

BYLAWS
OF
BELMAR ESTATES COMMUNITY ASSOCIATION, INC.

These Bylaws (these "Bylaws") of Belmar Estates Community Association, Inc., an Idaho nonprofit corporation (the "Association") are applicable to the Belmar Estates Community as identified in the Declaration of Covenants, Conditions and Restrictions for the Belmar Estates Community recorded in the official records of Ada County, Idaho as Instrument No. 2015-111879 (the "Declaration"). The Declaration are incorporated herein in their entirety by this reference and made a part of these Bylaws as if set out in full herein, and all capitalized terms not otherwise defined herein shall have the meaning set forth in the Declaration.

ARTICLE 1 - MEMBERS

Section 1.1 Members. All Owners shall be Members of the Association.

Section 1.2 Voting. Each Owner shall be entitled to one vote as a member in the Association for each Lot owned by that Owner, subject to Grantor's rights during the Initial Development Period (as set forth in Article 9 of the Declaration).

Section 1.3 Annual Meetings of Members. The Association shall hold a regular annual meeting of Members each year on such date as the Board may designate; provided, however, the regular annual meeting must be held between February 1 and May 1 of each calendar year. At such meeting, the Members may transact such business as may properly come before them if a quorum is present.

Section 1.4 Special Meetings. The president of the Association shall call a special meeting of the Association as directed by resolution of the Board or upon request of Grantor. ~~The notice of all special meetings shall be given as provided in Section 1.7 of these Bylaws, and shall state the nature of the business to be undertaken. No business shall be transacted at a special meeting except as stated in the notice, unless by consent of the Members representing more than fifty percent (50%) of the total voting power in the Association, either in person or by proxy.~~

Section 1.5 Order of Business. The order of business at all meetings shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of committees; (e) unfinished business; and (f) new business.

Section 1.6 Place of Meetings. Meetings of the Association shall be held in the location designated by the Board, which location shall be a suitable place in the Community or close thereto. Such meetings shall be conducted in accordance with Robert's Rules of Order.

Section 1.7 Notice of Meetings. Notice of annual or special meetings of the Association shall be delivered, mailed or emailed to all Members, and shall be given not less than five (5) days nor more than thirty (30) days prior to the time of said meeting and shall set forth the place, date and hour of the meeting, and the nature of the business to be undertaken at any special meeting, by the acting chairman of the previous annual meeting, or, in such person's absence, by the Association's secretary of the previous annual meeting, or, in both persons' absence, by the Members having one-quarter (1/4) of the total voting power in the Association. The mailing of a notice (postage prepaid) or the emailing of a notice in the manner provided in this Section 1.7, shall be considered notice served. If no address has been furnished to

the Association's secretary, notice shall be deemed to have been given to a Member if posted in a conspicuous place in the Community.

Section 1.8 Quorum. Except as otherwise provided in the Community Documents, the presence in person or by proxy of the Grantor shall constitute a quorum during the Initial Development Period. After the Initial Development Period, the presence in person or by proxy of the Members representing at least thirty percent (30%) of the total votes of the Association shall constitute a quorum. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was scheduled, without notice other than announcement at the meeting. At such second meeting, the presence of Members representing no less than fifteen percent (15%) of the quorum required at the preceding meeting shall constitute a quorum. Except as otherwise provided in the Declaration, decisions and resolutions of the Association shall require an affirmative vote of the Members representing a majority of the total voting power present at an annual or special meeting of the Association at which a quorum is present.

Section 1.9 Proxies. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Association's secretary at least twenty-four (24) hours before the appointed time of each meeting. Every proxy shall be revocable by the Member who executed the proxy at any time and shall automatically cease after completion of the meeting for which the proxy was filed, if filed for a particular meeting. In no event shall a proxy be valid after eleven (11) months from the date of its execution.

Section 1.10 Action Without Meeting. Any action which may be taken at a meeting of the Association, may be taken without a meeting if authorized in writing signed by all of the Members who would be entitled to vote at a meeting for such purpose, and filed with the Association's secretary. Any action so approved shall have the same effect as though taken at a meeting of the Members.

ARTICLE 2 - BOARD

Section 2.1 Number and Qualification. The business and affairs of the Association shall be managed by the Board. The Board shall consist of not less than three (3) directors and no more than five (5) directors. Directors need not be Owners. During the Initial Development Period, Grantor shall have the exclusive right to appoint, remove and replace directors at anytime and from time-to-time in Grantor's sole discretion. After the Initial Development Period, the Owners shall have the right to appoint, remove or replace directors as provided in the Bylaws.

Section 2.2 Powers. The Board's power on behalf of and in respect of the Association shall be all powers and privileges permitted to be exercised by a Board of a nonprofit corporation under applicable law, subject only to such limitations as are expressly stated in the Community Documents. The Board shall conduct, direct and exercise full control over all activities of the Association. Unless otherwise provided in the Community Documents, any action taken by the Board on behalf of the Association, shall be sufficient to bind the Association and shall conclusively evidence the authority of the Board with respect thereto. The Board is vested with, and responsible for, the powers and duties identified in Section 2.6 of the Declaration.

Section 2.3 Regular Meetings. Regular meetings of the Board may be held without notice, at such times, in such place and at such 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 the next day which is not a legal holiday.

Section 2.4 Special Meetings. Special meetings of the Board may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them. Whenever any Director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given in the manner provided in Section 2.5 shall be conclusive and incontrovertible evidence that due notice of such meeting was given to such Director, as required by law and as provided herein.

Section 2.5 Notice. Notice of any special meetings of the Board shall be delivered, mailed or emailed to all Directors at least three (3) days previous thereto and shall set forth the place, date and hour of the meeting, and the nature of the business to be undertaken. The mailing of a notice (postage prepaid) or the emailing of a notice in the manner provided in this Section 2.5, shall be considered notice served, after said notice has been deposited in a regular depository of the United States mail. Notices sent by facsimile shall be considered notice served upon confirmation of delivery.

Section 2.6 Waiver of Notice. Before or at any meeting of the Board, any Director may in writing waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be waiver of notice by that Director of the time and place thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though transacted at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the Directors not present signs such a written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 2.7 Quorum. A majority of the number of Directors fixed by Section 2.1 shall constitute a quorum for the transaction of business at any meeting of the Board. Any act taken by a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 2.8 Voting. Each Director shall have one (1) vote as a director.

Section 2.9 Action Without a Meeting. Any Board action that may be taken at a meeting may be taken without a meeting if all Directors sign a consent setting forth the action so taken.

Section 2.10 Vacancies. Any vacancy on the Board may be filled by majority vote of the remaining Directors, through a special election at any meeting of the Board. Until such time as a new Director is selected by the Association, the Board may continue to conduct business as if no vacancy existed. A vacancy or vacancies shall be deemed to exist in case of death, resignation, removal or judicial adjudication of mental incompetence of any Director, or in the case the full number of authorized Directors are not elected at any meeting at which such election is to take place.

Section 2.11 Fidelity Bonds. The Board may require that all officers and employees of the Association handling or responsible for the Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association or its manager.

Section 2.12 Committees. The Board, by resolution, may from time to time designate such committees as the Board shall desire, and may establish the purposes and powers of each such committee created. The resolution designating and establishing a committee shall provide for the appointment of its members, as well as a chairperson, shall state the purpose of the committee, and shall provide for reports, termination, and other administration matters as deemed appropriate by the Board.

Section 2.13 Books, Financial Statements and Audit. The Board shall cause to be maintained a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles. Financial statements for the Association shall be prepared regularly and, upon request, copies shall be made available to each Member of the Association as follows:

(a) A pro forma operating statement or budget representing the Association for each "fiscal year" (which shall begin on the 1st day of January and end on the 31st day of December of every year except that the first fiscal year shall begin on the date of incorporation) shall be made available to the Members not less than sixty (60) days after the beginning of each fiscal year. The operating statement shall include a schedule of Assessments received and receivable.

(b) Within ninety (90) days after the close of each fiscal year, the Association shall cause to be prepared and made available to each Member, a balance sheet as of the last day of the Association's fiscal year and annual operating statements reflecting the income and expenditures of the Association for its last fiscal year.

ARTICLE 3 - OFFICERS

Section 3.1 Designation. The principal officers of the Association shall be a president, a vice president, secretary, and a treasurer, all of whom shall be elected by the Board. The Board may appoint an assistant treasurer and an assistant secretary, and such other officers as in the Board's judgment may be necessary. One person may hold two or more offices, except those offices of president and secretary.

Section 3.2 Election of Officers. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board, and each officer shall hold office for one (1) year unless such officer shall sooner resign or shall be removed or otherwise disqualified.

Section 3.3 Removal of Officers. Upon an affirmative vote of a majority of the Board, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Board, or any special meeting of the Board called for such purpose. Any officer may resign at any time by giving written notice to the Board or to the president or secretary of the Association. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and unless otherwise specified in said notice, acceptance of such resignation by the Board shall not be necessary to make it effective. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 3.4 Compensation. Officers, agents, and employees may receive such reasonable compensation for their services as may be authorized by the Board. Appointment of any officer, agent or employee shall not of itself create contractual rights of compensation for services performed by such an officer, agent or employee.

Section 3.5 Special Appointment. The Board 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 may, from time to time, determine.

Section 3.6 President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Association and of the Board. The president shall have all of the general powers and duties which are usually vested in the office of the president of a nonprofit corporation. The president shall, subject to the control of the Board, have general supervision, direction

and control of the business of the Association. The president shall be ex officio a member of all standing committees, and the president shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 3.7 Vice President. The vice president shall take the place of the president and perform such duties whenever the president shall be absent, disabled or unable to act. If neither the president nor the vice president is able to act, the Board shall appoint a member of the Board to do so on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed by the Board or these Bylaws.

Section 3.8 Secretary. The secretary shall record the votes and keep the minutes of all meetings of the Board and the minutes of all meetings of the Association at the principal office of the Association or such other place as the Board may order. The secretary shall have charge of such books and papers as the Board may direct, and the secretary shall, in general, perform all the duties incident to the office of secretary. The secretary shall give, or cause to be given, notices of meetings of the Association and of the Board required by these Bylaws or by law to be given. The secretary shall maintain a book of record Owners and Occupants, listing the names and addresses of the Owners and Occupants as furnished to the Association and such book shall be changed only at such time as satisfactory evidence of a change in ownership or occupancy is presented to the secretary. The secretary shall perform such other duties as may be prescribed by the Board or these Bylaws.

Section 3.9 Treasurer. The treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping, or causing to be kept, full and accurate accounts of the financial transactions of the Association including accounts of all assets, liabilities, receipts and disbursements, all in books belonging to the Association. The treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board. The treasurer shall disburse the funds of the Association as may be ordered by the Board in accordance with the Declaration, shall render to the president and Directors upon request, an account of all transactions as treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

ARTICLE 4 - ASSESSMENTS PROCEDURES

The policies and procedures for Assessments (such as notices, payment methods, installment options, late fees, interest charges, collection fees, payments on sale of Lots and other matters) shall be as set forth in the Community Rules.

ARTICLE 5 - INDEMNIFICATION AND INSURANCE

Section 5.1 Definitions. For the purposes of this Article, "agent" means any person who is or was a director, officer, employee or other agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, or was a director, officer, employee or agent of a corporation which was a predecessor corporation of the Association; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes, without limitation, attorneys' fees and costs and any expenses of establishing a right to indemnification under Section 5.3 or Section 5.4(c).

Section 5.2 Indemnification. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Association to procure a judgment in its favor) by reasons of the fact that such person is or was an agent

of the Association, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Association and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Association or with respect to any criminal proceeding that the person had reasonable cause to believe that the person's conduct was unlawful. However, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association in the performance of such person's duty to the Association, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall deem proper.

Section 5.3 Expenses in Successful Defense. To the extent that an agent of the Association has been successful on the merits in defense of any proceeding referred to in Section 5.2 or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5.4 Determination of Standard of Conduct. Except as provided in Section 5.3, any indemnification under this Article shall be made by the Association only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 5.2, as determined by:

- (a) A majority vote of Directors who are not parties to such proceeding;
- (b) Approval or ratification by the affirmative vote of a majority of the total voting power of the Association as cast by the Members at a duly held meeting of the Association at which a quorum is present;
- (c) The court in which such proceeding is or was pending, upon application made by the Association or the agent or the attorney or other persons rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the Association; or
- (d) Independent legal counsel in written opinion, engaged at the direction of a majority of disinterested Directors.

Section 5.5 Advancing Expenses. Expenses incurred in defending any proceeding may be advanced by the Association prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount if it shall be determined ultimately that the agent is not entitled to be indemnified as authorized in this Article.

Section 5.6 Extent and Limitations of Indemnifications. No indemnification or advance shall be made under this Article, except as provided in Section 5.3 or Section 5.4(c), in any circumstance where it appears:

- (a) That it would be inconsistent with a provision of the Articles, these Bylaws, a resolution of the Board or Members or an agreement in effect at the time of the accrual of the

alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 5.7 Beneficial Effect. This Article shall create a right of indemnification for each agent referred to in this Article, whether or not the proceeding to which the indemnification relates arose in whole or in part prior to adoption of this Article; and in the event of the death of such agent, whether before or after initiation of such proceeding, such right shall extend to such agent's legal representatives. In addition, to the maximum extent permitted by applicable law, the right of indemnification hereby given shall not be exclusive of or otherwise affect any other rights such agent may have to indemnification, whether by law or under any contract, insurance policy or otherwise.

Section 5.8 Liability Insurance. The Association may purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Association would have the power to indemnify the agent against such liability under the provisions of this Article.

ARTICLE 6 - ASSOCIATION RECORDS

The Association shall keep such records of its business and affairs as is customary for community or homeowner associations, including a membership register, accounting records, financial statements, operating budgets, balance sheets and minutes of meetings of the Board and committees. Such records shall be available at the Association's regular offices for inspection and copying by any Owner at such Owner's expense. The Board may establish reasonable rules with respect to (a) notice to be given to the custodians of the records by persons desiring to make the inspection, (b) hours and days of the week when such an inspection may be made, and (c) payment of the cost of reproducing copies of documents requested pursuant to this Article 6. The Association's obligations hereunder may be fulfilled by making the records available to an Owner electronically, including delivery by electronic mail or the posting of such records on a website.

ARTICLE 7 - CONFLICTING PROVISIONS

If any provision of these Bylaws conflicts with applicable law, the Declaration or the Articles, such conflicting provision shall be severable and the other provisions of these Bylaws shall remain in full force and effect.

ARTICLE 8 - AMENDMENTS TO BYLAWS

These Bylaws may be amended by the Association at an annual meeting or at a duly constituted special meeting of the Association for such purpose as provided in the Articles. No amendment to these Bylaws shall take effect unless by the affirmative vote of a majority of the total voting power of the Association as cast by the Members.

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**CONSENT OF DIRECTORS OF THE
BELMAR ESTATES COMMUNITY ASSOCIATION, INC.
IN LIEU OF MEETING**

The undersigned, constituting all of the Directors of the Belmar Estates Community Association, Inc., an Idaho nonprofit corporation (the "Association"), do hereby consent to, adopt and approve in writing the following corporate action without a meeting in accordance with the provisions of the general nonprofit corporation laws of the State of Idaho:

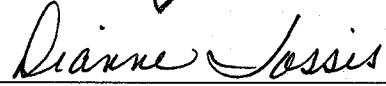
RESOLVED, that the above and foregoing Bylaws are hereby duly adopted as the Bylaws of the Association and that the same do now constitute the Bylaws of the Association.

RESOLVED, all previously adopted bylaws of the Association are hereby repealed and shall no longer be of any force or effect.

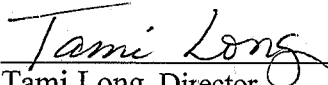
This Consent of Directors of the Belmar Estates Community Association, Inc. in Lieu of Meeting shall be effective as of the 8th day of December, 2015.



James D. Conger, Director



Dianne Jossis, Director



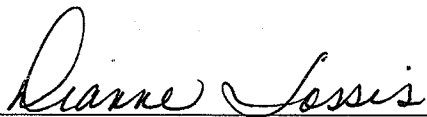
Tami Long, Director

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify that:

1. I am the duly elected and acting secretary of the Belmar Estates Community Association, Inc., an Idaho nonprofit corporation; and
2. The foregoing Bylaws comprising 8 pages, including this page, constitute the Bylaws of the Belmar Estates Community Association, Inc., and were duly adopted by the Board pursuant to that "Consent of Directors of the Belmar Estates Community Association, Inc. in Lieu of Meeting," dated effective the 8th day of December, 2015.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and attest the act of the Association effective the 8th day of December, 2015.



Dianne Jossis, Secretary