

FILED EFFECTIVE

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
APPLE CREEK SUBDIVISION HOMEOWNER'S ASSOCIATION, INC.

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SECRETARY OF STATE
STATE OF IDAHO

The undersigned, acting as the incorporator of a non-profit corporation organized under and pursuant to the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code ("Act"), adopts the following Amended and Restated Articles of Incorporation ("Articles"); for the incorporation of Apple Creek Subdivision Homeowner's Association, Inc. ("Declarant" or "Corporation").

ARTICLE I

The name of the Corporation is Apple Creek Subdivision Homeowner's Association, Inc.

ARTICLE II

The Corporation is a non-profit corporation.

ARTICLE III

The period of duration of the Corporation is perpetual.

ARTICLE IV

The location of the Corporation is in the City of Caldwell, County of Canyon and in the State of Idaho. The address of the initial registered office is 1401 Shoreline Dr. Ste 2, Boise Idaho, and the name of the initial registered agent at this address is Wm. Lyman Belnap.

ARTICLE V

1. The purposes for which the Corporation is organized and will be operated are as follows:

(a) To provide for the maintenance, preservation and architectural control of the residences, lots and common areas situated within the Apple Creek Subdivision located in Canyon County, Idaho ("Development").

(b) To promote the health, safety and welfare of the residents within the Development.

(c) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation.

(d) To accept donations of money, property, whether real or personal, or any other things of value.

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(e) To borrow money, and with the assent of two-thirds (2/3) of each class of Members, to 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) To dedicate, sell or transfer 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 of the Corporation.

(g) To have and to exercise, any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

(h) Nothing herein contained shall be deemed to authorize or permit the corporation to carry on any business for profit, to exercise any power, or to do any act that a corporation formed under the Act, or any amendment thereto or therefore, may not at that time lawfully carry on or do.

ARTICLE VI

No part of the net earnings or assets of the Corporation shall inure to the benefit of, or be distributable to its Members, directors, officers, or other private persons except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article VI hereof. No substantial part of the activities of the Corporation shall be for the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 528(x) of the internal Revenue Code of 1986, as amended from time to time.

ARTICLE VII

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 Apple Creek 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 Apple Creek Subdivision. There shall be one (1) Membership in the Corporation for each Building Lot located in the Apple Creek Subdivision. Members of the Corporation must be and remain owners of Building Lots within the Apple Creek Subdivision.

ARTICLE VIII

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

(A) The Class A Members shall be owners of Building Lots within the Apple Creek 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) Grantor shall be the Class B Member, and shall be entitled to five (5) votes for each Building Lot owned by Grantor within the Apple Creek Subdivision. The Class B Member shall cease to be a voting Member in the Corporation at the earlier of: (1) the Class B Member holds no more than ten percent (10%) of the Building Lots within the Apple Creek Subdivision; or (2) ten (10) years from the date the first Building Lot within the Apple Creek Subdivision is conveyed by Grantor.

ARTICLE IX

The Corporation is intended to be classified as a "homeowners' association" pursuant to Section 528(a) of the Internal Revenue Code of 1986, as amended. As such, it is intended to be exempt from income taxes. The Corporation is an organization intended to be a residential real estate management association or condominium management association organized and operated to provide for the acquisition, construction, management, maintenance, and care of Corporate property, where sixty percent (60%) or more of the gross income of the Corporation for any taxable year shall consist solely of amounts received as Membership dues, fees, or assessments from owners or residences or residential lots. Ninety percent (90%) or more of the expenditures of the Corporation for any taxable year shall be expenditures for the acquisition, construction, management, maintenance, and care of the Corporation's property. No part of the net earnings of the Corporation shall ever inure to the benefit of any Member or any other individual or entity. All provisions of these Articles of Incorporation shall be interpreted in accordance with the provisions of Section 528(c) of the Internal Revenue Code of 1986, as amended. In case of conflict between such section and other provisions herein, any provisions within these Articles shall be interpreted to be consistent with such section, or shall be of no force and effect.

ARTICLE X

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. 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 street addresses of the persons constituting the initial Board of Directors are:

NAME

ADDRESS

Ryan Hays

6225 N. Meeker Place, Ste. 200, Boise, Idaho 83713

Michael Summers
William Laubner

6225 N. Meeker Place, Ste. 200, Boise, Idaho 83713
6225 N. Meeker Place, Ste. 200, Boise, Idaho 83713

ARTICLE XI Assessments.

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

ARTICLE XII

Amendment of the Articles requires the approval of two-thirds (2/3) vote of the owners. The Declaration contains provisions in which the Development may be expanded so as to include additional adjacent parcels of land. In the event the Declaration is so amended or additional plats of land are brought within the Development, then these Articles of Incorporation shall be deemed amended so as to include such additional areas of land within the Development so that each person or entity holding title to a lot within such additional area shall be a Member of this Corporation. No further consent or approval of this Corporation shall be required to so amend the Declaration.

ARTICLE XIII

The Corporation shall indemnify the Members of the Board of Directors for all costs, losses, liabilities, expenses and damages, including reasonable attorneys fees, suffered or incurred by a Board Member arising out of or related to the business of the Corporation, to the fullest extent provided or allowed by the laws of Idaho. In addition, the Corporation may advance costs of defense of any proceeding to the Members of the Board of Directors.

ARTICLE XIV

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)(3) 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 XV

The name and street address of the incorporator is Wm. Lyman Belnap, 1401 Shoreline Dr. Ste 2, Boise, Idaho 83702.

ARTICLE XVI

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.

Articles nor the Bylaws of the corporation shall be amended or otherwise changed or interpreted to be inconsistent with the Apple Creek Subdivision Homeowner's Association 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 23 day of January 2007.


William Laubner, Assistant Vice-President