

FILED EFFECTIVE

2017 SEP 27 PM 12: 51

SECRETARY OF STATE
STATE OF IDAHO

ABOVE SPACE FOR RECORDER -- Recorded by Berg, McLaughlin & Nelson, Chtd., 414 Church Street, Ste 203, Sandpoint ID 83864

**ARTICLES OF INCORPORATION
OF
SEVEN SISTERS HOME OWNERS ASSOCIATION, INC.**

The undersigned, in order to form a nonprofit corporation under the provisions of Idaho Nonprofit Corporation Act, Title 30, Chapter 30, Idaho Code, submits the following articles of incorporation to the Idaho Secretary of State.

**ARTICLE I.
NAME OF CORPORATION, OFFICE, REGISTERED AGENT**

- 1.1 **Corporate Name.** The name of the corporation shall be Seven Sisters Home Owners Association, Inc. (hereinafter "Association").
- 1.2 **Corporate Office.** The initial office of the Association shall be located at C/O Seven Sisters, L.L.C., 484 S. San Vicente Blvd, Los Angeles, CA 90048.
- 1.3 **Registered Agent.** The Association, acting through its Board of Directors (hereinafter "Board"), shall designate a registered agent. The initial registered agent shall be Berg, McLaughlin & Nelson, Chtd, whose address (registered office) is 414 Church Street, Ste 203, Sandpoint ID 83864.

**ARTICLE II.
PURPOSE AND POWERS OF ASSOCIATION**

- 2.1 **Purpose.** The purpose of the Association shall be to (a) enforce and carry out the provisions of the Declaration of Residential Covenants, Conditions, Easements and Restrictions of Seven Sisters Subdivision (hereinafter "Declaration"), (b) the Bylaws, Rules and Regulations of the Association; and (c) maintain and protect the real property described in the Declaration (hereinafter "Property").
- 2.2 **Real Property.** The Property consists of the following plats: Seven Sisters Subdivision, according to the plat thereof, recorded in Book 6 of Plats, page 109; 1st Addition to Seven Sisters, Phase 1, according to the plat thereof, recorded in

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Book 10 of Plats, page 110; and 1st Addition to Seven Sisters, Phases 2 & 3, according to the plat thereof, recorded in Book 12 of Plats, page 454, all plats recorded in the records of Bonner County, Idaho.

- 2.3 **General Authority.** The Association shall have and shall exercise all other rights and powers necessary and convenient to carry out its purpose including, without limitation, those general powers set forth in the Idaho Nonprofit Corporation Act.
- 2.4 **Bylaws.** The Association shall adopt and maintain Bylaws.
- 2.5 **Duties.** The Association through its Board of Directors, shall have the authority and obligation to: (a) enforce the Declaration; (b) make improvements to the Property; (c) levy and collect assessments from the Members; (d) enter into contracts as may be necessary or desirable to carry out the provisions of the Declaration, these Articles of Incorporation and Bylaws; (e) open and close bank accounts in the Association's name; (f) establish procedures and policies necessary or deemed desirable to provide for the general welfare, in accordance with the spirit and letter of this Declaration; and (g) place liens on the real property of Lot Owners who fail to pay dues, assessments, fines and penalties, and to enforce such liens through judgment and foreclosure.
- 2.6 **Recordation.** These Articles and the Bylaws shall be recorded in the records of Bonner County, Idaho.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

- 3.1 **Voting Members.** The Association shall consist of voting members.
- 3.2 **Membership Rights.** Membership shall be exclusive to Lot Owners.
- 3.3 **Transfer of Membership.** A Member shall not transfer, pledge, convey or alienate the Association membership except to a bona fide successor in interest of the ownership of the Lot. A sale of a Lot by real estate contract shall constitute a valid transfer of membership to the buyer. A prohibited transfer is void.
- 3.4 **Voting Rights.** Members shall have one (1) vote in the Association for each Lot owned, such vote to be cast by the Lot Owner.
- 3.5 **Quorum** A quorum shall consist of no less than twenty percent (20%) of the voting power of the Association in attendance at the start of a membership meeting. .
- 3.6 **Actions Reserved to the Members.** The following actions are reserved to the Members, voting at a duly noticed meeting of the Association:
 - 3.6.1 **Elect and Remove Directors.** The Members shall have the exclusive authority to elect and remove directors. The procedure for election and removal of directors shall be set forth in the Articles of Incorporation and Bylaws.
 - 3.6.2 **Approve Budget.** The Members shall adopt an annual budget and any supplemental budgets of the Association. The Members may amend the

budget presented by the Board. The Association shall not make expenditures, except emergency expenditures, absent an approved budget. The Board may declare an emergency.

- 3.6.3 **Resolve a Deadlock of the Board.** If the Board refers a matter to the Members because of a deadlock on the Board or otherwise, the Members shall have the right and duty to resolve the matter by majority vote.
- 3.6.4 **Right to Inspect Books.** Members shall the right to inspect the financial records of the Association at a reasonable time and upon reasonable notice to the Board.
- 3.9.1 **Amend the Bylaws and Articles of Incorporation.** Upon a resolution of the Board, the Members may, by a sixty percent (60%) majority at a duly called membership meeting, amend the Bylaws and Articles of Incorporation.

ARTICLE IV. BOARD OF DIRECTORS

- 4.1 **Management Vested in the Board of Directors.** The Board shall govern the Association and shall manage the Property. The Board may, but is not required to seek the approval of the Members before taking an action other than those actions reserved to the Members in Article 3.6.
- 4.2 **Board of Directors.** The Board shall consist of no less than three (3) Directors who shall serve staggered three year terms.
- 4.3 **Initial Directors.** The initial Directors shall be:
Mauricio Oberfeld, 484 S. San Vicente Blvd, Los Angeles CA 90048.
Cliff Mort, 1950 Bellerive Ln., #107, Coeur d'Alene ID 83814.
Fabian Oberfeld, 484 S. San Vicente Blvd, Los Angeles CA 90048.
- 4.4 **Officers.** The Board shall annually elect officers. There shall be a President, Vice President, Secretary and Treasurer. One individual may serve as both Secretary and Treasurer.
- 4.5 **Action of the Board and Association.** The vote of a majority of Directors shall be the action of the Board. The action of the Board shall be the action of the Association.

ARTICLE V. DISSOLUTION

- 5.1 **Requirements for Dissolution.** Pursuant to the Declaration, the Association must have perpetual existence. The Association may dissolve only upon the modification of the Declaration to permit dissolution. Dissolution shall otherwise be accomplished in compliance with Idaho Code section 30-30-1001 *et. seq.*


- 5.2 **Distribution of Assets.** Upon dissolution, the assets of the Association shall be divided pro rata among the Members.

ARTICLE VI. INDEMNIFICATION

The Association shall indemnify and hold harmless its directors, officers, and employees from personal liability for monetary damages, court costs and attorney fees in any suit or proceeding, other than an action by or in the right of the Association, if such person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association. This provision is intended to comply with, and shall be interpreted in conformity with the indemnification provisions of Idaho Code section 30-30-636.

ARTICLE VII. INCORPORATOR

The incorporator is William M. Berg whose address is c/o Berg, McLaughlin & Nelson, Chtd, 414 Church Street, Ste 203, Sandpoint ID 84864.



William M. Berg
Incorporator

STATE OF IDAHO)
COUNTY OF BONNER) SS.

On this 26th day of September, in the year of 2017, before me, a Notary Public for the state of Idaho, personally appeared William M. Berg, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

(Sign) Jennifer Albert
NOTARY PUBLIC
Residing at Sandpoint, Idaho
My commission expires: 2.14.22

