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SECONDE STATE STATE DIVIS

ARTICLES OF INCORPORATION

OF

RR HOMEOWNERS ASSOCIATION, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I NAME

The name of the corporation shall be RR HOMEOWNERS ASSOCIATION, INC. (the "Association").

ARTICLE II TERM

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

ARTICLE III NON-PROFIT

The Association shall be a non-profit, membership corporation.

ARTICLE IV REGISTERED AGENT

The location and street address of the initial registered office of the Association shall be 2242 Riverwalk Drive, Ste. 220, Boise, Idaho 83705, and Dick Miller is hereby appointed the initial registered agent of the Association.

IDAHO SECRETARY OF STATE **06/08/2006 05:00** CK: 14395 CT: 1626 BH: 959046 1 **8** 38.08 = 38.00 INC NONP # 2

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ARTICLE V PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the Members thereof. The Association is formed to provide for certain regulation of the use of the Property governed by that certain Declaration of Covenants, Conditions and Restrictions for River Ranch, recorded in the official records of Canyon County, Idaho or to be recorded ("Declaration"), and to promote the health, safety and welfare of the Owners and tenants within the Property including without limitation, the implementation of the following:

(A) Exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in the Declaration, as amended from time to time as therein provided;

(B) Fix payment by any lawful means of all charges or Assessments pursuant to the terms of the Declaration, and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association;

(C) Acquire (by gift, purchase or 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 under the limitations imposed by the Declaration;

(D) Borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(E) Have and exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may by law now or hereafter have or exercise, subject only to limitations contained in the Declaration and any amendments thereto, in these Articles of Incorporation and/or in the Bylaws of the Association ("Bylaws").

ARTICLE VI MEMBERSHIP

Every Owner (including the Declarant) holding fee simple interest of record, and buyers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation, to any Lot on the Property shall be a Member of the Association.

Membership shall be appurtenant to and may not be separated from ownership of any Lot within the Property.

ARTICLE VII BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of Directors (collectively the "Board," individually "Directors") to carry out all of the powers and duties of the Association as set forth herein. The Board shall consist of not less than three (3) Directors nor more than seven (7) Directors, who, other than the initial Directors specified herein, shall be Members of the Association. The number of Directors may be changed by amendment of the Bylaws, but in no event shall the number be less than three (3). The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are as follows:

David Resnick 5532 Mill Creek Road San Diego, CA 92130

Tom Dashiell 5532 Mill Creek Road San Diego, CA 92130

Lauren Weir 5532 Mill Creek Road San Diego, CA 92130

ARTICLE VIII ASSESSMENTS

Each Member shall be liable for the payment of Assessments pursuant to the Declaration and as set forth in the Bylaws.

ARTICLE IX BYLAWS

The Bylaws of this Association may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative votes of more than sixty seven percent (67%) of the total voting power of the Association's Members or as otherwise set forth in the Bylaws. For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Association's Board of Directors, the officers, employees and agents of the Association, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Declaration.

ARTICLE X DISSOLUTION

The Association shall only be dissolved at a regular meeting, or a special meeting of the Association called for that purpose, by the affirmative votes of more than two-thirds (2/3) of the total voting power of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the real property and other assets of the Association

shall be distributed as follows: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created; or (ii) granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes. Notwithstanding any other provisions of these Articles, the Association shall not carry on any other activities not permitted by any organization exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law).

In the event the Association is dissolved or transfers by separate instrument any of its obligations and responsibilities to another person or entity, such person or entity shall accept responsibility for managing the Common Areas and otherwise assume all obligations and duties of the Association contained within the Declaration.

ARTICLE XI **AMENDMENTS**

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative vote of more than two-thirds (2/3) of the total voting power of the Association's Members. No amendment which is inconsistent with the provisions of the Declaration shall be valid.

ARTICLE XII MEANING OF TERMS

Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are ascribed to such terms in the Declaration.

ARTICLE XIII **INCORPORATION**

Cynthia A. Melillo, 601 W. Bannock Street, Boise, Idaho 83702, shall be the incorporator of the Association.

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective this δ day of June, 2006.

Cynthia & Melilla