

BY-LAWS  
OF  
TROLLEY ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND OFFICE

Section 1. The name of this corporation shall be **TROLLEY ESTATES HOMEOWNERS ASSOCIATION, INC.**

Section 2. The principal office and registered agent of the Association may be changed from time to time by action of the Board of Directors. The Association may also have offices at such other places as the Board of Directors from time to time determine.

ARTICLE II

PURPOSE

The purpose of this Association shall be to provide for the care, maintenance, preservation and control of the **TROLLEY ESTATES HOMEOWNERS ASSOCIATION, INC.**, Ada County, Idaho, and to promote the recreation, health, safety and welfare of the members thereof; and further to provide for the architectural control of improvements constructed thereon; and to perform any and all other functions delegated to the Association by the Declaration of Covenants, Conditions and Restrictions for the same subdivision (hereinafter "Declaration") recorded on August 27, 1991 as Instrument No. 9147547, records of Ada County, Idaho, and any amendments thereto.

ARTICLE III

MEMBERSHIP

Section 1. Members. The owners of all lots except for Lots 1, 2 and 3, Block 1, Lot 1, Block 2, and Lot 1, Block 3, of the Plat of said subdivision located in the property described in said Declaration, shall be a member of the Association. The plat of said subdivision was recorded in Ada County, Idaho, as Instrument No. 9146373, in Book 59 of Plats, Pages 5678 through

5679 of Plat Records. The term "owner" shall mean and refer to the record owner, whether one or more persons or entities, owning fee simple title to the lot, excluding those having an interest in the lot merely as security for the performance of an obligation, and excluding any lot devoted to Common Area.

Section 2. Property Rights and Delegation. The property rights of each member are defined in the Declaration and amendments thereto. Any member may delegate his right of enjoyment to the common area and facilities to the members of his family, his tenants or contract purchasers who reside on the property by delivering written notice of such delegation to the Secretary of the Association. Such delegation may be cancelled by delivery of written notice of cancellation to the Secretary.

Section 3. Certificates of Membership, Etc. Certificates representing membership or stock in the Association shall be in such form as determined by the Board of Directors. Such certificates shall be signed by the President and by the Secretary. The name and address of the person to whom the membership represented thereby is issued shall be entered on the books of the Association. The Board of Directors shall determine the manner of, and documentation necessary to effect transfers of membership. The certificates of membership shall be shares of stock.

Section 4. Annual Meeting. The annual meeting of the members shall be held during the month of September in each year beginning with the year 1991, or as set by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 5. Special Meetings. Special meetings of the members for any purpose or purposes may be called by the Board of Directors.

Section 6. Voting Rights. Voting rights are defined in Article V of the Articles of Incorporation of TROLLEY ESTATES HOMEOWNERS ASSOCIATION, INC. and the Declaration.

Section 7. Place of Meeting. The Board of Directors may designate any place within the State of Idaho as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

Section 8. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting shall be delivered not less than ten nor more than fifty days before the date of the meeting, either personally or by mail.

Section 9. Quorum. A majority of the members of the Association entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members.

Section 10. Informal Action by Members. Any action required to be taken at a meeting of the members may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by a majority of the members.

#### ARTICLE IV

##### **BOARD OF DIRECTORS**

Section 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors. Rules and regulations governing use of common area and facilities shall be adopted by the Board of Directors in writing, a copy of which shall be delivered to each member.

Section 2. Membership. The number of directors shall be at least three (3). The initial Board of Directors shall consist of William J. Deasy, Don Gile and Donald J. Nelson.

Section 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without any other notice than this By-Law immediately after, and at the same place and time as the annual meeting of shareholders. The Board of Directors may provide the time and place within the State of Idaho for the holding of additional regular meetings without other notice than such resolution.

Section 4. Special Meeting. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors.

Section 5. Notice. Notice of any special meeting shall be given at least two (2) days previous thereto by written notice delivered personally or mailed to each Director. Any Director may waive notice of a meeting. Attendance by a Director is a waiver of notice.

Section 6. Quorum. A majority of the directors present in person or by proxy shall constitute a quorum for the transaction

of business at any meeting of the Board of Directors. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Vacancies. Vacancies during the term shall be filled by the remaining Directors by majority vote.

Section 8. Removal. The Board, by a majority vote, may remove an officer of this Association.

## ARTICLE V

### OFFICERS

Section 1. Number. The officers of the Association shall serve without compensation and shall be a President, one or more Vice-Presidents, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Any two offices may be held by the same person except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Association to be elected by the Board of Directors shall be elected annually at the first meeting of the Board of Directors held after each annual meeting of the members or as soon after as convenient. Each officer shall hold office until his successor shall have been duly elected or until his death or until shall resign or shall have been removed.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Association. He shall, when present, preside at all meetings of the members and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors, certificates of membership of the Association, any deeds, mortgages, bonds, contracts or other

instrument which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the By-Laws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed and in general shall perform all duties instant to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-Presidents. In case of the absence, sickness or inability to act of the President, a Vice-President of the Association, who is also a member of the Board of Directors, shall discharge the duties of said office of the President.

Section 7. Secretary. The Secretary shall (a) keep the minutes of the members and of the Board of Directors meetings in one or more books provided for that purpose; (b) see that all the notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized; (d) keep a register of post office addresses of each member and delegate, which shall be furnished to the Secretary by such member; (e) sign with the President certificates for membership of the Association, the issuance of which have been authorized by resolution of the Board of Directors; (f) have general charge of the membership books of the Association; and (g) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. Such books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member.

Section 8. The Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum with such surety or sureties as the Board of Directors shall determine. He shall: (a) have charge and custody of and responsible for all funds and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust accounts or other depositories as shall be selected in accordance with these By-Laws; and (b) in general perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

## ARTICLE VI

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

Section 1. Contracts. The Board of Directors may by written resolution authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by written resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association in such manner as shall from time to time be determined by written resolution of the Board of Directors.

Section 4. Deposit. All funds 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.

## ARTICLE VII

### **ASSESSMENT**

The Board of Directors shall fix the annual assessment period, determine a reasonable operating budget for the forthcoming assessment period and fix the annual assessment in accordance therewith pursuant to, and in the manner provided in, Article VI of the Declaration. The Board of Directors shall maintain records of all assessments made, all assessment payments received, and all delinquent assessments in accordance with generally accepted accounting principles.

**ARTICLE VIII**

**INSURANCE**

The Board of Directors shall obtain such insurance coverage as is provided in Article IX of the Declaration.

**ARTICLE IX**

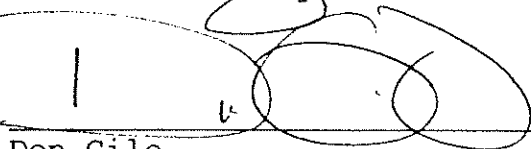
**AMENDMENTS**

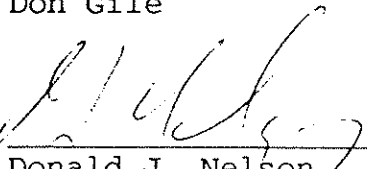
These By-Laws may be altered, amended or new By-Laws adopted by a majority of the Directors or by the members by a majority of the Directors or by the members in accordance with Idaho law, except that upon annexation as provided in Article VII of the Declaration, these Articles of Incorporation shall be deemed amended in accordance with the provisions of Article VII of the Declaration.

The foregoing By-Laws are hereby ratified and approved by the Incorporators and Directors.

DATED this 28 day of August, 1991.

  
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William J. Deasy

  
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Don Gile

  
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Donald J. Nelson