ARTICLES OF INCORPORATION

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PAVILION COMMONS HOMEOWNERS ASSOCIATION TAKE OF STATE OF IDAHO

The undersigned, acting as the incorporator of a nonprofit corporation organized under and pursuant to the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code ("Act"), adopts the following Articles of Incorporation ("Articles").

Article I Name.

The name of the corporation is Pavilion Commons Homeowners Association, Inc. (the "Corporation").

Article II Nonprofit Status.

The Corporation is a nonprofit, membership corporation.

Article III Period of Duration.

The period of duration of the Corporation is perpetual.

Article IV Registered Office and Agent.

The street address of the initial registered office is 7000 West State Street, Boise, Idaho, 83704, and the name of the initial registered agent at this address is Tom C. Morris.

Article V Purposes.

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Corporation is formed are to provide for certain regulations in connection with the development of the Pristine Meadows Subdivision, which will be marketed as Pavilion Commons Subdivision, and all phases and additions thereto, according to the plat(s) thereof recorded in the official records of Ada county, Idaho (the "Subdivision"), which Subdivision is covered by the Declaration of Covenants, Conditions and Restrictions for Pavilion Commons recorded or to be recorded in the official records of Ada County, Idaho (the IDAHO SECRETARY OF STATE

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"Declaration"); and to promote the health, safety and welfare of the residents within the Subdivision; and for this purpose to:

- A. Exercise all of the powers and privileges and perform all of the duties and obligations of the Corporation as set forth in the Declaration, as amended from time to time.
- B. Transact any or all lawful business for which corporations may be incorporated under the Idaho Nonprofit Corporation Act, subject only to limitations in the Bylaws and the Declaration and the amendments and supplements thereto.

Article VI Members.

Each person or entity holding fee simple interest of record to a Building Lot (as defined in the Declaration) which is a part of the Subdivision, and sellers under executory contracts of sale. but excluding those having such interest merely as security for the performance of an obligation, shall be a Member of the Corporation. Membership shall be appurtenant to and may not be separated from ownership of any Building Lot located in the Subdivision. There shall be one (1) membership in the Corporation for each Building Lot located in the Subdivision. Members of the Corporation must be and remain owners of Building Lots within the Subdivision.

Article VII Voting Rights

The Corporation shall have two (2) classes of voting membership:

- (A) <u>Class A Members</u>. The Class A Members shall be owners of Building Lots within the Subdivision, except for Grantor (as defined in the Declaration). The Class A Members shall be entitled to one (1) vote for each Building Lot owned by such Class A Members on the day of the vote.
- (B) <u>Class B Member</u>. Grantor shall be the Class B Member, and shall be entitled to five (5) votes for each Building Lot owned by Grantor within the Subdivision. The Class B Member shall cease to be a voting Member in the Corporation at the earlier of: (1) the date Grantor has deeded the last Building Lot to an Owner other than Grantor in the final Phase of the Subdivision; or (2) ten (10) years from the date the first Building Lot within the Subdivision is conveyed by Grantor.

Article VIII Board of Directors.

The affairs of the Corporation shall be managed by its Board of Directors. The number of Directors serving on the Board of Directors shall be fixed in accordance with the Corporation's Bylaws, but in no event shall such number be less than three (3). Other than the

Directors constituting the initial Board of Directors, who are designated in these Articles, the Directors shall be elected in the manner and for the term provided in the Bylaws of the Corporation.

The names and addresses of the persons constituting the initial Board of Directors are:

NAME	<u>ADDRESS</u>
Var Reeve	372 S. Eagle Rd, Suite 375 Eagle, Idaho 83616
Paul Hilbig	372 S. Eagle Rd, Suite 375 Eagle, Idaho 83616
Tom Morris	372 S. Eagle Rd, Suite 375 Eagle, Idaho 83616

Article IX Assessments.

Each Member shall be liable for the payment of Assessments provided for in the Declaration, Project Documents and as otherwise set forth in the Bylaws of the Corporation.

Article X Distribution on Dissolution.

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Corporation, distribute all the assets of the Corporation consistent with the purposes of the Corporation to such organization or organizations as shall at that time qualify as exempt organizations under Section 501(c)(12) of the Internal Revenue Code of 1986, as amended from time to time, in such manner as the Board of Directors shall determine. Any such assets not so distributed shall be distributed by the district court of the county in which the principal office of the Corporation is then located, exclusively for the purposes or to such organizations, as such court shall determine to be consistent with the purposes of the Corporation.

Article XI Meaning of Terms

Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the meanings as are applied to such terms in the Declaration including, without limitation, "Articles", "Assessments," "Board of Directors," "Building Lot," "Bylaws," "Common Area," "Grantor," "Member," "Owner," "Project Documents," and "Property."

Article XII Incorporator.

The name and address of the incorporator is Tom C. Morris, 372 S. Eagle Rd., Suite 375, Eagle, Idaho 83616.

Article XII Bylaws.

Provisions for the regulation of the internal affairs of the Corporation shall be set forth in the Bylaws. The Board of Directors of the Corporation shall be authorized to amend the Corporation's Bylaws at a properly noticed special or regular meeting of the Board of Directors. Neither these Articles nor the Bylaws of the corporation shall be amended or otherwise changed or interpreted to be inconsistent with the Declaration.

The undersigned, acting as incorporator of a nonprofit corporation under the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code ("Act"), adopts the following Articles of Incorporation.

DATED this 24th day of March, 2006.

TOM C. MORRIS, Incorporator