

**Coeur d'Alene Place Master Association
Board of Directors**

Resolution relating to the meaning of "single family residence" and the occupancy of a home by unrelated parties.

WHEREAS, circumstances have arisen wherein the Board of Directors have been called upon to enforce the "single family residence" restriction in Section 8.1 of the Master Declaration of Covenants, Conditions, and Restrictions for Coeur d'Alene Place ("Covenants"), and

WHEREAS, in that the Board of Directors is charged with administering the spirit and intent of the Covenants, the Board has determined that it should define the term "single family residence" for purposes of enforcement proceedings; and

WHEREAS, the Board of Directors desires to provide clarity as to the occupancy standards for homes within the Coeur d'Alene Place community for the benefit of the members of the Coeur d'Alene Place Master Association

Therefore it is hereby resolved:

1. For purposes of enforcement proceedings to be taken by the Board, the definition of the phrase "single family" in defining the restrictions on occupancy of a residence in Article 8 of the Covenants does not exclude all instances of unrelated parties living in the same home. There are many common circumstances that would give rise to unrelated persons sharing occupancy of a residence, including but not limited to foster children, student exchange programs, adult family programs, and friends simply rooming together.
2. The definition of the phrase "single family" also cannot be used to deny equal housing opportunity, by discrimination based upon race, sex, age, mental capacity or any other protected classification under the Fair Housing Act.
3. The occupancy of a residence by unrelated parties (particularly in larger numbers) does, however, create the potential for negative impacts within the surrounding neighborhood. The use restrictions found in Article 8 of the Covenants are intended to protect against such impacts. Such negative impacts include but are not limited to increases in neighborhood traffic, increases in street or driveway parking, and neighborhood noise.
4. Balancing these concerns, it is the Board's position that it will not seek to enforce the "single family" restriction in Section 8.1 of the Covenants, where a home is occupied by not more than four unrelated parties. Where more than four unrelated parties occupy a single home, the Board will evaluate each instance on its own merits to determine if enforcement measures by the Board or the Association are warranted based

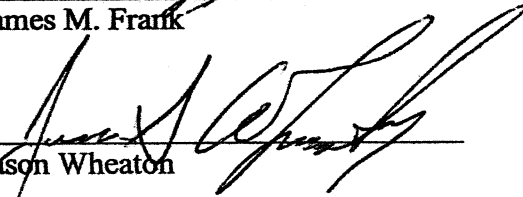
upon the civil rights of the occupants and the creation of negative impacts on the neighborhood. This policy, however, shall not be construed as limiting the rights of individual homeowners to seek enforcement, at their own expense, of any restriction set forth in the Covenants.

This resolution was adopted at a meeting of the Board of Directors of the Coeur d'Alene Master Association held on May 10, 2004.

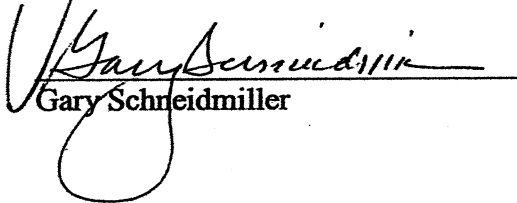
Board of Directors:



James M. Frank



Jason Wheaton



Gary Schreidmiller