

BYLAWS OF
COUNTRYSIDE ESTATES NEIGHBORHOOD ASSOCIATION
HOMEOWNERS ASSOCIATION

1. NAME AND LOCATION.

The name of the corporation is "Countryside Estates Neighborhood Association, Inc." hereinafter referred to as the "Association." The address of the Association shall be the registered address in the Articles of Incorporation, or such place as may be established from time to time by the Board of Directors ("Board") of the Association. Meetings of Members and Board may be held at such places within the state of Idaho, Ada County, as may be designated by the Board. The Association shall be a non-profit corporation formed under the provisions of Idaho Code Chapter 30-30, the Nonprofit Corporation Act, and Chapter 55-32, The Homeowner's Association Act.

2. DEFINITIONS.

2.1 "Association" shall mean and refer to Countryside Estates Neighborhood Association, Inc., its successors and assigns.

2.2 "Ballot" shall mean a written ballot, mailed to the homeowner and to be returned to the Secretary of the Board no later than the date specified on the written ballot. The method designated for returning such ballots will be identified on the ballot form.

2.3 "Benefitted Real Property" shall mean and refer to every parcel located within COUNTRYSIDE ESTATES SUBDIVISION, THE SW ¼ OF THE NE ¼ AND THE NW ¼ OF THE SE ¼ SECTION 7, T.4N. R.1E B.M. EAGLE, ADA COUNTY, IDAHO.

2.4 "Declaration" shall mean the Declaration of Covenants, Conditions and Restrictions for Countryside Subdivision, as recorded on the Official Records of Ada County, Idaho, as amended from time to time. Including:

- April 25, 2002; Instrument 102047754
- January 16, 2003; Instrument 103008108
- February 6, 2004; Instrument 104014137
- _____; Instrument _____
- _____; Instrument _____

2.5 "Member" shall mean and refer to those persons who are Owners of any Unit according to the Declaration.

2.6 "Owner" shall mean and refer to the record owner of (1) a fee simple title to any parcel which is a part of the Benefitted Real Property (but excluding those persons or entities, such as real estate contract sellers, having record title merely as security for the performance of an obligation), or (2) the purchaser under a real estate contract of any parcel which is a part of the Benefitted Real Property prior to issuance of the fulfillment deed for the contract. A mortgagee under a mortgage against a parcel or a grantee of a Deed of Trust shall not be deemed an Owner unless the mortgagee or grantee has obtained fee title to the parcel.

2.7 "Proxy" shall mean an agreement, acknowledged in writing that entitles another individual to vote on a Member's behalf at a meeting of the membership where the Member is unable to attend and the agenda indicates a vote will be cast at the time of the meeting. Voting will typically be conducted using written

ballots, and if used, a proxy vote will not be applicable. All proxies shall be in writing and sent to or received by the Secretary of the Board prior to the anticipated vote.

2.8 “Unit” shall mean and refer to any parcel of land within the Benefitted Real Property that has been made subject to the Declaration.

3. PURPOSE.

The Association has been formed for the sole purpose of administration and enforcement of the Declaration for the Members’ collective benefit within the restrictions imposed by the Declaration. The Association shall not govern, limit, or otherwise interfere with any other aspects of the Members’ use or enjoyment of their Units.

4. MEETING OF MEMBERS

4.1 Annual Meetings. The annual meeting of the Members shall be held between September 1st and November 30th each year on such date as the Board shall determine. The meetings will be held in Ada County at a location selected by the Board.

4.2 Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board, or upon written request of the Members who are entitled to vote one-tenth (1/10) of all of the votes of the membership.

4.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days, and not more than fifty (50) days, before such meeting to each Member entitled to vote at such meeting, addressed to the Member's address last appearing on the books of the Association. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

4.4 Quorum. The presence at the meeting of Members entitled to cast at least thirty percent (30%) of all votes, or of their proxies entitled to cast, a vote shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without additional notice other than announcement at the meeting, until a quorum is present or be represented.

4.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and verifiable. To be considered, proxies must be received by the Secretary on or before the day of the annual meeting, either in person or by mail to the Association's post office box. Proxies are only valid for an upcoming vote and will not remain valid for a longer period of time.

4.6 Voting. Each Member shall be entitled to one (1) vote for each Unit owned. When more than one (1) person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they, by majority, determine, but in no event shall more than one (1) vote be cast with respect to any Unit, nor shall any vote be divided. When more than one person holds an interest on any Unit, all such persons shall unanimously designate (in writing delivered to the secretary of the Association) one of the persons owning an interest in the Unit to cast, in person or by Proxy, the vote for such Unit. The voting rights of any Member may be suspended as provided for either in the Declaration, or in the Articles, or in these Bylaws of the Association. Voting may occur by mail-in ballot, electronic ballot, or by proxy and sent to the principal office of the Association. Cumulative voting is not permitted.

5. BOARD OF DIRECTORS: SELECTION: TERMS OF OFFICE

5.1 Management of the Association. The affairs of the Association shall be managed by a Board of at least three (3) and no more than five (5) Directors.

5.2 Director Qualification. All Directors must also be Members.

5.3 Term of Office. Terms of office for individual Directors will be one (1) year. To ensure continuity of management, at each annual meeting for the election of Directors, at least two (2) of the elected three (3) Directors will be incumbents.

5.4 Removal. Any Director may be removed from the Board at a special meeting called for that purpose, with or without cause, by a majority vote of the Association's Members. In the event of death, resignation, or removal of a Director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of the predecessor.

5.5 Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, any Director may be reimbursed for the Director's actual expenses incurred in the performance of the Director's duties.

5.6 Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting in which they could take at a meeting by providing notice to all Directors of the proposed action and subsequently obtaining the written approval of a majority of the Directors, which may be in electronic form such as email. Any action so approved shall have the same effect as though taken at a meeting of the Board.

5.7 Telephone Meetings. Members of the Board may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can communicate with each other at the same time in real time. Participation by such telephone communications equipment shall constitute being present in person at a meeting.

6. NOMINATION AND ELECTION OF DIRECTORS

6.1 Nomination. Nomination for election to the Board shall be made by a Nominating Committee consisting of a chairman, who is a Director, and two (2) additional Members of the Association. The Nominating Committee will send out letters of interest to the Members prior to the annual meeting in requesting nominations. Members of the Nominating Committee will then contact nominees to verify their interest. If the nominations are insufficient to fill the vacancies on the Board, the Nominating Committee will solicit interested parties. The nominees' names will be submitted to the Board and Members at the Annual meeting. Additional nominations may be made by the Members in attendance. The Nominating Committee shall make as many nominations for election to the Board as desired, but not less than the number of vacancies that are to be filled.

6.2 Election. Election to the Board shall be by confidential written ballot. The election for the Board will be conducted by mail with all ballots due by the annual Board' meeting. The nominee for each position receiving the largest number of votes shall be elected. To ensure continuity of management, at each annual meeting for the election of Directors, at least two (2) of the elected three (3) Directors will be incumbents.

7. MEETING OF BOARD

7.1 Regular Meetings. Regular meetings of the Board shall be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on a day agreed upon by the Board which is not a

legal holiday. Regular meetings shall be held at least once annually but may be scheduled at more frequent interval as deemed reasonably necessary to conduct the Association's business.

7.2 Special Meetings. Special meetings of the Board shall be held when called by the president of the Association, or by any two (2) Directors, after not less than three (3) days-notice to each director. The notice may be verbal, in writing, or by electronic mail.

7.3 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting, at which a quorum is present, shall be regarded as the act of the Board, unless the act of a greater number is required by the Declaration, Articles of Incorporation, or these Bylaws.

8. POWER AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

8.1 Powers. The Board shall have power to:

- 8.1.1. Obtain policies of insurance for road easements, any other rights of way that may later be obtained or established, and for any other purpose that may be advisable.
- 8.1.2. Obtain professional legal, accounting, and financial services as may be reasonably necessary or beneficial to the administration of Association business or affairs.
- 8.1.3. Institute, defend, or intervene in litigation or administrative proceedings in the name of the Association on behalf of its Members.
- 8.1.4. Pay from Association funds, all costs of maintaining or improving the Benefitted Real Property and common areas as approved in the annual budget for the Association.
- 8.1.5. If necessary, maintain any Unit if such maintenance is reasonably necessary in the judgment of the Board to protect the Association. The Board may authorize such maintenance activities if the Members of the Unit have failed or refused to perform maintenance within a reasonable time after written notice of the necessity of such maintenance has been delivered by the Board to the Members of such Unit, provided the Board shall levy a limited assessment against the Member of such Unit and the Unit for the cost of such maintenance.
- 8.1.6. The Board may also pay any amount necessary to discharge any lien encumbrance levied against all the Units or any part thereof, which is claimed or may, in the opinion of the Board, constitute a lien against Units governed by the Declaration rather than merely against the interest therein of any particular Member(s). Where one or more Members are responsible for the existence of such liens, they shall be jointly and severally liable for the entire cost of discharging the liens and all of any costs or expenses, including reasonable attorneys' fees and costs of title search incurred by the Board by reason of such lien or liens. Such fees and costs shall be assessed against the Members and the Units responsible to the extent of their responsibility. This section shall not affect the right of any Members, jointly and severally liable to the Association, to a right or contribution, from other Members also jointly and severally liable under this Section, for sums paid to the Association under this Section.
- 8.1.7. Pay all utility charges attributable to common areas.
- 8.1.8. Have the exclusive right to contract for goods, services, maintenance, and capital improvements upon the common areas of the Benefitted Real Property.
- 8.1.9. Enter any Unit, when reasonably necessary, in the event of emergencies or in connection with any maintenance or construction for which the Association is responsible. Except in cases of emergencies, the Association, its agents or employees shall attempt to give notice to the Member or occupant of any Unit, 24 hours prior to such entry. Such entry must be made with as little inconvenience to the Members as practicable, and any damage caused thereby shall be repaired by the Association, at the Association's expense. If the entry was due to an emergency and the emergency was caused by a Member of the Unit entered, the cost shall be specifically assessed to the Unit and against the Member(s) of the Unit. If the repairs or maintenance activities were necessitated by the Member(s)'s neglect of the Unit, the cost of such repair or maintenance activity

shall be specifically assessed to that Unit and against the Member(s) of that Unit. If the emergency or the need for maintenance or repair was caused by another Member or another Unit, the cost thereof shall be specifically assessed against the Member of the other Unit and against the other Unit.

- 8.1.10. Declare the office of a Director vacant in the event that a Director is absent from three (3) consecutive regular meetings without approval by the Board.
- 8.1.11. Employ a manager, as independent contractor, or such other employees as the Board deems necessary and describe the duties of such employees.
- 8.1.12. Pay for all goods and services required for the proper functioning of the Association.
- 8.1.13. Impose annual and special assessments.
- 8.1.14. Open bank accounts on behalf of the Association and designate the signatories required.
- 8.1.15. Establish a reserve account in the name of the Association with a financial institution to fund major maintenance, repair, and replacement of common elements, including limited common elements that will require major maintenance, repair, or replacement within thirty years and implement reasonable financial strategies for the management of accumulated funds.
- 8.1.16. Exercise for the association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Bylaws, Articles of Incorporation, or the Declaration. The Board shall have all powers and authority permitted under the Declaration and the Bylaws. However, nothing herein contained shall be construed to give the Board authority to conduct a business for profit on behalf of all Members or any of them.
- 8.1.17. Adopt and publish rules and regulations governing the use of common areas and the Benefitted Real Property, and the personal conduct of the Members and their guest thereon, and to establish penalties for the infractions thereof.
- 8.1.18. Suspend the voting rights of Member(s) during any period in which such Member(s) shall be in default in the payment of any assessment or penalty levied by the Association. Voting rights may be suspended, without hearing, for the period the Member is out of compliance with any provision of the Declaration. The Member will be notified that voting rights have been suspended for the period of non-compliance.
- 8.1.19. Exercise for the Association of all powers, duties and authority vested in or delegated to this Association and which are not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration.

8.2 Responsibilities. The Board shall have the responsibility to:

- 8.2.1. Enforce the provisions of the Declaration and these Bylaws.
- 8.2.2. Cause to be kept a record of all the Associations' acts and corporate affairs, including, but not limited to, Association finances.
- 8.2.3. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.
- 8.2.4. Collect Assessments
 - (i) Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;
 - (ii) Send written notices of each assessment to every Member subject thereto at least thirty (30) days in advance of each annual due date.
 - (iii) Foreclose the lien against any property for which assessments or other charges are not paid within thirty (30) days after due date or to bring an action at law against the Member personally obliged to pay the same.
 - (iv) Take such action, as the Board deems appropriate, to collect any other funds owed to the Association by Members or by third parties, including recording and foreclosing any liens upon Members' Units for assessments or other charges due the Association, including foreclosure of assessments or liens placed on property for non-compliance with the Declaration.

- (v) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

8.2.5. To generally perform any actions deemed reasonably necessary or advisable by the Members to fulfill the objectives and provisions set forth in the Declaration or these Bylaws.

9. OFFICERS AND THEIR DUTIES

9.1 Enumeration of Offices. The Association offices shall include the offices of President, Vice-President, Secretary, Treasurer, and other such offices as may be created by the Board from time to time. Officers shall be appointed by the Board at any regular meeting or at a special meeting called for that purpose.

9.2 Term. The Officers shall hold office for the term designated by the Board at the time of appointment, if any, and shall serve until he or she sooner resigns, is removed from office, is replaced, becomes disqualified, or is otherwise unable or unwilling to serve as a director.

9.3 Special Appointments. The Board may appoint such other special offices as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

9.4 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

9.5 Vacancies. A vacancy in any office may be filled by appointment by the remaining officers. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

9.6 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to this Article.

9.7 Duties.

The officers and their duties are:

9.7.1. President:

- (i) prepare meeting agendas.
- (ii) preside at all meetings of the Board.
- (iii) ensure appointment and supervision of all committees.
- (iv) ensure that orders and resolutions of the Board are carried out.
- (v) sign all leases, mortgages, deeds and other written instruments.
- (vi) co-sign all checks and promissory notes.

9.7.2. Vice-President:

- (i) act in the place of the president in the event of a vacancy in that office.
- (ii) exercise and discharge such other duties as may be required by the Board.

9.7.3. Secretary:

- (i) keep the minutes of all meetings and proceedings, including votes of the Board and the Members. Maintain records of such minutes and proceedings, including votes.
- (ii) serve notice of meetings of the Board and the Members.
- (iii) perform such other duties as required by the Board.
- (iv) maintain the official records of the Association.

9.7.4. Treasurer:

- (i) keep proper books of account.
- (ii) send notices of dues and assessments to Members.
- (iii) receive and deposit all cash receipts of the Association into appropriate bank accounts.
- (iv) monitor delinquent accounts and advise the Board on appropriate collection actions.
- (v) disburse funds of the Association upon the presentation of properly rendered and approved vendor invoices or as directed by resolution of the Board.
- (vi) sign all checks and promissory notes of the Association.
- (vii) arrange for an annual review of the Association's insurance coverage.
- (viii) present a preliminary budget for the upcoming year at the annual meeting of the Membership and distribute a final budget to the Membership in January of the new year.
- (ix) prepare monthly Statement of Operations and Statements of Financial Position with variance analysis for presentation at Board meetings.
- (x) cause an annual audit of the Association books to be made by a financial review committee from the Membership or a certified public accountant.
- (xi) prepare and send an annual Statement of Operations and a Statement of Financial Position to the Members.
- (xii) maintain a directory of the Members of the Association.

10. BOOKS AND RECORDS

The books, records, and papers, excluding confidential voting ballots, of the Association shall at all times, during reasonable business hours, be available for inspection by any Member.

11. ASSESSMENTS

11.1 Assessment Authority. As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, and other charges, fines, or penalties. All such charges or fees are secured by a continuing lien upon the Unit against which the assessment or other charge is made. Any assessments or other charges which are not paid within thirty (30) days after the due date shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Member personally obligated to pay the same or foreclose the lien against the Unit. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment or other charges. No Member may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common areas or abandonment of the Member's Unit. The personal liability of any Member for delinquent assessments or other charges shall not pass to his or her successors in title unless expressly assumed by them. Liens for delinquent assessments and other charges shall be recorded in the office of the Ada County Recorder.

11.2 Budgeting, Assessments, and Special Assessments.

11.2.1. Budget. The Board shall establish a periodic Budget for all assessments imposed. Within thirty days after adoption of any proposed budget for the Association, the Board must provide a copy of the budget to all Members and set a date for a meeting of the Members to consider ratification of the budget not less than fourteen (14) nor more than fifty (50) days after providing the budget. Unless the Members present at that meeting cast a majority of their votes to reject the budget, the budget and the assessments against the Units included in the budget are ratified, whether or not a quorum is present. If the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Members continues until the unit owners ratify a subsequent budget proposed by the Board.

(i) The budget must include: (a) the projected income to the association by category; (b) the projected common expenses and those specially allocated expenses that are subject to being budgeted, both by category; (c) the amount of the assessments per unit and the date the assessments are due; (d) the current amount of regular assessments budgeted for contribution to the reserve account; (e) a statement of whether the association has a reserve study and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and (f) the current deficiency or surplus in reserve funding expressed on a per unit basis.

11.2.2. Annual & Special Assessments. The limitations on the Association's authority to increase the regular assessments or impose special or limited assessments are specified in the Declaration.

12. AMENDMENTS

12.1 Amendment by the Board. These Bylaws may be amended by a majority of the Board. The Members shall have concurrent power to amend the Bylaws at a regular or special meeting of the Members, by a vote of a majority or a quorum of Members Present in person or by proxy.

12.2 Conflict with Declaration. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

13. MISCELLANEOUS

The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year.

14. DELEGATION OF USE

Any Member may delegate his or her right of enjoyment of the Benefitted Real Property to other individuals in their immediate family, or to tenants and their immediate family living at the residence. Each Member personally, and the Member's Unit, shall be responsible for any damages to any areas maintained by the Association, or to any other Association property, whether real or personal, caused by a Member's family, guest, tenant, agent, workman, contractor, or other licensee or invitee. The Association shall have a lien upon the Member's Unit for the amount of damages, which shall be assessed or collected against the Member or Member's Unit as any other assessment.

IN WITNESS THEREOF, we, being the undersigned Directors of the Countryside Estates Neighborhood Association, hereby adopt these bylaws for the Association on this ____ day of, _____ 2022.

By:

By:

By: