

BY-LAWS

of the Waterfront District Homeowners' Association, Inc.

ARTICLE I

Name, Non-Profit Status, and Location

1.1 The official name of the homeowners' association shall be the Waterfront District Homeowners' Association, Inc. [hereinafter the Association]. The Association is established pursuant to its Articles of Incorporation and the authority contained in the Master Declaration of Covenants, Conditions, and Restrictions for Waterfront District dated December 4th, 2006. The Association is an Idaho Non-Profit Corporation as defined by Idaho Statutes, Title 30, Corporations, Chapter 3, Idaho Non-Profit Corporation Act, as amended. The Association's principal office shall be located at its contracted management entity, currently Association Management, Inc. (AMI), 2242 East Riverwalk Drive, Boise, Idaho 83706.

ARTICLE II

Definitions

2.1 The words and phrases and their definitions as set forth in the Master Declaration of Covenants, Conditions, and Restrictions for Waterfront District dated December 4th, 2006 are incorporated by reference herein.

ARTICLE III

By-Laws

3.1 Rescission of Previous By-Laws. The by-laws that governed the Association dated October 13th, 2009, are hereby rescinded and superseded.

3.2. Effective Date of Current By-Laws. These by-laws shall be effective upon final approval by the Board of Directors.

3.3 Amendment. The Board may adopt or amend any of the by-laws. The Board will solicit member input for all by-law changes.

ARTICLE IV

Meeting of Members

4.1 Annual Meeting. There shall be an annual meeting of the owners/members of the Association to be held on a date, time, and at a place determined by the Board of Directors.

4.2 Special Meetings. Special meetings of the owners/members may be called at any time by the Board of Directors or the President or upon written request of the owners/members in good standing who are entitled to vote twenty-five percent (25%) or more of all the votes of the Association.

4.3 Notice of Meetings. Written notice of each annual or special meeting of the owners/members shall be given by either mailing or e-mailing a copy of the notice at least thirty (30) days before the meeting to each owner/member. The address, including e-mail address, used for the notice shall be the owner's/member's address last appearing on the books of the Association. The notice shall specify the date, time, place, and purpose(s) of the meeting.

4.4 Quorum. The presence of thirty percent (30%) of all the owners/members of the Association in good standing, either physically or by proxy, shall constitute a quorum.

4.5 Majority Vote Required. Unless provided otherwise in the CCR's, any matter under consideration by the owners/members of the Association may be approved by a majority of those owners/members of the Association in good standing who are present and voting.

4.6 Proxy Voting. Voting by proxy shall be allowed at all annual and special meetings of the Association provided the proxy is in writing, designates the person assigned to vote the proxy, signed and dated by the owner(s)/member(s), and clearly specifying at which meeting, annual and/or special, the proxy vote(s) are authorized to be cast. All proxies shall be on the Proxy Form approved for that purpose and available from the management company website. All proxies shall be filed with the Secretary of the Association at least three days prior to the meeting in which they will be used. All proxies are revocable and shall automatically terminate upon conveyance of Association property by any owner/member.

ARTICLE V

Board of Directors

5.1 Number of Directors and Good Standing. The Association and all of its business affairs shall be managed by a Board of Directors [hereinafter the Board] of at least four (4) but not more than seven (7) owners/members who must be in good standing with the Association. An owner/member shall be considered to be in good standing provided he/she is current in all financial obligations owed to the Association at the time of the Board meeting. No Board member may vote on any matter before the Board if he/she is not currently in good standing.

5.2 Quorum. The presence at any Board meeting of at least four (4) Board members entitled to vote shall constitute a quorum.

5.3. Proxy Voting. Proxy voting by Board members is prohibited, except on issues previously identified and reviewed. The proxy shall be in writing (including email), designate the person assigned to vote the proxy, specify the issue to be decided, be signed and dated by the Board Member, and clearly specify the meeting at which the vote is authorized to be cast.

5.4 Frequency and Notice of Meetings. Board meetings shall be held at least once a quarter on dates, times, and in such places as the Board shall determine in its sole discretion. Notice of Board meetings shall be published and distributed to the other owners/members at least ten (10) days in advance of said meetings so that Association owners/members may attend.

5.5 Majority Vote Required. Any matter under consideration by the Board may be approved by a majority of those Board members who are in good standing.

5.6 Term of Office. A member of the Board shall be elected for a term of three consecutive years from the date of his/her election and may serve for an indefinite number of terms of office.

5.7 Removal from Board With or Without Cause. Members of the Board may be removed from the Board due to death, resignation, or by a majority vote of the Board. In the event of removal of a Board member, a successor may be appointed by a majority vote of the remaining Board members who are in good standing, present, and voting, and the new Board member shall serve for the unexpired term of the Board member he/she replaced. The vacancy shall be published and distributed by the Board so that all interested owners/members of the Association may be considered.

5.8 Compensation. Board members shall serve without compensation of any kind. However, a Board member may receive reimbursement for actual expenses incurred in the performance of his/her duties if approved by the Board.

5.9 Action Taken By Email Vote Without a Board Meeting. When time is of the essence, the Board shall have the right to take any action necessary in the absence of a meeting which it could have taken at a regularly scheduled meeting of the Board by obtaining the approval of a majority of the Board members in good standing. Action taken pursuant to this provision shall have the same effect as if taken by the Board at a regularly scheduled meeting. Such actions shall be the result of a motion, clearly stated, seconded, and votes recorded by the Secretary. All such actions taken pursuant to this provision shall be reported at the next Board meeting and summarized in the minutes of that meeting.

5.10 Transparency of Board Meetings. All matters considered by the Board shall be conducted in open session of the Board unless by email vote in accordance with section 5.9. This shall not preclude the use of executive sessions.

ARTICLE VI

Nomination and Election of the Board of Directors

6.1 Nomination. Nominations to the Board of Directors shall be made and seconded from the floor at the annual meeting of the owners/members of the Association.

6.2 Voters. Unless provided otherwise in the CCR's, all owners/members who are present at the annual meeting, either physically or by proxy, may vote for Board members. The voters must be in good standing at the time the vote is taken.

6.3. Majority Vote Required. Unless provided otherwise in the CCR's, members of the Board are elected by majority vote of those owners/members who are present and voting. The vote may be by voice or written ballot.

ARTICLE VII

Powers and Duties of the Board of Directors

7.1 Powers.

7.1.1 The Board shall have all powers permitted by Idaho Statutes, Title 30, Corporations, Chapter 3, Idaho Non-Profit Corporation Act, as amended.

7.1.2 The Board shall promulgate and publish rules and regulations governing the use of common areas and facilities and the sanctioning of owners/members of the Association who violate said rules and regulations.

7.1.3 The Board shall ensure that the rules and regulations governing conduct of owners/members of the Association and their guests and the sanctioning of owners/members of the Association are not inconsistent with the Master Declaration of Covenants, Conditions, and Restrictions for Waterfront District dated 4th of December 2006.

7.1.4 The Board shall establish a table of progressive penalties to include, as appropriate, notice to correct, suspension of privileges, and monetary fines for infractions of the rules and regulations it promulgates and publishes and shall enforce the monetary fines imposed by liens on the property owned by Association members.

7.1.5 The Board shall suspend the voting rights and use of common areas and facilities of any owner/member of the Association during periods in which said owner/member shall be in default in payment of any assessment levied by the Association after receiving second notice of such default.

7.1.6 The Board will elect the officers of the Association for one-year terms consisting of a President, Vice President, Secretary, and Treasurer, all of whom must be owners/members of the Association and agree to serve without compensation of any kind except that an officer may receive reimbursement for actual expenses incurred in the performance of his/her duties as approved by the Board.

7.1.7 The Board may remove any officer by majority vote, with or without cause, in its sole discretion.

7.1.8 The Board shall fill the vacancy of any officer position by appointment during a regularly scheduled meeting of the Board if the vacancy was caused by death, prolonged illness, or resignation of an officer.

7.1.10 The Board may establish and/or dissolve committees and appoint or replace committee chairpersons in order to make the Waterfront District a more effective, livable, and friendly environment.

7.2 Duties.

7.2.1 The Board shall keep a complete record of all of its actions and corporate affairs as required by law.

7.2.2 The Board shall maintain a separate and distinct volume of rules and regulations that shall specifically govern the conduct of the Association's internal affairs including, at a minimum, the following:

7.2.2.1 Procedures for promulgating, publishing, and maintaining its rules and regulations.

7.2.2.2 Procedures regarding the Association's fiscal affairs to ensure accountability to the owners/members with regard to assessments levied and expenditures of funds.

7.2.2.3 Procedures for the Association's procurement of goods, supplies, and services.

7.2.2.4 Guidelines for soliciting and considering inputs from members regarding the rules and regulations of the Association.

7.2.3 The Board shall exercise overall supervision of the officers, agents, employees, and contractors of the Association.

7.2.4 The Board shall fix the amount of the annual assessment against each property owner/member of the Association at least thirty (30) days in advance of each annual assessment period.

7.2.5 The Board shall send written notice of each assessment to each owner/member of the Association. The address, including e-mail address, used for the notice shall be the owner's/member's address last appearing on the books of the Association.

7.2.6 The Board may foreclose a lien against any property for assessments that have not been paid within one-hundred and eighty (180) days after the due date of the assessment or bring an action at law against the property owner obligated to pay the assessment.

7.2.7 The Board shall procure and maintain adequate liability and hazard insurance on property owned by the Association.

7.2.8 The Board shall require all officers, agents, employees, and contractors of the Association to be covered by bonds and/or liability and hazard insurance as it may consider appropriate given the risks involved.

ARTICLE VIII

Officers and Their Duties

8.1 President. The President, who must be a member of the Board of Directors, shall be the chief executive officer of the Association and shall exercise broad administrative and decision-making authority. Additionally, he/she shall preside over all meetings of the Board; ensure that all decisions of the Board are executed faithfully; and shall sign all legal documents on behalf of the Association.

8.2 Vice President. The Vice President, who must be a member of the Board of Directors, shall serve in the absence, inability, or refusal to act of the President. He/she shall discharge such other duties as required by the Board or the President.

8.3 Secretary. The Secretary, who must be a member of the Association, shall be the official record keeper of the Association and cause minutes of all annual, special, and Board meetings and Email votes of the Board to be recorded and published to the members of the Association. He/she shall discharge such other duties as required by the Board or the President.

8.4 Treasurer. The Treasurer, who must be a member of the Association, shall monitor the financial affairs of the Association including the receipt and deposit all cash and negotiable instruments received by the Association; disbursement of funds for projects approved by the Board or payment of debts incurred by the Association; review any checks issued by the Association; keep accurate and current financial records for the Association; and prepare and publish an annual budget, including a statement of revenue and expense. He/she shall discharge such other duties as required by the Board or the President.

ARTICLE IX

Inspection of Books and Records

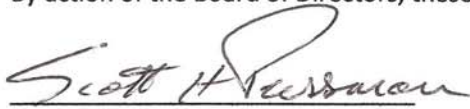
9.1 The books, records, and papers of the Association shall be made available for inspection by any owner/member of the Association during office hours of the management firm of the Association. Copies of books, records, and papers of the Association will be provided upon request and payment of the prevailing cost for such copies at the time the request is made.

ARTICLE X

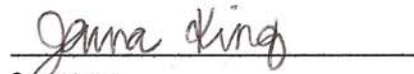
Association's Fiscal Year

10.1 The fiscal year for the Association shall begin on January 1st and end on December 31st of each calendar year.

By action of the Board of Directors, these by-laws were hereby adopted on December 11, 2012.



President



Secretary