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ARTICLES OF INCORPORATION OF

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QUAIL RIDGE ESTATES HOMEOWNERS ASSOCIATION, INC.

HATE OF IDAHO

The undersigned, acting as incorporator, in order to form a nonprofit corporation for the purposes hereinafter stated, pursuant to Chapter 3, Title 30 of the *Idaho Code* entitled "Idaho Nonprofit Corporation Act", does hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation shall be Quail Ridge Estates Homeowners Association, Inc.

ARTICLE II

The period of existence and duration of the life of this corporation shall be perpetual.

ARTICLE III

The corporation shall be a nonprofit membership corporation.

ARTICLE IV

The address of the corporation's initial registered office shall be 165 North Woodruff Avenue, Idaho Falls, Idaho 83401. The name of the corporation's initial registered agent at such address is George Z. McDaniel. The mailing address for the corporation is 165 North Woodruff, Idaho Falls, Idaho 83401.

ARTICLE V

The name and address of the incorporator is:

Thel W. Casper, Esq. Holden, Kidwell, Hahn & Crapo, P.L.L.C. Post Office Box 50130 Idaho Falls, Idaho 83405

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ARTICLE VI

Three (3) Directors shall constitute the initial Board of Directors of the corporation, and the names and addresses of the persons who are to serve as Directors until the first annual meeting of the members or until their successors are elected and shall qualify are:

George Z. McDaniel 2425 South 60 East Idaho Falls, Idaho 83406

Karen Judy 1677 South Foothill Road Idaho Falls, Idaho 83404

Douglas S. Nielson 160 Birch Avenue Rexburg, Idaho 83440

ARTICLE VII

This corporation shall be the Association defined in the Declaration of Covenants, Conditions & Restrictions for Quail Ridge Estates, recorded March 3, 1999 as Instrument No. 990578 with the County Recorder of Bonneville County, Idaho (as amended, the "Declaration"). The words and terms defined in the Declaration shall have the same meaning and definition herein as contained in the definitions section of the Declaration, which definitions are incorporated herein by reference.

ARTICLE VIII

The nature of the business and the object and purpose of this corporation shall be as follows:

- A. The transaction of any lawful business for which corporations may be incorporated under the Idaho Business Corporation Act and the Idaho Nonprofit Corporation Act.
- B. To form a corporation under Title 30, Chapter 3 of the *Idaho Code*, for the purpose of providing the Association to which all owners of residential lots located in the Project shall belong for the purpose of maintaining and creating an environment that will provide maximum opportunity for the orderly use and development of the Project.
- 2 Articles of Incorporation of Quail Ridge Estates Homeowners Association, Inc.

- C. To form the Association in which the rights, privileges, burdens, responsibilities and interests of all members shall be based upon the ownership of residential lots in the Project. This corporation shall have all powers incidental to a corporate structure except as its powers are restricted in the Declaration.
- D. To receive and accept and to be obligated to receive and accept from various parties grants of right, title and interest in Association property, and to assume the functions and obligations imposed upon the Association property as provided for under the Declaration. All Association property, both real and personal, received and accepted by the corporation shall be held for the benefit and use of the members of the corporation.
- E. The corporation shall have the power to levy regular or special assessments to fulfill the obligations and purposes set forth in these Articles of Incorporation and the Declaration.

ARTICLE IX

No dividend shall be paid and no part of the income of the corporation shall be distributed to its members, directors, or officers. The corporation may pay compensation in a reasonable amount to its members, directors or officers for services rendered, and upon dissolution or final liquidation may make distributions to its members, as allowed pursuant to the terms of the Idaho Nonprofit Corporation Act.

ARTICLE X

Each owner of a residential lot located in the Project, by virtue of being such an owner and for so long as he/she/it is such an owner, shall be deemed a member of the Association. Every member of the Association shall be entitled to one (1) vote for each residential lot owned in the Project, which vote may be cast in accordance with the Declaration and the Bylaws of the Association.

DATED this 13th day of May, 2004.

Thel W. Casper, Incorporator

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