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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION OF CROSSINGS OWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that Michael E. Reagan, being over the age of 18 years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certify and adopt, in duplicate, the following Articles of Incorporation.

ARTICLE I NAME

The name of the corporation (hereinafter called "the Corporation") is CROSSINGS OWNERS ASSOCIATION, INC.

ARTICLE II DURATION

The duration of the Corporation shall be perpetual.

ARTICLE III PURPOSES AND POWERS

The Corporation is not organized for profit and no part of gains or earnings shall inure to its members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operations, administration, maintenance, repair, improvement, preservation, and architectural control of CROSSINGS SUBDIVISION (hereinafter "Crossings Subdivision"), its common areas and limited common areas, situated in Kootenai County, Idaho, and to promote the health, safety and welfare of all property owners within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of the Corporation for such purposes, according to that certain Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for Crossings Subdivision (the "Declaration") recorded or to be recorded with respect to said property in the office of the County Recorder of Kootenai County, Idaho. All definitions contained in the Declaration shall be applicable to these Articles and the Bylaws of this Corporation.

In furtherance of said purposes, and subject to the approval of members as may be required by law, the Declaration, or the Bylaws, the Corporation shall have power to:

ARTICLES OF INCORPORATION, Page 1

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- (a) Perform all of the duties and obligations of the corporation as set forth in the Declaration;
- (b) Fix, levy, collect, and enforce assessments and fines as set forth in the Declaration or By-Laws, in a fair and equitable fashion and secure the payment of assessments through liens upon real property as allowed under Idaho law;
- (c) Pay all expenses and obligations incurred by the corporation in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levied or imposed against the corporation's property;
- (d) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, exchange, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the corporation;
- (e) Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) Dedicate, sell, transfer, or grant easements over all or part of any of the corporation's property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members;
- (g) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional property to the Property managed by the corporation;
- (h) Litigate, mediate, arbitrate any and/or all corporate rights and obligations specified in law and/or by the Articles and By-Laws of the corporation and/or the Declaration. This corporation in addition to other provisions, may provide for the qualification of members, the terms and conditions of admission, the time, mode, conditions and effect of expulsion or withdraw from the restoration of membership, admission fees, charges and assessments; and for reimbursement for services rendered to and expenses incurred on behalf of the corporation by any member or officer of the corporation, and such other rules and regulations as are not repugnant to the laws of the State of Idaho;
- (i) Organize and operate a water system and any other shared utility or service deemed by the board to be beneficial for the corporation and its members;
- (j) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Idaho Nonprofit Corporation Act law, which exists now or hereafter,

ARTICLE IV

MEMBERS AND MEMBERSHIP

1. Non-Stock Corporation. Participation in management and ownership of the corporation shall be by membership only. The corporation shall issue no stock and shall have no shareholders.

2. Membership. The Owner of a Lot in CROSSINGS SUBDIVISION shall automatically, upon becoming an Owner of any portion of the Property located in CROSSINGS SUBDIVISION of Kootenai County, Idaho and the additions thereto ("the Project"), be a member of the corporation, and shall remain a member thereof until such time as his/her ownership ceases for any reason, at which time his/her membership in the corporation shall automatically cease or in the event his/her membership is suspended or terminated as provided in the By-Laws and Declaration. Membership shall be in accordance with the Declaration, these Articles of Incorporation and the By-Laws of the corporation.

3. Transferred Membership. Membership in the corporation shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant in CROSSINGS SUBDIVISION or its additions, and then only to the new owner. Any attempt to make a prohibited transfer is void. In the event the owner of any lot should fail or refuse to transfer the membership registered in his/her name to the purchaser of his/her lot, the corporation shall have the right and authority to transfer to purchaser and to record the transfer upon the books; thereupon the old membership outstanding in the name of the seller shall be null and void.

4. Classes of Membership. The corporation shall have multiple classes of voting membership established according to the following provisions:

(a) Class "A" Membership. Class A Member shall be all Owners in the Property, with the exception of the Grantor, for so long as there exists a Class B membership for the Association. Class A Members shall be entitled to one (1) vote for each Lot owned. Grantor shall become a Class A Member with regard to Lots owned by Grantor upon conversion of Grantor's Class B Membership as provided below. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised in accordance with Article III, Section 3.02 of the Declaration, and in no event shall more than one (1) Class A vote be cast with respect to any Lot.

(b) Class "B" Membership. The Class B Member shall be the Grantor, and Grantor shall be entitled to ten (10) votes for each Lot owned by Grantor. The Class B Membership shall cease and be converted to Class A Membership on the happening of the earliest of the following events:

(1) At such time as ninety (90) percent of all Lots located in that subdivision commonly known as CROSSINGS SUBDIVISION as recorded in the office of the Recorder for the County of Kootenai, State of Idaho, have been deeded to owners other than the Grantor or the Developer; or

(2) Ten (10) years from the Close of Sale of the first Lot sold in the Property; or

(3) Upon Grantor's written relinquishment of its Class B Membership.

(c) Additional Classes of Membership. If the Corporation desires to add additional classes of membership, it may do so through the corporate Bylaws. Nothing in these Articles shall prohibit the institution of additional classes.

5. Voting Requirements. Except where otherwise expressly provided in the Declaration, these Articles of Incorporation or the By-Laws, any action by the corporation which must have the approval of the corporation membership before being undertaken shall require the vote or written assent of the prescribed percentage of the total power (all classes combined) of the corporation.

6. Limitation of Payment to Dissenting Member. Membership in the corporation is appurtenant to and cannot be segregated from ownership of a lot within the jurisdiction of the corporation. Except upon dissolution of the corporation and only consistent with Bylaws and Articles of the Corporation, a dissenting member shall not be entitled to any return of any contribution or other interest in the Corporation.

ARTICLE V

INITIAL REGISTERED OFFICE AND AGENT

The initial registered-office of the corporation shall be 1044 Northwest Boulevard, Suite D, Coeur d'Alene, Idaho, 83814, and the name of its initial registered agent is Michael E. Reagan.

ARTICLE VI

BOARD OF DIRECTORS: INCORPORATORS

The affairs of the Corporation shall initially be managed by a Board of three (3) Directors, but may be converted to a larger number in accordance with the By-Laws. From the date of conversion of Class B membership to Class A, the election of Directors may be divided into three (3) classes, of nearly equal number, with each class of Directors elected for three (3) years. Until said conversion, there is no requirement that the directors be members. After said conversion, all must be members of the corporation. The number of directors may be increased by amendment of the By-Laws of the corporation.

The name and address of the initial Board of Directors is:

<u>NAME</u>	<u>ADDRESS</u>
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HEIDI LOCKHART

PO Box 3431
Coeur d'Alene, ID 83814

BRENT LOCKHART

PO Box 3431
Coeur d'Alene, ID 83814

MIKE CURRY

10063 Navion Dr.
Hayden, ID 83835**ARTICLE VII**
INCORPORATOR

The name and address of the incorporator of the corporation is:

NAME**ADDRESS**

MICHAEL E. REAGAN

Liesche & Reagan, P.A.
1044 Northwest Blvd., Ste. D
Coeur d'Alene, ID 83814**ARTICLE VIII**
DISSOLUTION

In the event of dissolution, liquidation, or winding up of the corporation, none of the property nor any proceeds of the corporation shall be distributed to or divided among any of the directors of the corporation or inure to the benefit of any individual. After all liabilities and obligations of the corporation have been paid and discharged, all remaining property and assets of the corporation shall be distributed to one or more organizations designated as follows:

1. Pursuant to a plan of distribution adopted as provided for under the Idaho Non-profit Corporation Act as it now exists or as amended in the future; or

2. If there is no appropriate plan of distribution, as a court of competent jurisdiction may direct; provided however, that such property shall be distributed only to organizations which shall comply with all of the following conditions:

(a) each organization shall be organized under written articles of organization which comply with the requirements of the Internal Revenue Code necessary to qualify the organization as an exempt organization;

(b) each organization shall be exempt from federal taxes by reason of Section 501, or other applicable sections of the Internal Revenue Code as it now exists or is amended in the future.

(c) contributions to each such organizations shall be deductible by reason of Section 170 of the Internal Revenue Code as it now exists or as amended in the future;

(d) each organization shall be operated exclusively for a recognized exempt purpose, and the manner of operation of each organization shall in compliance with the requirements to qualify the organization as an exempt organization.

ARTICLE IX

AMENDMENT OF ARTICLES

So long as Class "A" membership and Class "B" membership are still in effect, these Articles shall be amended only by the vote or written assent of at least two-thirds (2/3) of a quorum of the total voting power of the membership. Following the conversion of Class "B" membership to Class "A" membership, these Articles shall be amended only by the vote or written assent of members representing at least two-thirds (2/3) of a quorum of the total voting power of the corporation; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under said clause or provision.

For the purposes of forming the Corporation, I, the undersigned, constituting the incorporator of the Corporation, have executed these Articles of Incorporation on the 1st day of April, 2010.


MICHAEL E. REAGAN, Incorporator