

BY-LAWS
FOR
EAGLE STORAGE CONDOS OWNERS, INC.,
AN IDAHO CORPORATION

SECTION 1

Association Formation and Authorities.

A. **Formation of Association - Corporation.** On _____, 2015 the incorporator, BOARDMAN 55, LLC, filed Articles of Incorporation with the Secretary of State of Idaho, to form a corporation known as EAGLE STORAGE CONDOS OWNERS, INC. (hereinafter referred to sometimes as the “**Corporation**” and sometimes as the “**Association.**”)

B. **Power to Adopt By-Laws.** The Articles of Incorporation stated that the affairs of the Corporation are to be managed by a Board of Directors, and the Articles of Incorporation authorized BOARDMAN 55, LLC to appoint the initial three (3) Directors of the Corporation, to serve as Directors for the first four years of operations. It also stated that BOARDMAN 55, LLC was to adopt an initial set of By-laws. These By-laws are hereby adopted consistent with that directive.

C. **Corporation Purpose.** The Articles of Incorporation also made it clear that the sole purpose of organizing the Corporation was to have a perpetuating entity that was to perform any and all acts necessary, proper or incidental to the rights, powers, and duties conferred upon the Association under that certain Declaration of FIFTY FIVE STORAGE CONDOS, recorded as Instrument No. _____, records of Ada County, Idaho, hereinafter the “**Declaration.**”

D. **Relationship between the Corporation, the Declaration, and these By-laws.** The Declaration also made it clear that the exercise of powers and rights under the Association must be consistent with the condominium purposes (noted in Chapter 15, Title 55, Idaho Code) as further set forth in the Declaration, and therefore the Articles of Incorporation, the Declaration and these By-laws were intended to be consistent in that application and purpose. Words used herein such as “Unit,” “Unit Owner,” “Board,” “Board of Directors,” “Condominium,” “Allocated Interests,” “Common Expenses,” “Assessments,” “Declarant,” and other terms defined and used in the Declaration shall have those specific meanings and definitions set forth in the Declaration.

E. **Office.** The office of the Association shall be located at 9049 N. Horseshoe Bend Road Eagle, ID 83616. The fiscal year of the Association shall be understood to be a calendar year.

SECTION II

General Membership Information

A. **Membership Admission and Termination.** Each Unit Owner of a Unit in Eagle Storage Condos shall be a Member of this Association, unless that right is taken away for a default of a Membership duty as set forth in the Declaration, the Articles or these By-laws. Membership is also conditioned upon ownership of a Unit, and Membership ceases upon the termination of Unit ownership. However, termination of Membership, as a result of the sale or transfer of a Unit, shall not relieve the member terminated from the obligation to the Corporation for unpaid Assessments or other charges owed by that Member at the time of sale or transfer. Although a Member does not need approval by the Board to be a Member, each Unit Owner shall provide, to the Board, current Membership contact information, including the identification of the Unit or Units owned, a current mailing address (for Notice) and telephone contact numbers. The Board is entitled to rely on the mailing address provided by each Member.

B. **Voting Power.** A Unit may be owned in some form of shared ownership, e.g. a community ownership (husband and wife), tenants in common, general partnership, or by a lawful entity, e.g. a corporation, a limited partnership or a limited liability company. In each of those situations, joint owners shall be considered as Members for purposes of seeking information from the Board, but only one such Member shall be entitled to be the voting Member, as there is to be only one vote cast per Unit owned. There can be no expulsion of a Member or cancellation of the voting rights of a Member so long as that Member is current on Assessments and is not in violation of other duties under the Declaration.

C. **Certificates.** The Corporation does not intend to issue stock or shareholder certificates, and Members of the Association shall simply be noted as Members in the Membership records maintained in the Corporation office. There is no equity or value added to being a Member of the Association beyond the value of having the Association undertake the "common" duties that must be performed under the Declaration.

D. **Membership Records.** It shall be the responsibility of the Association, by officers or managers to be appointed by the Board, to maintain accurate books, records, accounts and other financial information regarding the affairs of the Association. Upon reasonable notice (understood to be a written request with at least ten (10) working days of advance notice to respond), any Member (other than a Member not in good standing) shall be entitled to inspect the books and records of the Association and seek information about the Association.

E. **General Association Duties.** The Association, by and through its Board and duly its appointed officers, shall be responsible for the maintenance, upkeep, repair, replacement and management of the Common Elements of the Condominium and taking care of the Common Expenses, and may carry out those functions by hiring third parties to perform said duties.

F. **Enforcement.** Consistent with the rights set forth in the Declaration and the Articles, each Member (except one not in good standing) shall have, in addition to the rights conferred herein, the right to seek enforcement of these By-laws and the other rules and

regulations promulgated hereunder, should the Board or the officers fail to enforce such By-laws, rules or regulations.

SECTION III

Meetings of Members

A. **Annual Meeting and Purpose.** There shall be a Members Annual Meeting held each year at the office of the Association or at such other place if designated by the Board in writing. The Annual meeting shall commence at 6:30 o'clock p.m., Mountain Standard Time, and shall be held during the month of March each year, upon Notice. The Board shall send out written notice of the date and time of the Annual Meeting at least ten (10) days before the date of the Annual Meeting, and not more than fifty (50) days before. The prime purpose of the Annual Meeting is to elect Directors for upcoming terms, but other business purposes can be entertained and voted upon providing those other matters are duly described in the notice of the Annual Meeting. Furthermore, the following protocol shall be followed at the Annual Meeting:

1. Calling of the roll and certifying proxies
2. Proof of notice of meeting or waiver of notice
3. Reading of Last General Meeting minutes
4. Reports of officers if any are requested
5. Unfinished business if duly noticed
6. Agenda for new business
7. Election of Directors, as seats are open
8. Election of new Board Chair
9. Adjournment.

B. **Special Meetings.** Special meetings of the Members shall be held whenever requested to be called (1) by the President, or (2) by a majority of the Board of Directors, or (3) upon the request in writing of at least ten (10) Members in good standing. The Board shall send out written notice of the date and time of each Special Meeting at least ten (10) days before the date of the Special Meeting, and not more than fifty (50) days before. Only those purposes duly described in the Notice of Special Meeting shall be entertained and voted upon. At least one special meeting shall be held each year whereby the Board shall present the Budget and the next Assessment to the Members for the ensuing year unless that function is otherwise taken care of in the Annual Meeting of Members.

C. **Responsibility for Notices of Meetings.** The Secretary shall be responsible to give accurate Notices of all Membership meetings, and shall properly state the time and place and the objects and business purposes for which the meeting is called. To meet this duty, such written notice shall be sufficient if it is mailed to the last known mailing address of each Member according to the books and records of the Association. The Secretary shall be required to provide proof of such mailing, which proof shall be retained in the books and records of the Association. Notice of the meeting may be waived before or after meetings, by Members who may not have received actual notice but who desire to approve the action taken at the Membership meeting.

D. **Quorum.** A quorum at Members' Special Meetings shall consist of a certain number of persons entitled to cast a majority of the votes of the entire membership. If at a duly noticed meeting of Members, the meeting cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting for no more than ten (10) days in an effort to gain written proxies to obtain a quorum and cast a majority vote. Alternatively, another meeting can be noticed on the same subject matter, and the quorum needed at that meeting for an approving vote shall drop to thirty-five percent (35%) of all Members in good standing. A quorum shall not be needed at the Annual Meeting, where a plurality vote shall be sufficient.

E. **Proxies.** Proxies may be given by any Member to another Member or to the Board, and may be general or specific; but each proxy given must be in writing, dated, and signed by the granting Member, and shall only be good for a period of one year. The Board shall collect or copy each written proxy and retain that proxy in the records of the Association. A general proxy allows the proxy holder to vote as he or she feels. A specific proxy directs the holder to vote a certain way on a certain issue. Any proxy may be revoked, but the revocation shall be in writing and shall not be effective until it is delivered to the Board.

F. **Casting Votes.** Each Unit is entitled to one vote only. Generally, the person who owns a Unit (by vested title) is presumed to be the Member entitled to vote. If a unit is owned by more than one person, or is under lease or joint ownership, the Board shall require that a certificate be signed by all of the record owners of the Unit and filed with the Secretary of the Association which shall designate the person entitled to cast the vote for the Unit. If a Unit is owned by a corporation, (or other formed entity), the person entitled to cast the Membership vote for that Unit shall be designated by a certificate of appointment signed by person known to have the entity's power of appointment, and that certificate shall be filed with the Secretary of the Association. Such Certificates shall be valid until revoked, or until superseded by a subsequent certificate.

F. **Ballots.** Ballots for voting shall be in a written form and voting shall be conducted in a manner to preserve the identity of each Member who votes, unless the Board unanimously declares that open balloting will be employed. All ballots shall be retained in the records of the Association for a period of at least two (2) years.

SECTION IV

Board of Directors

A. **Number and Terms of Directors.** The affairs of the Association shall be managed by a board of at least three (3) directors. The Membership may stagger terms or set different times for terms (after the four years of time reserved by BOARDMAN 55, LLC per the Articles). Members may also vote to increase the number of Directors as desired. Directors shall not be paid a fee for their service, without specific approval of the Membership, but shall be re-imbursed for out of pocket expenses incurred as part of their duties.

B. **Election of Directors.** Election of directors shall be conducted at the Annual Members Meeting. The Board of Directors shall appoint a nominating committee of two (2) members not less than thirty (30) days prior to the Annual Members meeting. The committee shall nominate one person for each director then serving. Additional nominations for directors may be made from the floor as well. The election of Directors to serve on the Board shall be from among the Unit Owners. The election shall be by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast, each person voting being entitled to cast his or her vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

C. **Vacancies.** Except as to vacancies provided by removal of directors by Members, vacancies occurring during a term, such as those occurring by resignation or death, shall be filled by the remaining Directors as to the balance of that term.

D. **Removal for Cause.** Any Director may be removed by concurrence of two-thirds of the votes of the entire membership at a Special meeting of the Members called for that purpose. The Members of the Association at the same meeting shall fill the vacancy in the Board of Directors so created.

E. **Term.** The term of each director's service shall extend until the next annual meeting of the Members and may continue until his or her successor is duly elected and qualified or until he or she is removed in the manner elsewhere provided.

SECTION V

Meetings of the Board of Directors

A. **Meetings and Notices.** An organizational meeting of a newly elected Board of Directors shall be held within ten (10) business days after the election of any new Director, and may be held at such place and time as shall be fixed by the Directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone, or fax at least three (3) days prior to the day named for such meeting. However, notice of any Directors meeting may be waived in writing either before or after the Meeting. Meetings may also be conducted by telephone.

B. **Resolutions.** In lieu of a meeting, all Directors may agree to sign a written resolution of their decision on any matter requiring Director approval if that resolution is made on a unanimous basis.

C. **Quorum.** Quorum at directors meetings shall consist of at least two (2) directors. The acts approved by at least two (2) directors present at a meeting shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Declaration, the Articles of Incorporation, or these By-laws.

D. **Presiding Director.** The presiding officer of directors meetings shall be known as the President of the Association, and the President shall also preside at Members Meetings. He shall be elected by the Directors and not by the Members. In the absence of the presiding officer, other directors present shall designate one of their number to preside.

E. **Order of Business.** The general order of business at Directors meetings shall be:

1. Calling of roll
2. Proof of due notice of meeting
3. Reading and disposal of any unapproved minutes
4. Reports of officers and committees if any
5. Election of officers if any are needed
6. Unfinished business
7. New business
8. Adjournment.

F. **Assessments.** At a minimum of at least one Special Directors meeting each year, the Directors shall, directly or through officers and/or hired professionals, prepare a budget for the Assessment to be presented to the Members.

SECTION VI

Powers of the Board of Directors

A. **Power.** All of the powers and duties of the Association existing under the Condominium Property Act, the Declaration, the Articles of Incorporation, and these By-laws shall be exercised exclusively by the Board of Directors, its agents, contractors, or employees, subject only to approval by Unit Owners when such is specifically required. The Board may engage the services of a manager or managing agent who shall serve at the pleasure of the Board. The Board may designate and remove personnel necessary for the maintenance, repair, and replacement of the Common Elements.

B. **Liability.** The Directors shall not have any personal liability to the Members for the ordinary exercise of their judgment in conducting the affairs of this Corporation. Their personal liability shall extent only to intentional tortious behavior and criminal conduct.

C. **Tax Reporting Duties.** Notwithstanding any other provision in the Articles or the Declaration, this Association was not set up as a non-profit corporation, and may have a duty to file a tax return, even though there is no intent to earn a profit. The Directors shall obtain professional assistance from an accountant each year to determine the best way to administer this responsibility.

SECTION VII

Officers

A. **Types.** The Association shall have a President and a Vice President, each of whom must be a Director. The Association shall have a Secretary-Treasurer; who does not have to be a Director. The President and Vice President shall be elected annually by the Board of Directors and may be removed or changed by a vote of the Directors at any meeting. The Members may elect a Secretary-Treasurer, or may defer to the Board and the Board shall appoint that officer position. The Board of Directors may from time to time elect other officers to exercise such powers and duties as the Board shall find to be required to manage the affairs of the Association. Officers shall not be compensated unless that compensation is approved by the Members at a Special Meeting of Members.

B. **Duties of President.** The President shall be the chief executive officer of the Association, and he shall have all of the powers and duties which are usually vested in the office of president of this type of association recognizing the requirements of the Declaration, including but not limited to the power to appoint committees from among the Members from time to time, as he or she may at his or her discretion determine appropriate, to assist in the conduct of the affairs of the Association.

C. **Duties of Vice President.** The Vice President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

D. **Duties of Secretary-Treasurer.** The Secretary-Treasurer shall keep the minutes of all proceedings of the Directors and the Members, and shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices and shall perform all other duties incident to the office of Treasurer. He shall prepare and serve all notices to the Members and to the Directors. He shall attend all meetings and keep minutes of all meetings. He shall organize and maintain the records of the Association, and shall perform all other duties incident to the office of Secretary of an association and as may be required by the directors or the President.

SECTION VIII

Funds and Expenditures

A. **Funds and Accounts.** The funds and expenditures of the Association shall be credited and charged to accounts located at a Bank selected by the Directors. The accounts shall be used to take care of the following types of Common Expenses:

1. "Current expenses," which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, or additional improvements, or to operations. The balance in this fund at the end of each year shall be applied to reduce the Assessments for current expenses for the succeeding year.

2. "Reserve for deferred maintenance," which shall include funds for maintenance of Common Elements which occur less frequently than annually.

3. "Reserve for replacement," which shall include funds for repair or replacement of Common Elements required because of damage, depreciation, or obsolescence.

4. "Additional improvements," which shall include the funds to be used for capital expenditures for additional improvements or additional personal property which will be part of the Common Elements.

B. **Use of Accounts.** All Assessments shall be deposited only in an account set up under the name of the Association. All expenditures of the Association shall be made only from an account set up under the name of the Association. The Board of Directors may require fidelity bonds from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors. The Association shall pay the premiums on such bonds as the Directors require.

SECTION IX

Budget

The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray Common Expenses and to provide funds for the accounts listed in Section VIII of these By-laws, and under Section IX of these By-laws and/or as required by the Declaration. The budget shall take into account the following items:

a. "Current expense," the amount for which shall not exceed 105% of the budget for this account for the prior year.

b. "Reserve for deferred maintenance," the amount for which shall not exceed 105% of the budget for this account for the prior year.

c. "Reserve for replacement," the amount for which shall not exceed 105% of the budget for this account for the prior year.

d. "Additional improvements," the amount for which shall not exceed \$10,000.00; provided, however, that in the expenditure of this fund, no sum in excess of \$2,000.00 shall be expended for a single item or purpose without approval of more than fifty percent (50%) of the Members of the Association.

e. "Operations," the amount of which may be to provide a working fund or to meet losses. The amount for each budgeted item may be increased over the foregoing limitations when approved by Unit Owners entitled to cast more than fifty percent (50%) of the votes of the entire Membership of the Association. Copies of the budget and proposed assessments shall be transmitted to each Member on or before the Annual Meeting date or at such other time as the Directors resolve. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each Member.

SECTION X

Assessments

A. **Assessments.** Assessments are to be made and levied against each Unit Owner (and against the Unit) for the Unit Owner's share of the items of the budget. The Assessment share shall be based upon the size of the Unit (per the Declaration). Assessments shall be due in one (1) equal payment, payable within 15 days of receipt of Assessment Notice. If an annual Assessment is not made as required, then the Assessment shall be presumed to have been made in the amount of the last prior Assessment. In the event the annual Assessment proves to be insufficient, the Board of Directors thereafter may amend the budget and impose additional Assessments at any time if the items of the amended budget do not exceed the limitations thereof for that year. The unpaid Assessment for the remaining portion of the calendar year for which the Amended Assessment is made shall be due upon the date of the Amended Assessment.

B. **Payment and Default.** Assessments shall be paid timely and before default. If a Unit Owner fails to pay an Assessment within twenty (20) days after the due date, he shall be in default; and at that point, interest shall accrue on the unpaid Assessment at the rate of fifteen percent (15%) per annum, together with a \$50.00 late fee. If a Unit Owner is still in Default after the passage of thirty (30) days, the Board of Directors shall cause a written notice to be issued to that Unit Owner (sent by certified mail), demanding all sums then due within ten (10) days, and shall thereafter, if not paid upon that demand, declare the Member to not be in good standing, and shall authorize collection proceedings including a suit for account collection.

C. **Lien.** In addition to the remedies set forth in Section X.B above, the Association may, should any assessment remain unpaid after the written notice by the Board to a Unit Owner, file with the Ada County Recorder's Office a notice of lien upon the Unit of the Unit Owner for which the Assessment remains unpaid, in a manner to comply with Idaho law.

D. **Lien Subordination.** Any lien set forth in paragraph X.C above shall remain subordinate and inferior to any deed of trust or mortgage upon such Unit where such deed of trust or mortgage is in first position and was obtained as part of the purchase of such Unit, irrespective of when the lien for such Assessment arose.

E. **Personal Liability by Member.** Any unpaid Assessment that has not resulted in a recorded lien as set forth in paragraph X.C above shall remain the personal obligation of the Unit Owner, and shall not pass to a new owner of a Unit. Any unpaid Assessment which has

become the subject of a lien shall remain a charge against the Unit until paid or released by the Association.

F. **Emergency Assessments.** Assessments for common expenses of emergencies, which cannot be paid from the annual Assessments for common expenses, shall be made only after notice of the need therefore to the Unit Owners. After such notice and upon approval in writing by persons entitled to cast more than fifty percent (50%) of the votes of the Unit Owners concerned, the Assessment shall become effective, and it shall be due after thirty (30) days' notice thereof in such manner as the Board of Directors may require.

SECTION XI

Parliamentary Rules

Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration, the Articles of Incorporation, or these By-laws.

SECTION XII

Administrative Rules and Regulations

The method of adopting and of amending administrative rules and regulations governing the operation and use of the Common Elements shall be the responsibility of the Board of Directors in conjunction with the requirements of the Declaration. The Board may appoint a committee composed of at least one Unit Owner who shall report to the Board, from time to time, the committee's recommendation as to the adoption or amendment of the Administrative Rules and Regulations. Such recommendations shall be made to the Board in writing. The Rules and Regulations and amendments thereto, if adopted by the Board, shall be in writing. The Board shall furnish a copy of the Rules and Regulations to all Unit Owners upon request.

SECTION XIII

Amendments

These By-laws may be amended in the following manner:

A. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

B. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the Members of the Association. Directors and Members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except

as elsewhere provided, such approvals must be by Members holding, in the aggregate, at least sixty percent (60%) of the total voting power of the Members of the Association.

C. No amendment shall discriminate against any Unit Owner or against any Unit or class or group of Units unless the Unit Owners so affected shall consent. No amendment shall change any Unit nor the share in the Common Elements appurtenant to it, nor increase the Unit Owner's share of the Common Expenses, nor change the voting rights of Members, unless the record Unit Owners of all the Units concerned and all record owners of liens thereon shall join in the execution of the amendment, and unless the Declaration is amended in a complementary manner.

The foregoing were adopted as the By-laws of Eagle Storage Condos Owners, Inc., an Idaho corporation, on _____, 2015.

BOARDMAN 55,
an Idaho limited liability company

By: _____

Ron Ramza

Its: Authorized Agent