

BYLAWS
OF
THE D. R. LYNN CONDOMINIUMS

Number 1 & 2

ARTICLE I

MEETINGS OF ASSOCIATION MEMBERS

Section 1. Annual Meetings. The annual meetings of members of the Association shall be held at such time and on such date in the month of March of each year as may be fixed by the officers of the Association and stated in the notice of meeting for the election of officers, the consideration of reports to be laid before such meetings and the transaction of such other business as may properly come before the meeting.

Section 2. Special Meetings. Special meetings of the members of the Association shall be called upon the written request of the President or, in the case of the President's absence, death or disability, the Vice-President authorized to exercise the authority of the President, or of members entitled to exercise at least thirty percent (30%) of the voting power of the Association. Calls for such meeting shall specify the purposes for which such meeting is requested. No business other than that specified in the call shall be considered at any special meeting.

Section 3. Notices of Meetings. Unless waived, written notice of each annual or special meeting stating the time, place and the purpose thereof shall be given by personal delivery or by mail to each member not more than forty-five (45) days nor less than seven (7) days before any such meeting.

Section 4. Time and Place of Meetings. Meetings of members shall be held at such time and at such place on the D. R. Lynn Condominium Property as the officer shall designate.

Section 5. Voting Rights. Each member shall be entitled to exercise that percentage of the total voting power to all members which is equivalent to the percentage of interest of such member's Unit in the Common Areas of the Condominium Property. At any time, a Unit Owner or Owners may designate, by certificate signed by said Owner or Owners, an individual entitled to exercise the voting power of such Unit on behalf of the Owner.

Section 6. Quorum. The members entitled to exercise seventy percent (70%) of the voting power of the Association at

any meeting shall constitute a quorum for the transaction of business to be considered at such meeting. The vote of members entitled to exercise more than fifty percent (50%) of the voting power of the members present at such meeting shall be determinative on all matters. Members entitled to exercise a majority of the voting power represented at a meeting, whether or not a quorum is present, may adjourn such meeting from time to time until a quorum shall be present.

ARTICLE II

BOARD OF OFFICERS

Section 1. General Provisions. The Association shall elect by majority vote at the Annual Meeting, a President, a Vice-President and a Treasurer. The term of office shall extend for one year or until the next Annual Meeting, at which time new officers shall be elected or the current officers re-elected.

Section 2. Qualifications. All officers shall be Unit Owners, spouses of Unit Owners, mortgagees of Units, or partners or employees of partnerships owning a Unit.

Section 3. Vacancies. Vacancies on the Board of Officers may be filled by an appointment of the remaining officers or officer until an election to fill such vacancy is held. Association members shall have the right to fill any vacancy in the Board at any meeting of the members called for that purpose, and any officer elected at any such meeting of members shall serve until the next annual election of officers.

Section 4. Regular Meetings. Regular meetings of the Board of Officers shall be held at such times and places within Canyon County, Idaho, as the Board of Officers may, from time to time, determine by resolution or regulations. At such meeting, any and all business within the power of the officers may be transacted.

Section 5. Powers and Duties. The Board of Officers shall be responsible for the maintenance, repair and replacement of the Common Areas and Facilities. In carrying out the purposes of the Condominium Property and subject to the limitations prescribed by law, the Declaration or these Bylaws, the Board of Officers, for and on behalf of the Association, may;

- (a) purchase, or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell, exchange, transfer, and

dispose of property of any description or any interest therein;

- (b) make contracts;
- (c) effect insurance;
- (d) levy assessments against Unit Owners;
- (e) employ an agent to perform such duties and services as the Association may authorize.

The President shall be the chief executive officer of the Association and shall exercise supervision over the affairs of the Association and over its several officers. He shall preside at all meetings of members and shall also preside at meetings of the Board of Officers. He shall have authority to sign all contracts, notes and other instruments requiring his signature as long as the contract, note or other instrument is approved by the Vice-President.

The Vice President shall perform such duties as are conferred upon him by the Bylaws or as may from time to time be assigned to him by the Board of Officers or the President. At the request of the President, or in his absence or disability, the Vice-President shall perform all the duties of the President, and when so acting, shall have all the power of the President.

The Treasurer shall have general supervision of all finances; he shall receive and have in charge all money, bills, notes, documents and similar property belonging to the Association, and shall do with the same as may from time to time be required by the Board of Officers. He shall cause to be kept adequate and correct accounts of the business transactions of the Association, including accounts of its assets, liabilities, receipts, expenditures, profits and losses, together with such other accounts as may be required and upon the expiration of his term of office shall turn over to his successor or to the Board of Officers all property, books, documents and money of the Association in his hand and he shall perform such other duties as from time to time may be assigned to him by the Board of Officers.

ARTICLE III

FISCAL YEAR

The fiscal year of the Association shall end on the thirty-first day of December in each year, or on such other day as may be fixed from time to time by the Board of Officers.

ARTICLE IV

ASSESSMENTS AND FINANCES

Section 1. Each Unit Owner shall be assessed a fee payable on or before the third day of each month of Twenty-Five Dollars (\$25.00), designated for the maintenance, repair and replacement of the Common Areas and Facilities. The fee is to be paid to the Association or as the Board of Officers directs.

Section 2. Preparation of Estimated Budget. On or before the first day of December of each year, the Board shall estimate the amount necessary to pay the common expenses during the calendar year next succeeding and such amount as the Board may deem necessary as a reserve for contingencies and replacements, and shall on or before December 15th next succeeding, notify each Unit Owner in writing of the amount of such estimate, with reasonable itemization thereof. At any time the Board may prepare an adjusted estimate and, if necessary, levy an additional assessment which shall be assessed to the Unit Owners according to each such percentage of interest in the Common Areas and Facilities. The Board shall give written notice of any such additional assessment to all Unit Owners stating the amount thereof, the reasons therefor and the time when the same shall become effective, which shall be not less than ten (10) days after the delivery of such notice.

Section 3. Reserve for Contingencies and Replacements. The Association shall maintain a reserve for contingencies and replacements. This reserve shall derive its funds from the monthly assessment to Unit Owners that exceeds that which is designated for maintenance, repair and replacement of Common Areas and Facilities. Extraordinary expenses not originally included in the annual estimate which may become necessary during the year shall be charged first against such reserve, if any.

Section 4. Books and Records of Association. The Association shall keep full and correct books of account, and the same shall be open for inspection by any Unit Owner at any reason-

nable time or times during normal business hours. Upon ten (10) days written notice to the Board, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

Section 5. Annual Statements. At or before the Annual Meeting of members of the Association, the Board shall furnish to each Unit Owner a financial statement consisting of: (a) a balance sheet containing a summary of the assets and liabilities of the Association as of a date not more than four (4) months before such meetings, and (b) a statement of the income and disbursements for the period commencing with the date twelve (12) months prior to the date of said statement of income and disbursements, or the period elapsed since the last statement, whichever is greater. The financial statement shall have appended thereto an opinion signed by the President or Vice-President and the Treasurer to the effect that the financial statement presents fairly the financial position of the Association and the results of its operations in conformity with generally accepted accounting principles.

Section 6. Status of Funds Collected by Association. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied against less than all of the Unit Owners, and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefit and account of all of the Unit Owners according to the percentage of interest in the Common Areas and Facilities of their respective Units.

Section 7. Common Expenses. The Association, for the benefit of the Unit Owners, shall pay all common expenses arising with respect to, or in connection with, the Condominium Property, including, without limitation, the following:

(a) Premiums of insurance effected in accordance with the provisions of the Declaration;

(b) The cost of landscaping, gardening, snow removal, painting, cleaning, maintenance, security services, decorating, repair and replacement of the Common Areas and Facilities and furnishings and equipment for the Common Areas and Facilities;

(c) The cost of any other materials, supplies, equipment, labor, services, maintenance, repairs or

insurance which the Association is required to secure or pay for pursuant to the terms of the Declaration or these Bylaws or by law or which may be necessary or proper for the maintenance and operation of the Condominium Property as a high-quality residential property;

(d) The cost of any alteration, maintenance or repair of a Unit which the Board of Officers deems necessary for public safety or in order to prevent damages to or destruction of any other part of the Condominium Property, provided that a special assessment shall be levied against such Unit to the extent of such cost.

Section 8. Special Services. The Association may arrange for special services and facilities for the benefit of such Unit Owners and Occupants as may desire to pay for the same, including, without limitation, the cleaning, repair and maintenance of Units and special recreational, educational or medical facilities. The cost of any such special services or facilities shall be determined by the Association and may be charged directly to participating Unit Owners.

ARTICLE V

RULES

The Association, by the affirmative vote of the members entitled to exercise a majority of the voting power of all members present at an annual or special meeting of the members duly held for such purpose, may adopt and amend rules supplementing the rules and regulations set forth in the Declaration or these Bylaws as it may deem advisable governing the operation and use of the Condominium Property or any portion thereof. Written notice setting forth any such rules shall be given to all Unit Owners and Occupants prior to the effective date of such rules, and the Condominium Property shall at all times be subject thereto.

ARTICLE VI

AMENDMENTS

Provisions of these Bylaws may be amended by the Unit Owners at any annual or special meeting duly held for such purpose by the affirmative vote of those entitled to exercise not less than a majority of the voting power of the members present in person at such meeting. No such amendment shall conflict with the provisions of the Declaration.

