

**BYLAWS OF
LAGUNA POINTE HOMEOWNER'S ASSOCIATION, INC.**

THESE BY-LAWS of Laguna Pointe Homeowner's Association, Inc., an Idaho nonprofit corporation ("Association"), are adopted and effective as of the 22nd day of January, 2013 by the Association's Board of Directors ("Board of Directors").

**ARTICLE 1
FORMATION AND REGISTERED OFFICE**

On May 16, 2006, the Association was organized as an Idaho nonprofit corporation by executing and delivering the Articles of Incorporation ("Articles of Incorporation") to the Idaho Secretary of State in accordance with Title 30, Chapter 3, Idaho Code. The Association and each Member is subject to the Restated and Amended Declaration of Covenants, Conditions and Restrictions of the Coast to Coast Subdivision dated April 19, 2007 and recorded on April 19, 2007 as Document No. 1070055600, records of Ada County, Idaho ("CC&Rs"). The registered office of the Laguna Pointe Homeowner's Association, Inc. required by the Idaho Nonprofit Corporation Act ("Act") to be continuously maintained in the state of Idaho may, but need not, be the same as any of its principal places of business in the state of Idaho. In any case, the Association's registered office shall be the business office of the registered agent required by the Act to be continuously maintained in the state of Idaho. The address of the registered office may be changed from time to time by the Board of Directors or the President of the Association by delivering a statement to the Idaho Secretary of State containing the information required by the Act or by indicating such change in the annual report required by the Act to be filed with the Secretary of State.

**ARTICLE 2
DEFINITIONS**

The following terms shall have the following meanings:

Section 2.1 "ASSOCIATION" shall refer to Laguna Pointe Homeowner's Association, Inc., an Idaho nonprofit corporation organized under the laws of the State of Idaho, its successors and assigns.

Section 2.2 "CC&Rs" shall refer to the Restated and Amended Declaration of Covenants, Conditions and Restrictions of the Coast to Coast Subdivision dated April 19, 2007 as may be amended from time to time.

Section 2.3 "COMMON AREA" shall refer to all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners and as more specifically described in the CC&Rs.

Section 2.4 "LOT" shall refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area.

Section 2.5 "MEMBER" shall refer to an Owner of a Residential Lot as stated in the CC&Rs.

Section 2.6 "OWNER" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any Residential Lot, as stated in the CC&Rs.

Section 2.6 "PROPERTIES" shall refer to the real property identified as Coast to Coast Subdivision, according to the official plat recorded as Instrument No. 106159427 at pages 11955-11963, Book 96 of Plats, records of Ada County, Idaho ("Plat").

ARTICLE 3 MEMBERSHIP, DETERMINATION OF PROPERTY RIGHTS AND VOTING

Section 3.1. Membership.

Each Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The ownership of a Lot shall be the sole qualification for membership and shall automatically begin when a person becomes an Owner and shall automatically terminate when such ownership is transferred. No Owner shall exercise the rights of membership in the Association until satisfactory proof thereof has been furnished to the secretary. Such proof may consist of either a copy of a duly executed and acknowledged grant deed or title insurance policy showing said person to be the owner of an interest in a Lot entitling him/her to membership and shall be deemed conclusive in the absence of a conflicting claim based on a later deed or policy.

Section 3.2. Voting.

In all matters requiring a vote of the Association's membership, each Owner shall be entitled to one vote for each Lot owned. If there are multiple Owners of a Lot, or a business entity owns a Lot, the Owners shall, by written instrument filed with the Association, designate the individual entitled to exercise privileges of membership. Except as otherwise provided herein or in the CC&Rs, a vote of a majority of Members, in person or by proxy or absentee vote, shall prevail at all meetings.

ARTICLE 4 MEETINGS OF MEMBERS

Section 4.1. Annual Meetings.

The annual meetings of Members of the Association shall be held each year on a day and time to be determined by the Board of Directors for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day that is not a legal holiday. All business that may be lawfully transacted may be transacted at such meeting without any further or special notice. The failure to hold an annual meeting at the

time stated or otherwise designated as provided herein shall not affect the validity of any corporate action.

Section 4.2. Special Meetings.

Special meetings of the Members of the Association may be called at any time, for any purpose or purposes, by a majority of the Board of Directors or the President of the Association or by at least twenty percent (20%) of the Members (provided that such Members sign, date and deliver to the Association one or more written demands for the meeting describing the purpose(s) for which it is to be held) or by the person or persons authorized to do so by the Articles of Incorporation. Special meetings of the Members of the Association may not be called by any other person or persons.

Section 4.3. Notice of Meetings.

The Association shall notify Members of the date, time and place of each annual and special meeting and, in case of a special meeting, a description of the purpose or purposes for which the meeting is called, no fewer than fourteen (14) days before the meeting date. Unless otherwise required by law or the Articles of Incorporation or CC&Rs, the Association is required to give notice of a meeting only to Members entitled to vote at the meeting. Notice of a special meeting must include a description of the purpose or purposes for which the meeting is called. Only business within the purpose(s) described in the special meeting notice may be conducted at such special meeting. Notice shall be given to each Member at either: (i) the address of their respective unit; (ii) by electronic transmission if permitted by law; or (iii) the address supplied by the Member to the Association.

Section 4.4. Waiver of Notice.

Notice of any meeting of Members may be waived in writing, signed by the person entitled to notice thereof and delivered to the Association for inclusion in the corporate minutes or filing with the corporate records, either before or after the date and time stated in the notice. A Member's attendance at a meeting shall constitute a waiver to defective or lack of notice of the meeting unless, at the beginning of the meeting, the Member objects to holding or transacting business at the meeting. A Member also waives objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice unless the Member objects to considering the matter when it is presented. Any Member so waiving notice shall be bound by the proceedings of the meeting in all respects as if due notice hereof had been given.

Section 4.5. Quorum.

Unless the Act or the Articles of Incorporation impose a greater requirement, a majority of the votes entitled to be cast on a matter, represented in person or by proxy or absentee, shall constitute a quorum.

Section 4.8. Proxies and Absentee Ballots.

At all meetings of Members, a Member may vote by proxy executed in writing by the Member or by his/her duly authorized attorney in fact. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable at the pleasure of the Member who executed it. The Board of Directors may also make provisions to provide for absentee ballots.

Section 4.9. Order of Business.

Unless otherwise determined by the Board of Directors, the order of business of all meetings of the Members shall be as follows:

- (a) roll call;
- (b) proof of notice of meeting or waiver of notice;
- (c) approval of minutes of preceding meeting;
- (d) reports of Directors and officers;
- (e) unfinished business;
- (f) new business; and
- (g) election of directors, if any are to be elected.

Section 4.9. Parliamentary Procedure.

Meetings shall generally be held using parliamentary procedure. All questions of parliamentary procedure shall be decided in accordance with Roberts Rules of Order.

Section 4.10. Action Without Meeting.

Any action which may be taken at a meeting of the Members may be taken without a meeting if authorized by a writing signed by all of the Members who would be entitled to vote at a meeting for such purpose and filed with the secretary of the Association.

**ARTICLE 5
BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE AND DUTIES**

Section 5.1 Number and Qualifications.

The authorized number of Directors of the Association is 5, and the number of Directors may be increased or decreased from time to time by amendment to these Bylaws or in the

manner provided by law by the Board of Directors or the Members. No decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director. A Director need not be a resident of the state of Idaho, unless so required by law or the Articles of Incorporation. If for any cause the Directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient at a special meeting of the Members called for that purpose in the manner provided by law or in these Bylaws.

Section 5.2 Nomination and Term of Directors.

Nominations of persons for election to the Board of Directors of this Association shall be made by Members at the annual meeting of Members. Election to the Board of Directors shall be by secret written ballot. At such election, the Members, or their proxies, may cast one vote per membership for each vacancy. The candidates receiving the highest number of votes shall be deemed elected. Directors shall serve a term of 2 years and will be replaced on a staggered basis (by 2 new Members each election cycle). No Director shall be elected for more than 3 consecutive 2-year terms. An officer who has served 3 consecutive 2-year terms may be re-elected after remaining off the Board of Directors for a 1-year period of time. The Board of Directors shall take action, as necessary from time to time to accomplish this staggered appointment/election process.

Section 5.3. Powers.

The Board of Directors shall have all powers conferred upon the Association as set forth herein and in the CC&Rs, and in accordance with the law, excepting only those powers expressly reserved to the Members. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors.

All fund of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 5.4. Duties.

It is the duty of the Board of Directors to: (i) cause to be kept a complete record of all of its acts and doings and to present a statement thereof to the Members within a reasonable time following Director meetings and at each annual meeting of the Members, or at any special meeting when such statement is requested in writing by Members representing 20% of the Members of the Association; (ii) supervise all officers, agents and employees of the Association, and see that their duties are properly performed; and (iii) implement or delegate the duties and powers of the Association as provided in the CC&Rs.

The Board of Directors may establish a specific capital reserve account for major items of maintenance or improvements exceeding an anticipated cost of ten thousand dollars (\$10,000).

The capital reserve account so established shall be set aside as reserves for future financial needs in the manner set forth in the CC&Rs and shall be deposited into insured interest-bearing accounts.

Section 5.5. Committees.

The Board of Directors shall appoint an Architectural Design Committee as provided in the CC&Rs. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**ARTICLE 6
MEETINGS OF DIRECTORS**

Section 6.1. Regular Meetings.

Regular meetings of the Board of Directors shall be held at such time as it may determine to meet its responsibilities, at such place and hour as may be fixed from time to time by resolution of the Board of Directors. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day that is not a legal holiday. Notice of the time and place of any such meeting shall be provided to each Director pursuant to the method requested by each Director and filed with the secretary of the Association.

Section 6.2. Telephone Meetings.

Any Director of the Board, or of any committee thereof, may participate in or conduct a meeting through the uses of any means of conference telephone or similar communications equipment by which all Directors participating in the meeting may simultaneously hear each other during the meeting. A Director participating in a meeting by such means is deemed to be in attendance at such meeting.

Section 6.3. Special Meetings.

Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any 2 Directors, after not less than 3 days prior notice to each Director, which notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be posted in the manner prescribed for notice of regular meetings not less than 72 hours prior to the scheduled time of the meeting.

Section 6.4. Waiver of Notice.

A Director may waive any notice required by the Act, the Articles of Incorporation or these Bylaws at any time before or after the date and time stated in the notice. Except as otherwise provided, such waiver must be signed by the Director and filed with the minutes or corporate records. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting unless the Director, at the beginning of the meeting, or promptly upon the

Director's arrival, objects to holding the meeting or transacting any business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

Section 6.5. Quorum.

A majority of the Directors shall constitute a quorum for the transaction of business at a meeting of the Board of Directors. Every act or decision 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 of Directors. An absentee Director may, upon written authorization, delegate his or her vote to a meeting attendee. Such written authorization shall be attached to the Board of Directors meeting minutes.

Section 6.6. Conduct of Meetings.

Regular and special meetings of the Board of Directors shall be open to all Members of the Association; provided, however, that Association Members who are not on the Board of Directors may not participate in any deliberation or discussion unless expressly authorized by the vote of a majority of Directors present. The Board of Directors may, with the approval of a majority of Directors present, adjourn a meeting and reconvene in executive session to discuss and/or vote upon any situation, any personnel matters, and litigation in which the Association is or may become involved and orders of business of a similar or otherwise sensitive nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 6.7. Action Taken Without a Meeting.

The Directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board of Directors.

**ARTICLE 7
OFFICERS AND THEIR DUTIES**

Section 7.1. Enumeration of Offices.

The officers of the Association shall be a President, Vice President, Secretary and Treasurer who shall at all times be members of the Board of Directors, and such other officers as the President or Board of Directors may from time to time by resolution create. With the exception of the Secretary and Treasurer, as well as additional appointed officers, no officer may simultaneously hold more than one office.

Section 7.2. Election and Term of Officers.

The election of officers shall take place at the annual meeting of the Members. Officers shall be elected at each annual meeting of the Members, and shall serve a term of 2 years. Despite the expiration of the officer's term, an officer shall continue to serve until the officer's successor is duly elected and qualified, or until there is a decrease in the number of officers, or until the officer's earlier death, resignation or removal.

Section 7.3. Special Appointments.

The Board of Directors may elect such other officers 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 of Directors may, from time to time, determine.

Section 7.4. Resignation and Removal.

The Board of Directors may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board of Directors, 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.

Section 7.5. Vacancies.

A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.6. Duties.

The duties of the officers shall be as follows:

- (a) President.** The President shall preside at all meetings of the Board of Directors, see that orders and resolutions of the Board be carried out, sign all leases, mortgages, deeds and other written instruments and shall co-sign all promissory notes.
- (b) Vice President.** In the absence of the President or in the event of the President's removal, resignation, death, or inability or refusal to act, the Vice President shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President, and shall perform other duties as from time to time may be assigned to the Vice President by the Board of Directors.
- (c) Secretary.** The Secretary, or a designated representative approved by the Board of Directors, shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members, shall serve notices of meetings of the Board of Directors and of the Members, shall keep appropriate current records showing the

Members of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

- (d) **Treasurer.** The Treasurer, or a designated representative approved by the Board of Directors, shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, shall keep proper books of account, shall cause an annual operating statement reflecting income and expenditures of the Association for its fiscal year to be prepared and shall cause copies of said statement to be distributed to each Member within 60 days after the end of such fiscal year, and shall cause an annual budget to be prepared and presented to each Member.

Section 7.7. Compensation.

No officer shall receive any compensation for any service rendered to the Association; provided, however, any officer may be reimbursed for actual out-of-pocket expenses incurred in the performance of duties. All claims for reimbursement must be accompanied by receipt or invoice, and signed and dated by the officer claiming the expense.

**ARTICLE 8
INDMENIFICATION OF DIRECTORS AND OFFICERS**

Section 8.1. Standards of Conduct.

A Director or officer when performing in such capacity, shall act: (i) in good faith; (ii) with the care that a person in a like position would reasonably exercise under similar circumstances; and (iii) in a manner he or she reasonably believes to be in the best interests of the Association.

Section 8.2 Indemnification.

The Association shall indemnify, to the fullest extent permitted by laws, any person who is made, or threatened to be made, a party to an action, suit or proceeding (whether civil, criminal, administrative or investigative), by reason of the fact that he or she is or was a Director or Officer of the Association. The Association may limit the extent of such indemnification by individual contracts with any Director or officer in connection with any proceeding (or part thereof) initiated by such person or any proceeding by such person against the Association or its directors, officers, employees or other agents unless (i) such indemnification is expressly required by law; or (ii) the proceeding was authorized by the Board of Directors.

Section 8.3 Good Faith

For purposes of this Article 8, a Director or officer shall be deemed to have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, to have had no reasonable cause to believe that this conduct was unlawful, if his or her action is based on the

records or books of account of the Association or another enterprise, or on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by (i) the officers of the Association or other enterprise whom the director or officer reasonably believes to be within such person's professional or expert competence.

Section 8.4 Expenses and Enforcement

Prior to final disposition of any proceeding and promptly following request, the Association shall advance all expenses incurred by any Director or officer in connection with such proceeding. Notwithstanding the foregoing, no advance shall be made by the Association if a majority of the disinterested Directors reasonably determines, based on the fact known to them at the time, that such person acted in bad faith or in a manner that such person did not believe to be in the best interests of the Association, or with respect to any criminal proceeding, such person believed or had reasonable cause to believe that his or her conduct was unlawful.

The rights under this Article 8 shall be deemed to be contractual rights and to be effective to the same extent as if provided for in a contract between the Association and the director or officer exercising such rights. The burden shall be on the Association to prove that a director or officer has not met the applicable standard of conduct set forth in the Act or as required under these Bylaws.

Section 8.4 Non-Exclusivity and Survival of Rights

The rights conferred by this Article shall not be exclusive of any other right such person may have or acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of Members or disinterested Directors or otherwise, both as to action in this official capacity and as to action in any other capacity on behalf of the Association and shall continue after such person has ceased to be a Director, officer, employee or other agent of the Association and shall inure to the benefit of their heirs and personal representatives. Any repeal or modification of this Article 8 shall only be prospective and shall not affect the rights in effect at the time of the alleged occurrence of any act or omission that is the cause of any proceeding against any Director, officer, employee or other agent of the Association.

ARTICLE 9 AMENDMENTS

These Bylaws may be altered, amended or repealed and new bylaws may be adopted by a vote of the majority Members attending in person or by proxy any annual or special meeting when the proposed amendment has been set out in the notice of such meeting. Articles 6 and 7 of these Bylaws may also be amended or repealed at any meeting of the Board of Directors by the vote of at least a majority of the entire Board of Directors; provided that any such amendment adopted by the Board of Directors may be amended or repealed by the Members in the manner set forth above.

ARTICLE 10
GENERAL PROVISIONS

Section 10.1. Conflicting Provisions.

In the case of any conflict between any provisions of the CC&Rs and these Bylaws, the conflicting provisions of the CC&Rs shall control.

Section 10.2. Fiscal Year.

The fiscal year of the Association shall be January 1st of each year unless and until a different fiscal year is adopted by the Members at a duly constituted meeting.

Section 10.3. Records.

The Association shall maintain accurate and correct books, records, and accounts of its business and they shall be kept at such places as is from time to time fixed and designated by the Board of Directors.

Section 10.4. Corporate Seal.

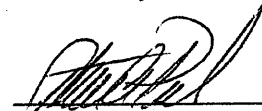
The Association may have a corporate seal, which may be altered at will by the Board of Directors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

Section 10.5. Savings Clause.

If any term or provision of the Bylaws is declared invalid or unenforceable upon any ground by any court of competent jurisdiction or any Federal or state agency having jurisdiction, the remaining terms and provisions shall remain in full force and effect.

CERTIFICATE OF ADOPTION

The foregoing Bylaws of the Laguna Pointe Homeowners' Association, Inc., an Idaho non-profit corporation, were adopted by the Board of Directors on the 28th day of January, 2013.



President



Secretary