AMENDMENT TO THE BYLAWS OF COEUR D'ALENE PLACE MASTER ASSOCIATION

Pursuant to Article V8 of the bylaws, as amended, of Coeur D'Alene Place Master Association, Inc., an Idaho nonprofit corporation, ("<u>Bylaws</u>") the following shall be added as Section 3.12 and Section 3.13 of Article 3 of the Bylaws, relating to the Board of Directors.

Section 3.12. Townhome Committee. The Board of Directors hereby establishes an advisory committee to the Board for matters that specifically concern or impact the Townhome Property, as that property is defined in the Reciprocal Easement Agreement with Covenants, Conditions and Restrictions dated the ____ day of March, 2008, by Greenstone-Kootenai, Inc., an Idaho corporation (the "Townhome Committee"). The Townhome Committee has the authority to make recommendations to the Board regarding the Townhome Property and the Board will consider (but is not obligated to accept) the recommendations. The Townhome Committee does not have any of the rights or obligations of the Board and nothing in the Bylaws is intended to constitute or does constitute a grant, assignment, or delegation of any such rights or obligations. The Townhome Committee will have no more than five (5) and no less than three (3) members, as determined by the Board of Directors. The members of the Townhome Committee will be appointed by the Board of Directors. A member of the Townhome Committee must have an ownership interest in a Lot in the Townhome Property. The Board will determine the method, timing, location, and procedure of the Townhome Committee meetings; provided that the Townhome Committee will have meetings scheduled no less than once a calendar year.

Section 3.13. Townhome Architectural Committee. The Board shall also establish an advisory committee to the Architectural Committee for matters that specifically concern or impact the Townhome Property, as that property is defined in the Reciprocal Easement Agreement with Covenants, Conditions and Restrictions dated the ____ day of March, 2008, by Kootenai-Greenstone, Inc., an Idaho corporation (the "Townhome Architectural Committee"). The Townhome Architectural Committee has the authority to make recommendations to the Architectural Committee regarding the Townhome Property and the Architectural Committee is hereby instructed to consider (but is not obligated to accept) the recommendations. The Townhome Architectural Committee does not have any of the rights or obligations of the Architectural Committee, and nothing in this Agreement is intended to constitute or does constitute a grant, assignment, or delegation of any such rights or obligations. The Townhome Architectural Committee will have no more than five (5) and no less than three (3) members, as determined by the Board. The members of the Townhome Architectural Committee will be appointed by the Board from those individuals who have an ownership interest in a Lot located within the Townhome Property.

[Signature page follows]

The undersigned, being all of the Directors of Coeur D'Alene Place Master Association, do hereby assent to the within and foregoing Bylaws and hereby adopt the same as the Bylaws of said Association.

EXECUTED effective the 2 day of March, 2008.

James Frank

Jason Wheaton

Gary Schneidmiller

Coeur D'Alene Place Townhomes Rules and Regulations Coeur D'Alene Place Master Association March 2008

The following Rules and Regulations were adopted by the Board of Directors (also called the "Board") of the Coeur D'Alene Place Master Association and may be added to, amended, or repealed at any time by the Board. They are designed to help accomplish three purposes: 1) to protect the integrity and condition of the entire townhome complex and thereby protect each owner's investment, 2) to provide a safe and pleasant living environment for all owners and tenants and 3) to supplement and clarify the Declaration and the Reciprocal Easement Agreement and Covenants, Conditions, and Restrictions relating to the townhome complex (the "REA").

Under the terms of the Declarations, REA, Bylaws, and these Rules and Regulations, owners will be held responsible for the actions of their household members, guests, agents, tenants, and employees.

The townhomes do not have a separate legal board of directors but function under the authority of the Declaration, REA, and Bylaws. The Board appoints a Townhome Committee to represent the interest of the townhome residents to the Board. All final decisions rest with the Coeur D'Alene Place Master Association ("HOA") Board.

1. Use and Occupancy of the Townhomes.

- a) ACCESS DRIVE AND PATHWAYS. No car, truck, or object of any kind shall obstruct the access drives or pathways though the townhome area.
- b) GROUNDS UPKEEP. The HOA maintains the irrigation system, landscape lawn areas, parking areas (except for the driveway in front of individual garages) and the access drives. Each townhome owner is responsible for maintenance of planting beds on their lot. The Association requests that you help in maintaining our high standards.
- c) GARBAGE. There are no dumpsters. Each townhome owner has individual garbage collection. Garbage cans must be located inside your garage except when set out for collection and must be returned to the inside of your garage by the end of the day of

garbage collection.

- d) EXTERIOR LIGHTS. If exterior lights are out of order, residents are responsible for replacing the bulbs on their individual units.
- e) EXTERIOR MODIFICATIONS. No owner shall modify, alter, repair, decorate, redecorate, or improve the exterior of any building or any of the Common Areas (grounds, parking lots etc.) without the express written approval of the Board, which has appointed an architectural committee. This includes but is not limited patio construction, fence installation, landscaping modifications and exterior painting. The HOA shall repair and replace all mailboxes.
- f) STRUCTURAL MODIFICATIONS. No owner shall perform an act or any work that will impair the structural soundness of the townhome building in which they are located.
- g) PAINTING. No painting of exterior elements is allowed without prior written consent of the Board and must be submitted with the approval of the majority of the owners of the lots in the specific townhome building (e.g., approval of the owners of two out of three of the lots, in a three-lot townhome building).
- h) FENCING. No fencing is permitted to be installed without prior written consent of the Board and must be submitted with a proposed layout. All fencing must be consistent in size, style, and color to the other fencing used within the townhome community.

2. Pets Within the Townhome Community.

- a) No pets, livestock, birds, poultry, reptiles or insects of any kind, shall be raised, bred, kept or boarded in or on any portion of the townhome community; except that no more than two dogs, cats or other customary household pets may be kept if they are not raised, bred or maintained for any commercial purpose or in such manner as to create a nuisance or inconvenience to any residents of the townhomes.
- b) Household pets shall not be allowed to run at large within the townhome community, but shall at all times be under the control of such pet's owner and such pets shall not be allowed to litter the Common Areas.
- c) Household pets shall not be left alone on any deck or balcony at any time.

3. Nuisances.

No noxious or offensive activity shall be carried on within the

townhome community, nor shall anything be done or maintained which may be or become an annoyance or nuisance to the neighborhood or detract from its value as an attractive residential community. Habitually barking, howling or yelping dogs shall be deemed a nuisance.

4. Vehicular Parking, Storage and Maintenance.

- a) No house trailer, camping trailer, horse trailer, camper, camper shell, boat trailer, hauling trailer, boat or boat accessories, truck larger than one ton, recreational vehicle or equipment, mobile home, or commercial vehicle may be parked or stored anywhere within the townhome community so they are visible from neighboring townhomes or from the street for a period of more than three days except in emergencies or as a temporary expedience.
- b) No emergency or temporary parking or storage shall continue for more than seventy-two hours.
- c) No abandoned, unlicensed, wrecked or inoperable vehicles of any kind shall be stored or parked within the townhome community except in emergencies.
- d) Owners are encouraged to keep their garage doors closed except when in use.

5. No Unsightliness.

- a) UNWELCOME ACTIVITIES. No activity shall be conducted on any part of the townhome community which is or might be unsafe, unsightly, unhealthy or hazardous to any person.
- b) PATIOS. Patios and porches shall not be used for storage. All porches or patios must be kept clean and clear of all items that adversely affect the exterior appearance of the townhome community. Hanging of clothes, towels, rugs or other items on the porches or patios is not permitted. Patios or balconies should not be used for anything except patio furniture, flower boxes and plants; they are not to be used for storage under any circumstances.
- c) NOISE. You shall not make or permit to be made any disturbing noises or vibrations which would unreasonably interfere with the rights, comfort or convenience of other townhome owners. Televisions, stereo units, radios, musical instruments and exercise equipment are not to be used or played at such a volume or time that will annoy or disturb other owners of the townhomes community.

d) HOLIDAY DECORATIONS. Holiday decorations should be tasteful and limited to your townhome. All decorations should be removed by January 15th.

6. Antennas and Other Exterior Equipment.

No exterior equipment or fixtures, including, but not limited to, the following shall be permitted without the written consent of the HOA Board of Directors: radio, television, or the other types of antennas and satellite dishes; air conditioning units, swamp coolers, or other ventilation equipment; and any type or kind of wiring, ducts or pipes.

7. Restrictions on Signs.

No signs or advertising of any nature, including without limitation for lease or rent, shall be erected or maintained on any part of the townhome community without prior written consent of the Board of Directors. The Board shall permit the placing of one sign of dignified form to be placed in the yard of a townhome unit for political purposes before a primary or general election. Political signs must be removed twenty-four hours after the election. The Board shall also permit the placing of one sign of dignified form to be placed in a common area for the purpose of advertising a townhome unit for sale.

8. Lease of a Townhome.

An owner shall have the right to lease his or her townhome upon such terms and conditions as the owner may deem advisable, subject to the following:

- any such lease or rental agreement must be in compliance with all applicable local, state and federal laws:
- no owner may lease or rent (i) less than his or her entire townhome; (ii) for transient or hotel purposes; or (iii) for a term of less than thirty days;
- any lease or rental agreement shall be in writing and shall provide that the lease or rental agreement is subject to the terms of the Declaration, REA, the Articles of Incorporation and Bylaws of the Association, and the Rules and Regulations of the HOA and the Townhome Rules

- and Regulations;
- o such lease or rental agreement shall state that the failure of the lessee or renter to comply with the terms of the Declaration, REA, Bylaws, Articles of Incorporation or the Rules and Regulations of the Association shall constitute a default and such default shall be enforceable by either the Board of Directors or the lessor, or by both of them to include, but not be limited to, eviction of the lessee from the townhome; and
- the Board of Directors shall be furnished with a copy of the lease or rental agreement upon its request.

9. Policy and Procedure for Imposition of Fines.

- a) BOARD AUTHORITY. The Association, acting through its Board of Directors, shall have the standing and power to enforce all of the Declaration and REA. The Coeur D'Alene Place and townhome area is a covenant-controlled community. The covenants are applicable to all areas within the complex, whether owned by the Association or individual owners. The covenants are enforced by the Board of Directors and penalties for infractions may be levied in accordance herein. Enforcement procedures under these rules and regulations may be exercised independently of any enforcement action taken by local or other governmental authorities. Failure by the Association to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of the right to do so.
- b) OWNER RESPONSIBLE. Each owner shall be responsible for his/her own violations and for the violations of all of his/her related users. Parents are deemed responsible for rules violations committed by their children.
- c) FINES. Violation of these rules or the Declaration may result in fines being imposed upon the townhome owner according to the fine and enforcement policy adopted by the Board.