agents. When engaged in the alteration of the Lot or when inside the boundaries of the Subdivision, the Owner assumes all responsibility of the Agents. Notwithstanding the foregoing, the Owner is not responsible for liability arising from any Agent's use of a motor vehicle or any criminal activity or malfeasance acts of the Agent(s).
5. Location of Work. All work related to the Lot shall take place only on the Lot. Staging may not take place on the Valley Club golf course, any streets within the Subdivision, or any neighboring lots. The Lot shall only be accessed from the immediately adjacent street, according to the Plans.
6. Parking. To the extent possible, all construction parking shall take place on the Lot. If overflow parking is required, vehicles may be parked on a street provided that all parking is on one side of the street and there is no overnight parking on the street.
7. Inspection. Owner shall allow the ADRC, its members, or its agents to inspect the Lot, during normal business hours and without notice, to ensure that Plans and this Agreement are being followed.
8. Violation Cure Period. When the Association or the ADRC is aware of any violations of this Agreement by the Owner, the Association or ADRC shall send an email to the owner containing the nature of the violation, how to cure the violation, and the time in which the violation must be cured, which shall be no shorter than two (2) business days.
9. Liquidated Damages. If any violation of this Agreement is not cured pursuant to the above, the Owner shall pay the Association liquidated damages in the amount of \$250 (two-hundred fifty dollars) per day for each day the Owner is in violation of this Agreement. The

parties agree that actual damages are difficult, if not impossible to determine, but agree that the amount above is reasonably proportionate to the damages actually caused by breach of this Agreement.

10. Injunction. The Association may seek an injunction to enforce this Agreement, including without limitation, an injunction to stop all work on the Lot not in compliance with the Declaration, Guidelines, Plans, and this Agreement.

11. Self-Help. The Association may exercise self help to cure any violations of the Guidelines and this Agreement which includes performing work on the Lot so that the Lot complies with the Plans.

12. Remedies. In addition to those other remedies contained in this Agreement, the Association may seek any remedy to enforce the Guidelines or this Agreement. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy shall not preclude nor waive the Association's right to use any or all other remedies.

13. Costs the Responsibility of Owner. All costs, fees, including attorney fees, liquidated damages, and other expenses associated with the ADRC, the Guidelines, the Declaration, and the enforcement of this Agreement, including without limitation inspection costs and self-help costs to correct deviations from the Plans, shall be the responsibility of the Owner and shall be a specific assessment against the Owner's Lot, subject to the Declaration and the Bylaws. Notwithstanding the foregoing, all such costs, fees, liquidated damages, and other expenses may, at the Association's sole discretion, be deducted from the Deposit.

14. Completion and Deposit. Within thirty (30) days after the completion of the Plans, which shall be deemed completed at the sole discretion of the ADRC, the Deposit shall be returned to the Owner, less any deductions contemplated in this Agreement.

15. Indemnification. The Owner indemnifies and holds the Association harmless for any damages resulting from Improvements to the Lot, including the acts of the Association's agents related to this Agreement.

The Valley Club Owners Association, Inc.

By name, its President

Date: _____

Applicant

By name

Date: _____

By name, its trustee

Date: _____