

FILED

DEC 2 2 01 PM '99

ARTICLES OF INCORPORATION
Subdivision OF
STONEGATE HOMEOWNERS' ASSOCIATION, Inc.

1. The name of the corporation is STONEGATE HOMEOWNERS' ASSOCIATION, Inc.
2. The corporation is a non-profit corporation.
3. The period of its duration is perpetual.
4. Its purpose is to transact the business of homeowners' association as set forth in the Amended Declaration of Protective Restrictions and Covenants, filed in Canyon County as Instrument Number 9946659, and all other business not forbidden by law.
5. The name of its initial registered agent and the address of its initial registered office are:

NEWELL E. LAVOY
2313 North Broadview Place
Boise, Idaho 83702

6. NON-STOCK CORPORATION. This Corporation shall be non-stock, and no dividends or pecuniary profits shall be declared or paid to its members.
7. MEMBERS. Every person or entity that is a record owner of any lot in Stonegate Subdivision is entitled to membership and voting rights in the corporation. Membership in the corporation is appurtenant to, and inseparable from, ownership of a lot.
8. The Corporation shall have two (2) classes of Members, as follows:
- a. The Class A Member, shall be the Declarant, which shall be entitled to four (4) votes for each lot owned by Declarant;
 - b. Class B Member include all non-Declarant owners who shall be entitled to one (1) vote for each lot owned; and
 - c. Upon occurrence of the transfer of control date, as defined in the Bylaws of the Stonegate Homeowners' Association, Inc., and in the Amended Declaration, the two (2) Classes of Membership shall merge into one Class, all of whom shall be voting Members with one (1) vote for each lot owned.

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9. ASSESSMENTS. Assessments shall be levied against the members of the corporation in accordance with the Amended Declaration for the Stonegate Subdivision. The record of survey for said subdivision is filed in Canyon County, instrument number 9946236.

The amount and method of collection of said assessments shall be as provided in said Amended Declaration. Assessments may be made enforceable by civil action or by the forfeiture of membership, or both, upon notice given in writing twenty (20) days before commencement of such action or such forfeiture. Assessments may be secured by a lien upon real property to which membership rights are appurtenant, and action may be brought to foreclose any such lien according to Idaho law.

10. LIMITATIONS. No part of the net earnings or the 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 4., hereinabove. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, 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 provision 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 501 (c) (3) of the Internal Revenue Code of 1986, as amended.
11. DISTRIBUTION ON DISSOLUTION. Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision or payment of liabilities of the Corporation, distribute all the assets of the Corporation consistent with the purpose of the Corporation, to such public body or nonprofit organization(s) with similar purposes of the Corporation and as shall at the time qualify as exempt organizations under SECTION 501 (c) (3) of the Internal Revenue Code of 1986, as amended, 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 such purpose or to such organizations, as such court shall determine to be consistent with the purpose of the Corporation.

12. DIRECTORS. The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall consist of not less than three (3) nor more than five (5) individuals who are members of the Corporation. Other than the Directors constituting the initial Board of Directors, who are designated in these Articles, the Directors shall be elected by the members 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:

NEWELL E. LAVOY
2313 North Broadview Place
Boise, Idaho 83702


SHARRON P. LAVOY
2313 North Broadview Place
Boise, Idaho 83702

SCOTT SYME
822 Arthur Street Suite 200
Caldwell, Idaho 83605

13. The name and address of each incorporator are:

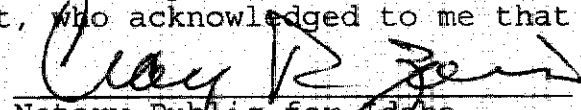
NEWELL E. LAVOY
2313 North Broadview Place
Boise, Idaho 83702

IN WITNESS WHEREOF, The parties have executed this Articles the 2nd day of December, 1999.


NEWELL E. LAVOY

STATE OF IDAHO)
 ; ss.
County of Canyon)

On the 2nd day of December, 1999, before me, a notary public for said state, personally appeared before me, NEWELL E. LAVOY, known or identified to me to be the person whose name is subscribed to the within instrument, who acknowledged to me that he executed the same.


Notary Public for Idaho
Residing at: *Paonia*
My commission expires: 2-01-05

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