

FILED EFFECTIVE

ARTICLES OF INCORPORATION  
OF  
HIGHLANDER ESTATES SUBDIVISION NO. 2  
HOMEOWNERS ASSOCIATION, INC.

00 JUN 30 PM 3:21

SECRETARY OF STATE  
STATE OF IDAHO

\*\*\*\*\*

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation for such corporation.

ARTICLE 1. NAME: The name of the corporation shall be Highlander Estates Subdivision No. 2 Homeowners Association, Inc. This corporation is a nonprofit corporation.

ARTICLE 2. DURATION: The duration of this corporation shall be perpetual.

ARTICLE 3. PURPOSE AND POWERS: The purposes for which the corporation is organized are to engage in all such activities as are incidental or conducive to the attainment of the objectives of the corporation and any other activities which are permitted to be done by a nonprofit corporation under any laws that may now or hereafter be applicable or available to this corporation. Without limiting the foregoing, it is expressly provided hereby that:

- (a) The corporation shall exercise all of the powers and privileges and perform all of the duties and obligations of the corporation as set forth in the Declaration of Covenants, Conditions and Restrictions for Highlander Estates Subdivision No. 2 (hereinafter "Declaration") and recorded or to be recorded in the Office of the Ada County Recorder, as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set out at length.
- (b) The corporation shall fix, levy, collect and enforce payment by any lawful means, all charges or assessments, periodic or special, authorized to be made under the Declaration.

ARTICLE 4. MEMBERSHIP: Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the corporation, including contract sellers, shall be a member of the corporation. 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 corporation.

ARTICLE 5. VOTING RIGHTS: The corporation shall have two classes of voting membership.

0161284

Class A: Class A Members shall be the Owners, with the exception of Declarant, and shall be entitled to one (1) 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 (1) vote be cast with respect to any Lot.

Class B: The Class B Member shall be the Declarant. Upon the recording of the Declaration, Declarant shall be entitled to seven (7) votes for each Lot of which Declarant is Owner. The Class B membership shall cease and be converted to Class A membership when the Declarant no longer owns any Lots within the Property subject to the Declaration.

ARTICLE 6. REGISTERED OFFICE AND AGENT: The address of the initial registered office of this corporation is 2229 W. State Street, Suite B, Boise, Idaho 83702, and the name of its initial registered agent at such address is Michael S. Homan.

ARTICLE 7. DIRECTORS: The number of directors of this corporation shall be fixed by the bylaws and may be increased or decreased from time to time in the manner specified therein. The initial board of directors shall consist of three (3) directors. The names and addresses of the persons who shall serve as directors until the first meeting of the members and until their successors are elected and qualify, or unless they resign or are removed, are:

Michael S. Homan	2229 W. State St., Suite B Boise, Idaho 83702
Rae Jean Homan	2229 W. State St., Suite B Boise, Idaho 83702
Debra D. Homan	2229 W. State St., Suite B Boise, Idaho 83702

ARTICLE 8. INCORPORATOR: The name and address of the incorporator is as follows:

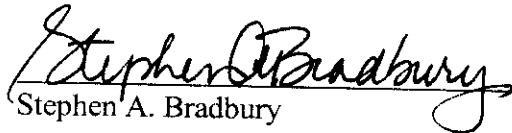
Stephen A. Bradbury  
Williams Bradbury, PC  
1015 W. Hays Street  
Boise, Idaho 83702

ARTICLE 9. AMENDMENT OF ARTICLES AND BYLAWS: These Articles may not be amended without at least 66-2/3% of the membership votes being cast in support of such amendment.

ARTICLE 10. DISSOLUTION: Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.

ARTICLE 11. LIMITATION OF LIABILITY: A director of this corporation shall not be personally liable to this corporation or its members for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to this corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the director derived any improper personal benefit. If the Idaho Nonprofit Corporation Act (the "Act") is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of this corporation shall be eliminated or limited to the fullest extent permitted by the Act as so amended. Any repeal or modification of this Article 11 by the members of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

EXECUTED This 22<sup>nd</sup> day of June, 2005, by the undersigned incorporator.

  
Stephen A. Bradbury