

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

ORCHARD ESTATES TOWNHOUSE OWNERS ASSOCIATION, INC.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of ORCHARD ESTATES TOWNHOUSE OWNERS ASSOCIATION, INC. duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: May 15, 1992



Pete T. Cenarrusa

SECRETARY OF STATE

By *Jamie Chadwick*

MAY 15 3 07 PM '92
SECRETARY OF STATE

ARTICLES OF INCORPORATION

OF

ORCHARD ESTATES TOWNHOUSE OWNERS ASSOCIATION, INC.

In compliance with the requirements of Title 30, Chapter 3, of the Idaho Code, the undersigned, all of whom are owners of lot situated within ORCHARD ESTATES SUBDIVISION and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is ORCHARD ESTATES TOWNHOUSE OWNERS ASSOCIATION, INC., hereafter called the "Association".

ARTICLE II

The registered office of the Association is located at 621 W. Bridger, Nampa, Idaho 83651.

ARTICLE III

LARRY M. McMILLIN, whose address is 621 W. Bridger, Nampa, Idaho 83651, is hereby appointed the initial registered agent of this Association.

ARTICLE IV

PURPOSE AND POWERS OF ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, repair, improvement, preservation and architectural control of the townhouse lots and any common area hereafter acquired within that certain tract of property described as:

See Exhibit "A" attached hereto and by this reference made a part hereof.

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded in the Office of the Canyon County Recorder on May ____, 1992, as Instrument No. _____ and as the same may be amended from time to time as therein provided, said Declaration being incorporation herein as if set forth at length;

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

(c) acquire (by gift, purchase otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of any 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. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class or members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members;

(g) have and exercise any and all powers, rights and privileges which a corporation organized under a Non-Profit corporation Law of the State of Idaho by law may now or hereafter have or exercise.

ARTICLE V

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 Association, including contract sellers, shall be a member of the Association. 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 Association.

ARTICLE VI

VOTING RIGHTS

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

Class A. Class A members shall be all Owners, with the exception of the Declarants, and shall be entitled to one vote for each Lot owned. Provided, however, if the Declarant builds a townhouse upon any lot owned by Declarant, the Declarant shall become a Class A member with respect to such lot, and such lot shall be subject to assessments in the same manner as any other lot owned by a Class A member.

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 vote be cast with respect to any lot.

Class B. The Class B members shall be the Declarants (as defined in the Declaration), and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on January 1, 2002.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Larry M. McMillin	621 W. Bridger Nampa, ID 83651
Phyllis R. McMillin	621 W. Bridger Nampa, ID 83651
Marjorie E. Warnock	708 W. Bridger Nampa, ID 83651

At the first annual meeting the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years and one (1) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect three (3) directors for a term of three (3) years.

ARTICLE VIII

DISSOLUTION

The Association may be dissolved by unanimous written consent or corporate resolution approved by not less than

two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

DURATION

The corporation shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendment to these Articles shall require the assent of seventy-five percent (75%) of the entire membership.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 15 day of May, 1992.


LARRY M. McMILLIN

Phyllis R. McMILLIN
PHYLLIS R. McMILLIN

Marjorie E. Warnock
MARJORIE E. WARNOCK

STATE OF IDAHO)
) ss.
County of Canyon)

On this 15 day of May, 1992, before me, the undersigned, a Notary Public in and for said State, personally appeared LARRY M. McMILLIN and PHYLLIS R. McMILLIN, husband and wife, known to me to be the persons whose names are subscribed to the within and foregoing instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Kathleen D. [Signature]
NOTARY PUBLIC FOR IDAHO

Residence: [Signature]

My Commission Expires: 7.30.97

*SEAL

STATE OF IDAHO)
) ss.
County of Canyon)

On this 15 day of May, 1992, before me, the undersigned, a Notary Public in and for said State, personally appeared MARJORIE E. WARNOCK, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal the day and year in this
certificate first above written.



NOTARY PUBLIC FOR IDAHO

Residence: St. George

My Commission Expires: 9/30/97

*SEAL

Lot 1A & 1B, Block 1, Lot 1A, 1B, 2A & 2B, Block 2, Lot 1A, 1B, 2A & 2B, Block 3 and Lot 1A & 1B, Block 4, ORCHARD ESTATES SUBDIVISION, Nampa, Canyon County, Idaho, according to the plat filed in Book 19 of Plats, Page 27, records of said County.

EXHIBIT "A"