

FILED EFFECTIVE NORTHRIDGE AT PRAIRIE FALLS, INC.

**ARTICLES
OF
INCORPORATION**

2003 APR -7 PM 2:10

ASSOCIATE
STATE OF IDAHO

KNOW ALL MEN BY THESE PRESENTS that Bob Allen, being over the age of eighteen (18) years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts, in duplicate, the following Articles of Incorporation.

**ARTICLE I
NAME**

The name of the corporation (hereinafter called "The Corporation") is Northridge at Prairie Falls, 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 Northridge at Prairie Falls, 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 (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

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as may be require by law, the Declaration, or the Bylaws, the Corporation shall have power to:

- (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 set forth in the Declaration or Bylaws, 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 many 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 any and/or all corporate rights and obligations specified in law and/or by the Articles and Bylaws of the Corporation and/or Declaration of Northridge at Prairie Falls. 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; and
- (i) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Idaho Nonprofit Corporation Act law, which

exists nor 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 Prairie Falls 4th, 5th and 6th additions automatically, upon becoming an Owner of any portion of the Property located in the Prairie Falls 4th, 5th, or 6th addition 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 Bylaws and Declaration. Membership shall be in accordance with these Articles of Incorporation and the Bylaws 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 Prairie Falls, 4th, 5th and 6th additions 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 one class of voting membership.

(a) 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 Bylaws, 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 3495 Ping Road, Post Falls, Idaho and the name of its initial registered agent is: William Allen.

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 Bylaws. From the date of conversion, 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 the expanded board exists, there is no requirements that the directors be members. After expansion of the board, all must be members of the Corporation. The number of directors may be increased by amendment of the Bylaws of the Corporation.

The names addresses of the Board of Directors are:

<u>NAME</u>	<u>ADDRESS</u>
William Allen	3495 Ping Road, Post Falls, Idaho 83854
Jim Wargo	3465 Ping Road, Post Falls, Idaho 83854
Renee Allen	400 Tiger Avenue, Post Falls, Idaho
83854	

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 Nonprofit 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 organization 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 be in compliance with the requirements to qualify the organization as an exempt organization.

ARTICLE IX
AMENDMENT OF ARTICLES

For the purposes of forming the corporation, I, the undersigned, constituting the incorporator of the Corporation, have executed these Articles of Incorporation on the 27 day of March, 2003.



William Allen
Incorporator
3495 Ping Rd.
Post Falls, ID 83854