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BY-LAWS OF  
SHETLAND HEIGHTS TOWNHOUSES  
OWNERS ASSOCIATION

610506

ARTICLE I

PLAN OF APARTMENT OWNERSHIP

Section One: Apartment Ownership. The project located on Bench Road between Butte Street and Shetland Drive, City of Pocatello, State of Idaho known as Shetland Heights Townhouses, is submitted, pursuant to the provisions of Idaho Code Section 55-1501, et sequence.

Section Two: By-Laws Applicability. The provisions of these by-laws are applicable to the project located in Bannock County, State of Idaho, and more particularly described as:

(See schedule "A" attached hereto and by this reference made a part hereof.)

Section Three: Personal Application. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the project in any manner, are subject to the regulations set forth in these by-laws and to the regulatory agreement, attached as Exhibit "B" to the recorded plan of apartment ownership.

The mere acquisition or rental of any of the family units, herein referred to as units, of the project or the mere act of occupancy of any of the units will signify that these by-laws and provisions of the regulatory agreement are accepted, ratified, and will be complied with.

ARTICLE II

VOTING, MAJORITY OR OWNERS, QUORUM, PROXIES

Section One: Voting. Voting shall be on a percentage basis and the percentage of the vote to which the owner is entitled is the percentage assigned to the family unit or units in the master deed.

Section Two: Majority of Owners. As used in these by-laws the term "majority of owners" shall mean those owners holding sixty-seven per cent (67%) of the votes in accordance with the percentage assigned in the master deed.

Section Three: Quorum. Except as otherwise provided in these by-laws, the presence in person or by proxy of a "majority of owners" as

at least five but not more than ten days prior to such meeting. The mailing of notice in the manner provided in this section shall be considered notice served.

Section Six: Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section Seven: Order of Business. The order of business at all association meetings shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of committees.
- (f) Election of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New business.

#### ARTICLE IV

##### BOARD OF DIRECTORS

Section One: Number and Qualification. Association's affairs shall be governed by a board of directors composed of seven (7) persons, all of whom must be owners of units in the project.

Section Two: Powers and Duties. The board of directors shall have the powers and duties necessary for the administration of association's affairs and may do all such acts and things as are not by law or by these by-laws directed to be exercised and done by the owners.

Section Three: Other Duties. In addition to duties imposed by these by-laws or by resolutions of association, the board of directors shall be responsible for the following:

- (a) Care, upkeep, and surveillance of the project and common areas and facilities and the restricted common areas and facilities.
- (b) Collection of monthly assessments from the owners.
- (c) Designation and dismissal of the personnel necessary for the

Section Ten: Special Meetings. Special meetings of the board of directors may be called by the president on three days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. 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 three directors.

Section Eleven: Waiver of Notice. Before or at any meeting of the board of directors, 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 a waiver of notice by him 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.

Section Twelve: Board of Director's Quorum. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the quorum shall be the acts of the board of directors. If, at any meeting of the board of directors, there be less than a quorum present, the members present may adjourn the meeting from time to time. At such meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

Section Thirteen: Fidelity Bonds: The board of directors shall require that all officers and employees of association handling or responsible for association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the association.

ARTICLE V

OFFICERS

Section One: Designation. The principal officers of association shall be a president, a vice-president, a secretary, and a treasurer, all of whom shall be elected by and from the board of directors. The directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

Section Two: Election of Officers. The officers of association shall be elected annually by the board of directors at the organization meeting of each new board and shall hold office at the pleasure of the board.

Section Three: Removal of Officers. On an affirmative vote of a

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to the value of the unit owned, as stipulated in the master deed. Such assessments shall include monthly payments to a general operating reserve and a reserve fund for replacements as required in the regulatory agreement attached as Exhibit "C" to the plan of apartment ownership.

Section Two: Maintenance and Repair.

- (a) Every owner must perform promptly all maintenance and repair work within his own unit which, if omitted, would affect the project in its entirety or in a part belonging to other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.
- (b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belong to the unit area shall be at the owner's expense.
- (c) An owner shall reimburse association for any expenditures incurred in repairing or replacing any common area and facility damaged through his fault.
- (d) That upon ten (10) days notice to the manager or board of managers and payment of a reasonable fee, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.
- (e) An annual budget will be prepared at each annual meeting which will estimate the amount of maintenance and repairs and other costs and such budget will be presented at the annual meeting for review by the unit owners and to be approved at such meeting.

The unit owners will be assessed their pro rate share of all costs and the Treasurer shall collect monthly, an amount estimated to be sufficient to pay the amount set forth in the estimated annual budget. At the end of the year, the actual cost shall be reviewed and the owners will be assessed for the actual costs and assessments. Any excess shall be reserved to be applied to the following year budget with appropriate reductions to the unit owners on a pro rate share.

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- or posters of any kind in or on the project except as authorized by association.
- (b) Residents shall exercise extreme care in making noises or using musical instruments, radios, television, and amplifiers that may disturb other residents. Keeping of domestic animals will be in accordance with the Municipal Sanitary Regulations.
  - (c) Hanging of garments, rugs, and the like, from the windows or from any of the facades of the project is prohibited.
  - (d) Dusting and shaking out of rugs and the like, from the windows, or by beating on the exterior part of the project is prohibited.
  - (e) Throwing of garbage or trash outside the disposal installations provided for such purposes in the service area is prohibited.
  - (f) No owner, resident, or lessee shall install wiring for electrical or telephone installation, television antennae, machines, air conditioning units, or the like, on the exterior of the project or that protrude through the walls or the roof of the project except as authorized by association.
  - (g) There will be no vehicle parking on Butte Street for a space of 150 feet from the intersection of Butte and Bench Road.

Section Seven: Liability Insurance. The association shall obtain adequate liability insurance. The policy shall be retained in the association file. The premium shall be pro-rated and assessed to the unit owners.

#### ARTICLE VII

##### AMENDMENTS TO PLAN OF APARTMENT OWNERSHIP

Section One: By-laws. These by-laws may be amended by association in a duly constituted meeting for such purpose, and no amendment shall take effect unless approved by owners representing at least sixty-seven per cent (67%) of the total value of all units in the project as shown in the master deed.

#### ARTICLE VIII

##### MORTGAGEES OF UNIT

Section One: Notice to Association. An owner who mortgages his unit shall notify association through the management agent, if any, or the president of the board of directors in the event there is no management agent, the name and address of his mortgagee; and the association shall maintain such

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

*Stephen Adams*  
Notary Public for Idaho  
Residing at: *Pocatello, Idaho*



NOTARY SEAL

NO. 610506  
RECORDED AT REQUEST

Sawtooth Townhouses

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