

2008 DEC 12 PM 2:14  
SECRETARY OF STATE  
STATE OF IDAHO

ARTICLES OF INCORPORATION  
OF  
SILVER SPRINGS NEIGHBORHOOD ASSOCIATION, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I  
NAME

The name of the corporation shall be SILVER SPRINGS NEIGHBORHOOD ASSOCIATION, INC. (the "Silver Springs Association").

ARTICLE II  
TERM

The period of existence and duration of the life of the Silver Springs Association shall be perpetual.

ARTICLE III  
NON-PROFIT

The Silver Springs Association shall be a non-profit, membership corporation.

ARTICLE IV  
REGISTERED AGENT

The location and street address of the initial registered office of the Silver Springs Association shall be 1025 S. Bridgeway Place, Suite 280, Eagle, Idaho 83616, and Thomas M. Coleman, Jr. is hereby appointed the initial registered agent of the Silver Springs Association.

IDAHO SECRETARY OF STATE  
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ARTICLE V  
PURPOSE AND POWERS OF THE SILVER SPRINGS ASSOCIATION

The Silver Springs Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Silver Springs Association is formed are to provide for certain regulations of the use of the Lots in the Silver Springs Neighborhood and to exercise all of the powers and privileges and perform all of the Silver Springs Association's duties and obligations as set forth in the Silver Springs Phase I Supplement to the Master Declaration of Covenants, Conditions and Restrictions for West Highlands Ranch Subdivision, recorded in the official records of Canyon County, Idaho, as Instrument No. 2008060224, and within any amendments or supplements thereto (collectively, the "Silver Springs Supplement"), the Master Declaration of Covenants, Conditions and Restrictions for West Highlands Ranch Subdivision, recorded in the official records of Canyon County, Idaho, as Instrument No. 2008060221, and within any amendments or supplements thereto (collectively, the "Master Declaration"), and the Project Documents identified therein including, without limitation, the following powers:

(a) Fix, levy, collect and enforce payment by any lawful means of all charges or Assessments pursuant to the terms of the Master Declaration and the Silver Springs Supplement and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Silver Springs Association;

(b) 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 Silver Springs Association under the limitations imposed by the Master Declaration or Silver Springs Supplement;

(c) 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;

(d) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property, provided that any such merger, consolidation or annexation shall comply with the requirements of the Master Declaration and the Silver Springs Supplement; and

(e) Have and exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may by law now or hereafter have or exercise, subject only to limitations contained in the Bylaws, the Master Declaration, the Project Documents, the Silver Springs Supplement and any amendments and supplements thereto.

ARTICLE VI  
MEMBERSHIP

During the existence of this corporation, every Owner of a Lot in the Silver Springs Neighborhood, including Grantor, shall be a Member of the Silver Springs Association. No

Owner of a Lot in the Silver Springs Neighborhood shall have more than one (1) membership in the Silver Springs Association for each Lot owned.

## ARTICLE VII VOTING RIGHTS

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

(a) Class A Members. Class A Members shall be the Owners of Lots within the Silver Springs Neighborhood, excluding Grantor for so long as Grantor is the Class B Member. Upon the Class B Member Termination Date (defined below), at all meetings of the Silver Springs Association each Class A Member will be entitled to one (1) vote for each Lot within the Silver Springs Neighborhood owned by such Member. Upon the Class B Member Termination Date, to the extent Grantor owns a Lot within the Silver Springs Neighborhood, Grantor shall become a Class A Member and shall be entitled to one (1) vote for each Lot owned by Grantor within the Silver Springs Neighborhood.

(b) Class B Member. Grantor, by and through Grantor's designated representative (hereinafter "Grantor's Delegate"), shall be the Class B Member, and shall be the sole voting member of the Silver Springs Association entitled to vote the collective voting power of the Silver Springs Neighborhood until the Class B Member Termination Date. The Class B Member shall cease to be a voting Member in the Silver Springs Association upon the earlier to occur of the following: (i) the date upon which Grantor no longer owns any Lot within the Silver Springs Neighborhood; (ii) the date Grantor informs the Silver Springs Neighborhood Board in writing that Grantor no longer wishes to exercise its rights as the Class B Member, or (iii) June 1, 2020. This date may be referred to herein as the "Class B Member Termination Date."

## ARTICLE VIII BOARD OF DIRECTORS

The affairs of the Silver Springs Association shall be controlled by the Board of Directors (individually "Directors") to carry out all of the powers and duties of the Silver Springs Association as set forth herein, and shall be selected as follows:

(a) Selection of Directors Prior to Class B Member Termination Date. Until the Class B Member Termination Date, the Board shall consist of not less than three (3) Directors nor more than seven (7) Directors appointed by the Class B Member in the Class B Member's discretion. The Class B Member shall have the right to remove and replace any Director, with or without cause, in the Class B Member's discretion.

(b) Selection of Board After the Class B Member Termination Date. Subsequent to the Class B Member Termination Date, the Board shall be elected by a majority of the Members of the Silver Springs Association. The number of Directors within the range set forth in subsection (a) above shall be established by resolution of the Board. The number of

Directors outside the range set forth in subsection (a) above may be changed by amendment of the Bylaws of the Silver Springs Association, but in no event shall the number be less than three (3).

The names and addresses of the Persons who are to act in the capacity of Directors until the selection of their successors are as follows:

Thomas M. Coleman, Jr.      1025 S. Bridgeway Place, Suite 280  
Eagle, Idaho 83616

Tom M. Coleman              1025 S. Bridgeway Place, Suite 280  
Eagle, Idaho 83616

Noelle Gambill              1025 S. Bridgeway Place, Suite 280  
Eagle, Idaho 83616

#### **ARTICLE IX** **ASSESSMENTS**

Each Member shall be liable for the payment of Assessments pursuant to the Master Declaration and the Silver Springs Supplement and as set forth in the Bylaws of the Silver Springs Association.

#### **ARTICLE X** **BYLAWS**

The Bylaws of this Silver Springs Association may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Silver Springs Association called for that purpose, by the affirmative vote of more than fifty percent (50%) of the total voting power of the Silver Springs Association. For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the Silver Springs Association, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Master Declaration and the Silver Springs Supplement.

#### **ARTICLE XI** **DISSOLUTION**

The Silver Springs Association shall only be dissolved at a regular meeting, or a special meeting of the Silver Springs Association called for that purpose, by the affirmative votes of no less than two-thirds (2/3) of the total voting power of the Silver Springs Association. Upon dissolution of the Silver Springs Association, other than incident to a merger or consolidation, the real property and other assets of the Silver Springs Association shall be distributed as follows: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Silver Springs Association was created; or (ii) granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

Notwithstanding any other provisions of these Articles, the Silver Springs 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 XII** **AMENDMENTS**

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Silver Springs Association called for that purpose, by the affirmative vote of more than two-thirds (2/3) of the total voting power of the Silver Springs Association as cast by the Members, and, if required by the Master Declaration or the Silver Springs Supplement, the consent of holders of first mortgages on Lot(s) who have requested in writing that the Silver Springs Association provide them notice of proposed actions which affect their interests. No amendment which is inconsistent with the provisions of the Master Declaration, the Silver Springs Supplement or the Project Documents shall be valid.

## **ARTICLE XIII** **MEANING OF TERMS**

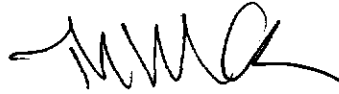
Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are ascribed to such terms in the Master Declaration or the Silver Springs Supplement.

## **ARTICLE XIV** **INCORPORATION**

Thomas M. Coleman, Jr. shall be the incorporator of the Silver Springs Association.

[End of Text]

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective this 25<sup>th</sup> day of November, 2008.



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Thomas M. Coleman, Jr., Incorporator