

BY-LAWS

of Sherwood Homeowners Association, Inc.

Article I

Name and Location

The name of the Association is Sherwood Homeowners Association, Inc. The principal office of the corporation shall be located at 1521 East Boise Avenue, Boise, Idaho 83706.

Article II

Definitions

- 2.1 *Association* Association shall mean Sherwood Homeowners Association, Inc., an Idaho non-profit corporation, its successors and assigns.
- 2.2 *Assessments* Assessments shall mean those payments required of Owners and Association Members including Regular and Special Assessments of the Association.
- 2.3 *Association Rules* Association Rules shall mean those rules and regulations promulgated by the Association governing conduct upon the use of the Property under the jurisdiction or control of the association, the imposition of fines and forfeitures for violation of Association Rules and Regulations, and procedural matters for use in the conduct of business of the Association.
- 2.4 *Board* Board shall mean the Board of Directors of other governing board of individual of the Association.
- 2.5 *Building Lot* Building Lot shall mean and refer to any plot of land showing upon any recorded plat of the Property with the exception of Common Area.
- 2.6 *Committee* Committee shall mean the Architectural Committee described in Article VI of the Declaration of Covenants, Conditions, and Restrictions for Sherwood Subdivision.
- 2.7 *Declaration and Supplemental Declaration* Declaration and Supplemental Declaration shall refer to the Declaration of Covenants, Conditions, and Restrictions for Sherwood Subdivision as amended and supplemented from time to time.
- 2.8 *Improvement* Improvement shall mean any structure, facility, or system or other improvement or object, whether permanent or temporary, which is erected, constructed or place upon, under or in any protion of the Property, including but

not limited to buildings, fences, streets, drives, driveways, sidewalks, curbs, landscaping, signs, lights, mailboxes, electrical lines, pipes, pumps, ditches, waterways, swimming pools, and other recreational facilities and fixtures of any kind whatsoever.

- 2.9 *Lot* Lot shall mean a building lot in Sherwood Subdivision.
- 2.10 *Member* Member shall mean each person or entity holding a membership in the Association. Ownership shall be the sole qualification for membership.
- 2.11 *Owner* Owner shall mean the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.
- 2.12 *Plat* Plat shall mean the recorded Plat of Sherwood Subdivision and the recorded Plat of any other Properties annexed to it.
- 2.13 *Property* Property or properties shall mean the real property and such additions thereto as may hereafter be annexed and brought within the coverage of the Declaration of Covenants, Conditions, and Restrictions for Sherwood Subdivision.

Article III Meeting of Members

- 3.1 *Annual Meeting* The annual meeting of the members shall be held at a date, time, and place to be determined by the Board.
- 3.2 *Organizational Meeting* The organizational meeting shall be held at least 2 weeks after the annual meeting. This meeting is for the Board of Directors to elect the officers and discuss the upcoming year for changes, improvements, and the budget.
- 3.3 *Special Meeting* 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-fourth of all the votes.
- 3.4 *Notice of Meeting* Written notice of each meeting of the members shall be given by mailing a copy of a notice at least 30 days before the meeting to each member entitled to vote, addressed to the member's address last appearing on the books of the Association. The notice shall specify the place, date, time, and purpose of the meeting.

- 3.5 *Quorum* The presence at any meeting of members entitled to cast, or of proxies entitled to cast, sixty percent (60%) of all votes of the members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called. No subsequent meeting shall be held more than sixty (60) days following the date of the meeting at which no quorum was forthcoming. The quorum requirement for the subsequent meeting is any number of votes represented at the meeting.
- 3.6 *Proxies* At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. The proxy of any member shall automatically terminate if the grantor of the proxy ceases to be an owner. Proxies shall not be valid for a period in excess of eleven (11) months from their date of execution.
- 3.7 *Robert's Rules of Order* Parliamentary procedure of conducting a meeting shall follow Robert's Rules of Order.

Article IV Board of Directors

- 4.1 *Number* There shall be three directors elected to serve for a period of three years. Election shall be by popular vote, the nominees receiving the three highest vote totals shall be deemed elected.
- 4.2 *Term of Office* Board members shall be elected for a term of three consecutive years. A board member may serve more than one term.
- 4.3 *Removal* Any director may be removed from the Board, with or without cause, by a majority vote of the other members of the Board. In the event of death, resignation, or removal of a director, a successor may be appointed by the remaining members of the Board and shall serve the remainder of the term of the director who was removed, died or resigned.
- 4.4 *Compensation* Directors shall receive no compensation of any kind for service rendered to the Association. A director may receive reimbursement for actual expenses incurred in the performance of duties as a director.
- 4.5 *Action Taken Without a Meeting* The directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of a majority of the directors. Any action taken in this manner shall have the same effect as though taken at a meeting of the directors.

Article V
Nomination and Election of Directors

- 5.1 *Nomination* Nominations shall be made from the floor at the annual meeting.
- 5.2 *Election* Election to the Board shall be by popular vote at each annual meeting of the members. A Board of Directors of the Association shall be elected by ballot of those attending said meeting and voting by proxy. At each such election, the members or their proxies may cast only one vote with respect to each lot. The members shall elect one director for a term of three years. Each lot or dwelling may have no more than one director elected from its owners.
- 5.3 *Advisory Committee* The other members who were on the ballot but not elected to serve on the Board of Directors may serve on an Advisory Committee in which they are able to attend the meetings as advisors and may suggest motions to be made.

Article VI
Powers and Duties of the Board of Directors

- 6.1 *Purpose & Powers* The Board shall have power to:
- a. Adopt and publish rules and regulations governing the use of common area and facilities, and the personal conduct of the members and their guests, and to establish penalties for infraction of the rules and regulations it sets. Interpret documents, setup procedures, and authorize expenditures.
 - b. Suspend the voting rights and right to use the common areas and facilities of a member during any period in which a member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 30 days for infraction of published rules and regulations.
 - c. Exercise all powers, privileges, duties, and authority vested in or delegated to the Association and not reserved to the members by other provisions of the By-Laws, the Articles of Incorporation, or the Declaration.
 - d. Declare the office of a member of the Board to be vacant in the event such member is absent from three consecutive regular meetings of the Board of Directors.
 - e. Employ a manager, an independent contractor, or such other employees or contractors as necessary and to prescribe their duties.

- f. Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments, annual or special, required to be made for the operation and maintenance of all common area. And may be collected on an annual, quarterly, or monthly basis.
- g. The assessments levied shall be used for the improvement and maintenance of any area designated as a Common Area/or the general operations of the Homeowners Association. The Association Directors shall determine the use of assessment proceeds.
- h. To obtain appropriate liability, casualty, fire, or errors or omissions or other insurance to properly protect the actions of the Association or facilities maintained, owned or controlled by the Association as a cost to the Association.

6.2 *Duties* Duties of the Board of Directors shall be to:

- a. Keep a complete record of all its acts and corporate affairs.
- b. The Directors shall maintain a member list.
- c. The Directors shall prepare an annual budget which shall indicate anticipated management, operating, maintenance, repair and other common expenses for the Association's next fiscal year and which shall be sufficient to pay all estimated expenses and outlays of the Association for the next calendar year growing out of or in connection with the maintenance and operation of common areas and improvements and may include, among other things, the cost of maintenance, management, special assessments, fire, casualty and public liability insurance, common lighting, landscaping, and care of grounds, repairs, renovations, and paintings to common areas, snow removal, wages, water charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Association from a previous period, and the creation of any reasonable contingency or other reserve fund, as well as all costs and expenses relating to the common area and improvements.
- d. Supervise officers, agents and contractors of the Association.
- e. Fix the amount of the amount of the regular assessment at least thirty (30) days in advance of each assessment period.
- f. The Board of Directors shall establish written notice of the assessment dates.
- g. Foreclose the lien against any property for which assessments are not paid within thirty days after the due date or bring an action at law against the owner obligated to pay the assessment.

- h. The Association is and will be responsible for the continual maintenance in accordance with the Maintenance Manual, which is a part of the Declaration. To own, provide for maintenance, preservation and control of the common areas and any additions brought in the Homeowners Association by annexation and any areas to be maintained adjacent to the Subdivision along any street or road. The Association shall be responsible for the repairs, upkeep and maintenance, normal servicing, gardening, rules and regulations for use, care, and safety, annual planting of flowers (if any), payment of bills and related expenses for any Common Areas.
- i. Cause all officers, agents, and contractors of the Association to be covered by bonds and liability and hazard insurance, as it may consider appropriate.

Article VII Officers and Their Duties

- 7.1 *Enumeration of Officers* The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The same person may hold the offices of Secretary and Treasurer. Officers do not have to be members.
- 7.2 *Election of Officers* The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.
- 7.3 *Term* At each annual meeting the owners shall elect one director for a term of three years.
- 7.4 *Resignation and Removal* Any officer may resign at any time giving written notice to the Board, the President, or the Secretary. A resignation shall take effect on the date of receipt of the notice or at any later time specific in the notice of resignation. Acceptance of a resignation shall not be necessary to make it effective. An officer may be removed from office, with or without cause, by a majority vote of the Board of Directors.
- 7.5 *Vacancies* The remaining officers shall fill A vacancy during the terms vacancies. The individual appointed to a vacant office shall serve for the remainder of the term of the officer being replaces.
- 7.6 *Duties* The duties of the officers are as follows:
 - a. The President shall be the chief executive officer of the Association with broad administrative and decision making authority, shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

- b. The Vice President shall act in the absence, inability, or refusal of the President to act, and shall discharge such other duties as required by the Board of the President. The Vice President is in charge of the committees. The committees being the following Architectural, Landscape Neighborhood Watch and Safety, Newsletter, and Hospitality and shall motion to create new committees as needed. Committees report to the Vice President and forward their budget to the Vice President who then represents it to the Board.
- c. The Secretary/Treasurer shall be the official record keeper of the Association, shall keep the minutes of all meetings and proceeding of the Board and of the members, serve notices of meetings, keep appropriate and current records, file liens and release of liens, and perform other duties as required by the Board or the President. Shall receive and deposit all moneys of the Association, disburse such funds, sign all checks and promissory notes, keep accurate and current financial books of account, prepare and publish an annual budget, statement of revenue and expense, and perform other duties as required by the Board or the President.

Article VIII Books and Records

The financial reports, books, and records of the Association shall at all times, during business hours of 9:00 a.m. to 3:00 p.m., Monday through Friday, be available and open for inspection by any member or mortgagee. Copies of any records shall be made at the prevailing cost for copies at the time a request for copies is made.

Article IX Amendments

Amendments to these By-Laws may be made at any time at a regular or special meeting of the board of directors by a vote of a majority of a quorum of members of the board of directors present in person or by proxy. A vote of two-thirds (2/3) of the owners shall be necessary to amend any Articles or By-Laws of this Association.

Article X Miscellaneous

- 10.1 *Conflicts* In the event of a conflict between the Articles of Incorporation, the Declaration, or these By-Laws, the Declaration shall in all cases control.
- 10.2 *Fiscal Year* The fiscal year for the Association shall begin on the first day of January and end on the 31st day of December of each year.

In Witness Whereof, the undersigned Directors have executed and accepted these By-Laws this 27 day of Jan, 2002.

By

(President)

By

(Secretary)

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- a. Adopt and publish rules and regulations governing the use of common area and facilities, and the personal conduct of the members and their guests, and to establish penalties for infraction of the rules and regulations it sets. Interpret documents, setup procedures, and authorize expenditures.
 - b. Suspend the voting rights and right to use the common areas and facilities of a member during any period in which a member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 30 days for infraction of published rules and regulations.
 - c. Exercise all powers, privileges, duties, and authority vested in or delegated to the Association and not reserved to the members by other provisions of the By-Laws, the Articles of Incorporation, or the Declaration.
 - d. Declare the office of a member of the Board to be vacant in the event such member is absent from three consecutive regular meetings of the Board of Directors.
 - e. Employ a manager, an independent contractor, or such other employees or contractors as necessary and to prescribe their duties.

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- f. Fix, levy, collect, and enforce payment by any lawful means, all charges or assessments, annual or special, required to be made for the operation and maintenance of all common area. And may be collected on an annual, quarterly, or monthly basis.
 - g. The assessments levied shall be used for the improvement and maintenance of any area designated as a Common Area/or the general operations of the Homeowners Association. The Association Directors shall determine the use of assessment proceeds.
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- f. The Board of Directors shall establish written notice of the assessment dates.
- g. Foreclose the lien against any property for which assessments are not paid within thirty days after the due date or bring an action at law against the owner obligated to pay the assessment.

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 - a. The President shall be the chief executive officer of the Association with broad administrative and decision making authority, shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

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- b. The Vice President shall act in the absence, inability, or refusal of the President to act, and shall discharge such other duties as required by the Board of the President. The Vice President is in charge of the committees. The committees being the following Architectural, Landscape Neighborhood Watch and Safety, Newsletter, and Hospitality and shall motion to create new committees as needed. Committees report to the Vice President and forward their budget to the Vice President who then represents it to the Board.
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Article X Miscellaneous

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- 10.2 *Fiscal Year* The fiscal year for the Association shall begin on the first day of January and end on the 31st day of December of each year.

In Witness Whereof, the undersigned Directors have executed and accepted these By-Laws this 23 day of August, 2001.

By Mike Meyer
(President)

By Maule Shapiro
(Secretary)