

**BYLAWS  
OF  
DROPZONE OWNERS ASSOCIATION, INC.**

ARTICLE I - PRINCIPAL OFFICE

The principal office and place of business of Dropzone Owners Association, Inc. (the "**Association**") in the State of Idaho is and shall be located at 1977 E. Overland Road, Meridian, ID 83646.

ARTICLE II - DIRECTORS

1. BOARD OF DIRECTORS.

The affairs of the Association shall be governed by a Board of Directors which shall be composed of not less than three (3) nor more than five (5) directors.

2. POWERS AND DUTIES.

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things except those which by law or by the Declaration (hereinafter defined) or by these Bylaws or by the Articles (hereinafter defined) may not be delegated to the Board of Directors by the members. Such powers and duties of the Board of Directors shall include, but shall not be limited to the following:

(a) Operation, care, maintenance and management of common areas, common easements, and other common elements and areas of the Association common to all Lots within Dropzone Subdivision (as defined in the Declaration [hereinafter defined]), and employment and dismissal of the personnel necessary therefor.

(b) Determination of expenses required for the affairs of the Association.

(c) Levy and collection of assessments from the members, subject to the limitations and provisions set forth in the Declaration.

(d) Adoption and amendment of the Association Rules as the Association deems reasonable.

(e) Opening of a bank account on behalf of the Association and designation of the signatory required therefor.

(f) Purchasing and maintaining insurance for the Association, as the Association deems appropriate.

(g) Exercising all of the powers and privileges necessary or appropriate to perform all duties of the Association as set forth in the Declaration.

### 3. MANAGING AGENT AND MANAGER.

The Board of Directors may employ for the Association a managing body at a level of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the manager all necessary powers.

### 4. ELECTION AND TERM OF OFFICE.

The number of directors may be changed by amendment of these Bylaws. At each annual meeting the members shall elect the directors for a term of one (1) year. The directors shall hold office until their respective successors shall have been elected by the members. Cumulative voting for directors shall not be allowed and no member shall have the right to cumulate its votes.

### 5. REMOVAL OF DIRECTORS.

At any special meeting of the members called for such purpose, any one (1) or more of the directors may be removed with or without cause by a majority vote of the members of each class. Upon removal of a director, the successor may then and there or thereafter be elected to fill the vacancy thus created. Any director, after his or her removal has been proposed by the members, shall be given an opportunity to be heard at the meeting.

### 6. VACANCIES.

Vacancies on the Board of Directors caused by any reason other than the removal of a director thereof by a vote of the members shall be filled by a vote of the majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of such vacancy, even though the directors present at such meeting shall constitute less than a quorum, and each person so elected shall be a director for the remainder of the term unless removed or until a successor shall be elected at the next annual meeting of the Board of Directors.

### 7. REGULAR MEETINGS.

The regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director by personal service or by first class mail no fewer than ten (10) days nor more than thirty (30) days before the day named for such meeting.

8. SPECIAL MEETINGS.

Special meetings of the Board of Directors may be called by the president on no fewer than ten (10) days nor more than thirty (30) days notice to each director, given personally or by first class mail, which notice shall state the time and place and purpose of the meeting. The special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of at least two (2) directors.

9. WAIVER OF NOTICE.

Any director may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall constitute a waiver of notice by him or her of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

10. QUORUM OF BOARD OF DIRECTORS.

At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

11. COMPENSATION.

No compensation shall be paid to the directors except as may be established by the members of the Association.

12. ACTION OF DIRECTORS WITHOUT A MEETING.

Any action required to be taken or any other action which may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the directors entitled to vote in respect to the subject matter thereof.

ARTICLE III - MEMBERSHIP

1. CLASS A MEMBERSHIP.

Class A Members shall be all Owners of Lots within the Subdivision, with the exception of the Declarant and its successor(s) in title to any Lot, which Lot(s) is held by such successor in an unimproved condition. The Class A Members shall be non voting

Members of the Association until such time as voting rights of the Class B Member(s) expire, as provided below. Upon the Class A Members becoming entitled to voting rights, each Class A Member shall be entitled to one (1) vote for each Lot owned and when more than one (1) person holds an interest in a Lot, all such persons shall be Class A Members but the vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot owned by a Class A Member(s).

## 2. CLASS B MEMBERSHIP.

Class B Members shall be the Declarant and its successor(s) in title to any Lot, which Lots are held by such successor in an unimproved condition (i.e., without a residential dwelling thereon) for resale to a builder or other person for the purpose of constructing thereon a residential dwelling, and to which successor the Declarant has specifically granted such Class B voting rights in writing; provided, that if such voting rights are not so granted, such successor shall be considered to be a Class A Member with respect to each Lot owned. The Class B Members shall be entitled to five (5) votes for each Lot owned. The Class B membership and the Class B voting rights shall cease and be converted to Class A membership on the happening of the earlier of the following events: (i) when the Declarant (or its successors in title to whom the Declarant has granted the Class B voting rights, as above provided) no longer owns a Lot within the Subdivision; or (ii) January 1, 2018.

## 3. ANNUAL MEETINGS.

The annual meetings of members shall be held no later than October 30th of each year, within Ada County, Idaho, or at such other reasonable place or time as may be designated by notice of the Board of Directors. At such meetings the Board of Directors shall be elected by a majority vote of the members of each class in accordance with the requirements of the Articles and these Bylaws. The members may transact such other business at such meetings as may properly come before them.

## 4. PLACE OF MEETINGS.

The meeting of the members shall be held at the principal office of the Association in Boise, Idaho, or at such other suitable place convenient to the members as may be designated by the Board of Directors.

## 5. SPECIAL MEETINGS.

A special meeting of the members may be called at any reasonable time and place by notice of the Board or by the members having twenty percent (20%) of the total votes and delivered to all other members not less than fifteen (15) days prior to the date fixed for said meeting. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at the special meeting except as stated in the notice.

6. NOTICE OF MEETINGS.

It shall be the duty of the secretary to mail (or, in the case of a special meeting called by notice from the members having twenty percent (20%) of the total votes, it shall be the duty of those members to mail), by first class mail, (i) a notice of each annual meeting of the members no fewer than ten (10) days nor more than thirty (30) days before to such meeting, and (ii) a notice of each special meeting of members not less than fifteen (15) days prior to the date fixed for said meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member of record, at the address as such member shall have designated by notice in writing to the secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service and notice.

7. ADJOURNMENT OF MEETINGS.

If any meeting of the members cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was scheduled.

8. ORDER OF BUSINESS.

The order of business at all meetings of the Association shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Report of officers;
- (e) Report of Board of Directors;
- (f) Report of committees;
- (g) Election of inspectors of election (when so required);
- (h) Unfinished business;
- (i) New business.

9. VOTING.

The member or members, or some person designated by such member or members to act as proxy on his, her or their behalf and who need not be a member, shall be entitled to cast votes at all meetings of members. Designation of such proxy shall be made in writing to the secretary, and shall be revocable at any time by written notice to the secretary by the member or members so designated. For designation of a

proxy to be able to cast votes at a meeting of members, designation of such proxy must be received by the secretary at least twenty four (24) hours before a meeting. A fiduciary shall be the voting member with respect to any Lot owned in a fiduciary capacity. A member may assign his or her right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Lot owned by such member, for the term of the lease, mortgage, deed of trust or contract.

10. QUORUM.

Except as otherwise provided in these Bylaws, the presence at any meeting, in person or by proxy, of the members entitled to vote at least a majority of the total votes shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the members present may adjourn the meeting.

11. MAJORITY VOTE.

The vote of fifty-one percent (51%) of the members at a meeting at which a quorum shall be present shall be considered a majority vote and shall be binding upon all members for all purposes except wherein the Declaration, or these Bylaws, a higher percentage vote is required.

12. ACTION OF MEMBERS WITHOUT A MEETING.

Any action required to be taken or any other action which may 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 at least eighty percent (80%) of the members entitled to vote in respect to the subject matter thereof.

ARTICLE IV - OFFICERS

1. DESIGNATION.

The principal officers of the Association shall be the president, vice president, secretary and treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in its judgment may be necessary. All officers shall be members of the Board of Directors. Any two (2) offices may be held by the same person, except the offices of president and secretary.

2. ELECTION OF OFFICERS.

The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors. The organizational meeting of a new Board of Directors shall be the first meeting of the board held after the annual meeting of the members.

3. REMOVAL OR RESIGNATION OF OFFICERS.

Upon the affirmative vote of a majority of the directors, any officer may be removed, either with or without cause. Upon the removal or resignation of any officer, a successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

4. PRESIDENT.

The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Board of Directors. The president shall have all of the general powers and duties which are incident to the office of president of a corporation organized under the Idaho Nonprofit Corporation Act, including, but not limited to, the power to appoint committees, except for the Architectural Control Committee which shall be nominated by the president but have the appointments of the individual Architectural Control Committee members confirmed by the Board of Directors, among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct and affairs of the Association.

5. VICE PRESIDENT.

The vice president shall take the place of the president and perform his or her duties whenever the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Board of Directors shall appoint some other director to act in the place of the president on an interim basis. The vice president shall also perform such other duties as from time to time may be imposed upon him or her by the Board of Directors or by the president.

6. SECRETARY.

The secretary shall (i) keep the minutes of all meetings of the members and of the Board of Directors; (ii) have charge of such books and papers as the Board of Directors may direct; (iii) authenticate records of the Association; and (iv) in general, perform all the duties incident to the office of secretary of a corporation organized under the Idaho Nonprofit Corporation Act.

7. TREASURER.

The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The treasurer shall be responsible for the deposit of all money and other valuable effects in the name of the Board of Directors, or the managing agent, in such deposit as may from time to time be designated by the Board of Directors, and he or she shall, in general, perform all the duties incident to the office of the treasurer of a corporation organized under the Idaho Nonprofit Corporation Act.

8. AGREEMENTS, CONTRACTS, DEEDS, CHECKS, ETC.

All agreements, contracts, deeds, checks and other instruments of the Association shall be executed by the president and either the vice president, secretary or treasurer.

9. COMPENSATION OF OFFICERS.

No officer shall receive any compensation from the Association for acting as such, except as may be established by the Board of Directors.

ARTICLE V - OPERATION OF THE PROPERTIES

1. PAYMENT OF ASSESSMENTS.

All members shall be obligated to pay the assessments levied by the Board of Directors as more fully detailed in the Declaration; and the Board of Directors is hereby empowered to take all of the steps and exercise all of the powers provided by the Declaration regarding assessments.

2. INSURANCE.

The Board of Directors shall obtain and maintain unless otherwise determined by the Board of Directors, fire and comprehensive public liability insurance upon the Association Easements, and in addition the Board of Directors shall be required to obtain and maintain full coverage directors and officers liability insurance and such other insurance, including workmen's compensation insurance to the extent necessary as fully set forth in the Declaration.

3. ABATEMENT AND ENJOINMENT OF VIOLATIONS OF MEMBERS.

The violation of any rule or regulation adopted by the Board of Directors, or the breach of any bylaw contained herein, or the breach of any of the rules, regulations and restrictions enacted in connection herewith or hereby ratified shall give the Board of Directors the right in addition to any other rights set forth in the Declaration or these Bylaws:

(a) to enter on the Lots in which, or as to which such violation to breach exists and to summarily abate and remove, at the expense of the defaulting member any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereby, the Board of Directors shall not thereby be deemed guilty in any manner or trespass or,

(b) to enjoin, abate or remedy by appropriate legal proceedings, the continuance of any such breach.



4. RIGHT TO ACCESS.

Each and every member shall have a right of access to the Association Easements owned by the Association. This right to access shall include the rights of ingress and egress to the Association Easements; provided, however, that said right to access and ingress and egress shall not be exercised to the detriment of any other member or to the Association.


ARTICLE VI - AMENDMENT TO BYLAWS

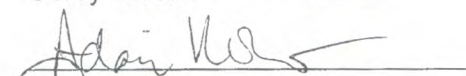
The Bylaws, and every part hereof, may from time to time and at any time be amended, altered, repealed, and new or additional Bylaws may be adopted by a majority vote of the Board; or by two-thirds (2/3) of the votes cast by the class or a majority of the voting power of the class, whichever is less; provided, however, that the Board of Directors may not adopt a Bylaw or amendment hereto changing the authorized number of directors.

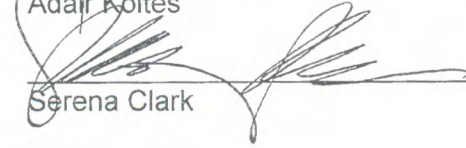
ARTICLE VII - DECLARATION AND ARTICLES

When used herein, the term "**Declaration**" means and refers to the Master Declaration of Covenants, Conditions, Restrictions and Easements for Dropzone Ranch Subdivision, recorded in the Official Records of Ada County, Idaho, and any supplemental rules, guidelines and/or declaration applicable to Dropzone Subdivision (as defined in the Declaration) and recorded or to be recorded in the Office of the Ada County Recorder, as the same may be amended from time to time. When used herein, the term "**Articles**" means the Articles of Incorporation of Dropzone Ranch Owners Association, Inc., filed of record with the office of the Secretary of State of the State of Idaho. Any capitalized terms herein shall have the same meaning and definition as set forth in the Declaration, unless specifically indicated to the contrary herein. In the event of a conflict between the Bylaws and the Articles, the Articles shall control. In the event of a conflict between the Declaration and either the Bylaws or the Articles, the Declaration shall control.

DATED this 25 day of September, 2013.

  
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Corey Barton

  
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Adair Koltes

  
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Serena Clark