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SECRETARY OF STATE
STATE OF IDAHO

**ARTICLES OF INCORPORATION
OF
MAJESTIC MOUNTAIN RANCH HOMEOWNERS, LTD.**

The following Articles of Incorporation are hereby adopted pursuant to the Idaho Nonprofit Corporation Act, Chapter 3, Title 30, Idaho Code, by three incorporators, all of whom are citizens of the United States:

1. Name. The name of the corporation is:

Majestic Mountain Ranch Homeowners, Ltd.

2. Duration. The corporation shall have perpetual duration.

3. Three Majestic Mountain Parcels. There are three adjacent parcels of real estate in Teton County, Idaho, that are referred to herein as Majestic Mountain Parcels "A", "B", and "C". Majestic Mountain Ranch, Inc., has since April 1, 2004 been involved in developing and marketing twenty-eight (28) residential Lots in Parcel "A"; it is now entering a Contract of Sale to acquire, develop and market sixteen (16) residential lots in Parcel "B"; and it contemplates in the future, perhaps up to six years in the future, acquiring Parcel "C" and proceeding to develop and market twenty-eight residential Lots in that Parcel.

4. Lot Owners in Three Groups as Members. This corporation is formed exclusively as a Homeowners Association, and specifically a residential Real Estate Management Association, for the following identified three groups of Lot Owners, called herein Group "A" as to Lots within Parcel "A"; Group "B" as to Lots within Parcel "B"; and Group "C" as to Lots within Parcel "C" (after it is owned by a developer). Lot Owners include a developer of a Parcel as owner of unsold Lots, and purchasers or their successors, as owners of sold Lots. Each Lot Owner becomes a Member of Homeowners Association, with one vote for each Lot owned in Parcel "A", Parcel "B", and Parcel "C" (after it is purchased in bulk by a developer).

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A. Parcel "A" May Qualify; Lot Owners Will Be Members. There is a Majestic Mountain Ranch Subdivision included in a duly approved Plat recorded on January 20, 2005, as Instrument #165879, records of Teton County, Idaho, as to Phase I; and included in a duly approved Plat recorded on August 3, 2005, as Instrument #169962, records of Teton County, Idaho, adding Phase II and Phase III. There are "Declarations of Covenants, Conditions and Restrictions for Majestic Mountain Ranch Subdivision", recorded on July 29, 2004, as Instrument #162537, with ten unnumbered pages, which applies to both Plats in what we designate herein as "Majestic Mountain Ranch Subdivision, Division I", to distinguish it from Majestic Mountain Ranch, Division II.

Less than one-half of the Lots in Parcel "A" have been sold. The developer, Majestic Mountain Ranch, Inc., is the owner of all the unsold lots, and presently constitutes the Management Committee for Division I. It is proposing in writing to all Lot Owners that they consent in writing, under ¶ 13, at p. 9 of the Declarations, to amend the Declarations in the following particulars:

[1] Majestic Mountain Ranch Homeowners, Ltd., upon approval in writing of Lot Owners owning seventy-five per cent (75%) of the Lots in Parcel "A", shall become the Homeowners Association for Majestic Mountain Ranch Subdivision, Division I.

[2] Majestic Mountain Ranch Homeowners, Ltd., shall thereupon also become the Homeowners Association for Parcel "B", which is all of Lots in Majestic Mountain Ranch Division II, located wholly in N½ of Sec. 16.

[3] Majestic Mountain Ranch Homeowners, Ltd., shall upon the purchase by Majestic Mountain Ranch, Inc. or by another developer, of all Majestic Mountain Ranch Division II Lots located wholly or in part in S½ of Sec. 9, also become the Homeowners Association for Parcel "C".

[4] All Lot Owners, including the developer for unsold Lots and the purchasers of all sold lots, in Parcel "A", Parcel "B", and Parcel "C" (after its purchase by a developer), shall be Members of Majestic Mountain Ranch Homeowners, Ltd., with one vote per Lot Owned.

Majestic Mountain Ranch Subdivision, Division I, which is Parcel "A", has 115.51 acres and contains 28 Lots. Phase I contains five Lots, namely Lots 1, 1A, and 2, 3, and 4; Phase II contains ten Lots, namely, namely Lots 5 through 14; and Phase III contains thirteen Lots, namely Lots 15 through 27.

B. Parcel "B" Lot Owners Qualify. Parcel "B" now qualifies for Lot Owners to be and become Members of this Homeowners Association. The developer is a Lot Owner as to each unsold Lot, and each person who hereafter acquires a Lot in Parcel "B" shall automatically qualify as a Member as to a Lot purchased, and shall continue as a Member while owning that Lot. Each Member has one vote for each Lot owned.

Parcel "B" is composed of the following part of a subdivision in Teton County, Idaho, being acquired by Majestic Mountain Ranch, Inc., an Idaho Corporation, c/o Kolene M. Later, Vice President, 943 Highway 32, Teton, Idaho 83452, for development, which part is identified as follows:

That part of real property in N½ of Sec. 16, Twp. 7 N., Rge 45 E., Boise Mer., that is included in the Plat for Majestic Mountain Ranch, Division II, recorded on November 21, 2007, as Instrument #193424, records of Teton County, Idaho, as corrected by "Corrections ... to Plat for Majestic Mountain Ranch Division II, with Quitclaim Deed and Affidavit", recorded on February 14, 2008, as Instrument #195433, records of Teton County, Idaho.

Excepting therefrom those parts of Lots 11, 12, 23, 24, 31, 32, 33, 42, and 43 in N½ of Sec. 16.

Contains 49.6364 acres, more or less.

Subject to "Declarations of Covenants, Conditions and Restrictions for Majestic Mountain Ranch Division II Subdivision", recorded on November 21, 2007, as Instrument #193426, records of Teton County, Idaho, as corrected by "Corrections to Declarations of Covenants, Conditions and Restrictions for Majestic Mountain Ranch Division II Subdivision ... with Quitclaim Deed and Affidavit", recorded on February 14, 2008, as Instrument #195433, records of Teton County, Idaho.

Parcel "B" includes sixteen Lots wholly in N½ of Sec. 16; namely: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 25, 26, 27, 28, 29 and 30.

C. Parcel "C" May Qualify. The condition precedent for Parcel "C" qualifying so that Lot Owners may become Members is that Majestic Mountain Ranch, Inc., or some other developer, subsequently acquires in bulk for development the following described part of a subdivision. If and when that happens, Members of this association shall include the developer of Parcel "C" as to all unsold Lots and the purchasers or their successors as to all sold lots, in the following part of a subdivision in Teton County, Idaho:

That part of real property mainly in S½ of Sec. 9 (but partly in N½ of Sec. 16), Twp. 7 N., Rge 45 E., Boise Mer., that is included in the Plat for Majestic Mountain Ranch, Division II, recorded on November 21, 2007, as Instrument #193424, records of Teton County, Idaho, as corrected by "Corrections ... to Plat for Majestic Mountain Ranch Division II, with Quitclaim Deed and Affidavit", recorded on February 14, 2008, as Instrument #195433, records of Teton County, Idaho, explained as follows:

This includes nineteen (19) Lots wholly in S½ of Sec. 9, namely Lots 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 34, 35, 36, 37, 38, 39, 40, 41, and 44, containing 52.16 acres, plus allocated share of 4.8407 acres for common area, making a total of 56.9707 acres.

Also included are five (5) Lots mainly in S½ of Sec. 9, but partly in N½ of Sec. 16., namely Lots 12, 23, 33, 42, and 43. Containing 13.04 acres, plus an allocated share of common area of 1.2102 acres, making a total of 14.2427 acres.

Also included are four (4) Lots, mainly in N½ of Sec. 16 but partly in S½ of Sec. 9, namely Lots 11, 24, 31 and 32, containing 11.24 acres plus an allocated share of common area of 1.0428 acres for a total of 12.2828 acres.

The total acreage is 83.4962 acres.

Subject to "Declarations of Covenants, Conditions and Restrictions for Majestic Mountain Ranch Division II Subdivision", recorded on November 21, 2007, as Instrument #193426, records of Teton County, Idaho, as corrected by "Corrections to Declarations of Covenants, Conditions and Restrictions for Majestic Mountain Ranch Division II Subdivision ... with Quitclaim Deed and Affidavit", recorded on February 14, 2008, as Instrument #195433, records of Teton County, Idaho.

Quarter-Circle Fourteen LLC, an Idaho Limited Liability Company, c/o Beulah Pearl Brower, Managing Member, 947 North Highway 32, Teton, Idaho 83452, is the owner of the subject property but is not a developer and shall not be a developer of Parcel "C". It may in the future sell the property in bulk to **Majestic Mountain Ranch, Inc.**, which is the current developer of Parcel "A" and of Parcel "B", or to some other developer or purchaser in bulk.

5. Nature of Corporation. Corporation shall operate as an organization exempt from income taxes in accordance with the requirements of Internal Revenue Code § 528, applying to a Real Estate Management Association, as now existing and as hereafter amended. Specific requirements for the corporation are that:

A. The corporation is organized and operated to provide for the acquisition, construction, management, maintenance, and care of the common property in each subdivision or part thereof which contains residential Lots which under these Articles the owners of which become Members of this Homeowners Association.

B. Each of the 28 platted Lots in Parcel "A", 16 platted Lots in Parcel "B", and 28 platted Lots in Parcel "C" (when it is sold to a developer) may only be sold for and used by owners for improvement and use of one or more undivided lots as a single family residence, including uses incidental thereto, as provided in the protective covenants in the recorded Declarations for Majestic Mountain Ranch Subdivision, Division I, and Majestic Mountain Ranch, Division II.

C. To amend and enforce protective covenants which shall restrict and control uses of and maintenance of the property, including individual platted Lots owned by homeowners in the subdivision, and the common properties owned by the corporation.

D. To function, through its Board of Directors, or by vote of its Members, as a Design Committee, or to designate three or more Members as such Committee.

6. No Capital Stock. The corporation shall have no capital stock.

7. Members, Voting and Dissolution. This is a non-profit membership corporation.

A. There are forty-four (44) residential Lots in Parcels "A" and "B" combined, and will be seventy-two (72) residential Lots in Parcels "A", "B", and "C" combined, when Parcel "C" is sold to a developer for development and marketing. There shall be one vote for each Lot.

B. The Owner of a Lot is automatically a Member of Corporation with one vote for that Lot, and with the developer of each Parcel having one-vote for each Lot owned in that Parcel until the Lot is sold to a purchaser, who shall then have one-vote as owner of the Lot.

C. When Lot ownership is changed, the Member is automatically changed to the new owner.

D. The owner of a Lot may include multiple persons. These persons shall decide how the one vote for that Lot and its companion Member will be exercised.

E. Until all Lots in a Parcel are sold, the developer of that Parcel shall be a Member of the Homeowners Association as to each unsold Lot in that Parcel.

F. Each Member has one-vote for each lot owned by him/her/them on all corporate questions.

G. On dissolution, net assets will be distributed equally to the Members on a per Lot basis.

8. Assessments. Each Member shall become liable to Corporation for dues, assessments and fees. Assessments therefore shall be made at least annually, on a per lot equal basis, as determined by the Board of Directors or the Members, to provide funds for the exempt functions of the Corporation. Assessments for each lot shall be owed by the Member who owns the Lot at the time assessed and shall be a lien against the Lot to secure payment of the assessment.

9. Registered Agent and Office. The name of the initial registered agent, the mailing address and the physical address of the initial registered office of the corporation, are:

Doyle Ted Brower
112 North Cutler Avenue
Sugar City, Idaho 83448

10. Directors. The initial Board of Directors shall consist of three directors whose names and addresses are as follows:

Doyle Ted Brower
112 North Cutler Avenue
Sugar City, Idaho 83448

Gloria Ann Grube
3660 East 1325 North
Ashton, Idaho 83420

Luana Pearl Morrison
525 North 4600 East
Ashton, Idaho 83420

Hereafter Directors in a number determined by the Members shall be selected from among Members at the annual meeting of Members.

The Members or Corporation may, from time to time, increase or decrease the number of Directors, within the applicable statutory requirement, which in Idaho Code § 30-3-65 now requires a minimum of three Directors, and shall determine the terms of service.

11. Officers. Corporation shall have a President, Vice-President, Secretary and Treasurer, (or Secretary-Treasurer), to be elected from among the Directors at the annual meeting of the Members and Directors. The following officers currently serve in the Homeowners Association and shall continue to serve in the Corporation until the next meeting of the Members and Directors:

President - Doyle Ted Brower
Vice-President - Luana Pearl Morrison
Secretary - Gloria Ann Grube
Treasurer - Gloria Ann Grube

12. Incorporators. The names of the three incorporators are:

**Doyle Ted Brower
Luana Pearl Morrison
Gloria Ann Grube**

Their addresses are listed in ¶ 10 above.

13. Net Earnings. No part of the net earnings of the corporation shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of the corporation property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private member, director, officer, or individual. The corporation shall be authorized and empowered to pay reasonable compensation for services rendered to corporation for exempt functions and to make payments and distributions in furtherance of the exempt purposes of corporation.

14. Restrictions and Requirements. The following restrictions and requirements apply:

A. Sixty per cent (60%) or more of the gross income of corporation for a taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residences or residential Lots in the subdivision.

B. Ninety per cent (90%) or more of the expenditures of corporation for a taxable year must be for the acquisition, construction, management, maintenance, and care of corporation property.

C. Corporation property shall be construed to include residential Lots only for the following purposes and under the specified conditions:

[1] Only for the enforcement of protective covenants in the Declarations as to exterior appearance of residences, and conditions of Lots and other buildings on Lots, and compliance with restrictions on uses of Lots, which enforcement may include corrective repairs or maintenance and expenses to enforce use restrictions, charged to a Lot Owner in default;

[2] Reimbursement shall be sought against the offending Lot Owner; and

[3] There shall be a pro rata (equal by Lots) mandatory assessment (at least once a year) on all members for the expenses, less recovery against offending Lot Owners, for such purposes.

D. Corporation, by its officers, shall elect for each taxable year to have Internal Revenue Code § 528 apply to corporation for that year.

15. By-Laws. The Members of the Corporation may but are not obligated to adopt By-Laws. Unless and until By-Laws are adopted these Articles of Incorporation, the recorded Declaration and the recorded Plat, along with applicable law, shall govern the operation of the Corporation.

16. Indemnity. The Corporation shall indemnify its officers and directors as to all matters to which it may indemnify them against liability under Idaho Code § 30-1-851.

DATED This 8th day of AUGUST, 2008.

Doyle Ted Brower
Doyle Ted Brower

Gloria Ann Grube
Gloria Ann Grube

Luana Pearl Morrison
Luana Pearl Morrison

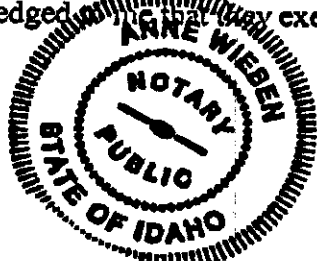
Acknowledgment

STATE OF IDAHO)

ss.)

County of Madison)

On this 8th day of AUGUST, 2008 before me, the undersigned, a Notary Public in and for said State, personally appeared Doyle Ted Brower, Luana Pearl Morrison and Gloria Ann Grube known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged that they executed the same.



Arne Wiesen
Notary Public for Idaho
Residing at Rexburg
My Commission expires: 7/27/2013