

FILED EFFECTIVE

**ARTICLES OF INCORPORATION
OF
SIGNATURE SQUARE SUBDIVISION HOMEOWNERS'
ASSOCIATION, INC.**

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SECRETARY OF STATE
STATE OF IDAHO

The undersigned, in compliance with the requirements of the Idaho Code, has this day formed a corporation not for profit and does hereby certify:

**ARTICLE I
NAME OF CORPORATION**

The name of the corporation is Signature Square Subdivision Homeowners' Association, Inc., hereafter called the "Association."

**ARTICLE II
REGISTERED OFFICE**

The initial registered office of the Association is located at 9167 W. State Street, Boise, Idaho 83703.

**ARTICLE III
REGISTERED AGENT**

Jerry Nemec is hereby appointed the initial registered agent of this Association.

**ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION**

This Association is a nonprofit corporation. The specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence lots and common area within that certain tract of property commonly known as Signature Square Subdivision according to the plat thereof filed in the official records of Ada County, Idaho, and any additions thereto as may hereafter be brought within the jurisdiction of this Association, hereinafter called the "Property", and to promote the health, safety and welfare of the residents within the Property. Without limiting the power and authority of the Association, the Association may take any of the following actions in furthering its purposes:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions For Signature Square Subdivision, hereinafter called the "Declaration," applicable to the Property and recorded or to be recorded in the office of the Recorder, Ada County, Idaho, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the Property of the Association;

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- (c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) borrow money, and/or mortgage, pledge, deed in trust, or encumber any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) dedicate, sell or transfer, pursuant to the terms of the Declaration, all or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members;
- (f) participate in mergers and/or consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall be in conformance with the terms of the Declaration;
- (g) exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may by law may now or hereafter have or exercise.

ARTICLE V MEMBERSHIP

Every person or entity who is a recorded owner of a fee or undivided fee interest in any lot which is subject to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

ARTICLE VI VOTING RIGHTS

The Association shall have two (2) classes of voting memberships:

Class A. Class A members shall be all owners of the Property, with the exception of Nemec Construction Company, an Idaho corporation, hereafter referred to as "Declarant", and shall be entitled to one vote for each lot owned. 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 as they determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to five (5) votes for each Lot owned. The Class B membership shall cease when, and if, Declarant has sold all lots within the Property.

Cumulative voting is not permitted.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a board of at least three (3) but no more than five (5) directors who need not be members of the Association. Initially, the board shall consist of three (3) directors. The number of directors may be changed by amendment of the Association's by-laws. The names and addresses of the persons who are to act in the capacity of the directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Jerry Nemec	9167 W. State Street Boise, Idaho 83703
Linda Nemec	9167 W. State Street Boise, Idaho 83703
Aaron Nemec	9167 W. State Street Boise, Idaho 83703

At the first annual meeting, and at all annual meetings thereafter, the members shall elect all directors for a term of one (1) year.

ARTICLE VIII DISSOLUTION

The Association may be dissolved, either by unanimous written consent of all members or by an alternative vote of not less than two-thirds (2/3) of each class of members at a duly noticed meeting; provided, however, that no dissolution of the Association shall be permitted without the prior written consent of the City of Boise City. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted exclusively to such similar purposes. No part of the monies, properties or assets of the Association, upon dissolution or otherwise, shall inure to the benefit of any private person or individual or member of the Association. Notwithstanding any other provisions of these Articles, the Association shall not carry on any other activities not permitted by any organization exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law).

ARTICLE IX DURATION

The corporation shall exist perpetually.

**ARTICLE X
AMENDMENTS**

Amendment of these Articles shall require the assent of seventy-five percent (75%) of both membership classes.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the state of Idaho, I, the undersigned, the incorporator of this Association, have executed theses Articles of Incorporation this 5th day of June, 2003.



Jerry Nemecek
9167 W. State Street
Boise, Idaho 83714