

FILED/EFFECT

2002 MAY -6 AM 9:00

SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION
OF
PARKSIDE PRD OWNERS ASSOCIATION, LTD.

(An Idaho Nonprofit Corporation)

The undersigned natural person, over the age of 18 years, whose address is set forth herein, acting as incorporator of a nonprofit corporation under the Idaho Nonprofit Corporation Act [Title 30, Chapter 3, Idaho Code] (the "Act"), hereby adopts these Articles of Incorporation for such corporation.

ARTICLE I

Name and Duration

- 1.01 **Name.** The name of the corporation is **Parkside PRD Owners Association, Ltd.**
- 1.02 **Duration.** The corporation shall have perpetual existence unless dissolved or otherwise terminated according to the Act.

ARTICLE II

Definitions

When used in these Articles the following terms shall have the meanings indicated:

Articles shall mean and refer to these Articles of Incorporation of **Parkside PRD Owners Association, Ltd.**

Assessments shall mean the amounts levied and assessed against each Owner and the Owner's Lot as provided in the Bylaws.

Association shall mean and refer to **Parkside PRD Owners Association, Ltd.**, the Idaho nonprofit corporation created by the filing of these Articles.

Board of Directors or Board shall mean the Board of Directors of the Association.

Bylaws shall mean the rules adopted for the regulation and management of the Association and embodied within the Declaration.

Common Areas shall mean all portions of the Development except the Lots and Units, and shall include all property owned by the Association for the common use and enjoyment of the Owners such as all private undedicated roadways, driveways, parking, open spaces, landscaping, recreational amenities, and structural common areas, if any, and the like, together with all easements appurtenant thereto.

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Declaration shall mean and refer to the instrument entitled **Declaration of Easements, Covenants, Conditions and Restrictions (Including Owner Association Bylaws), Parkside, A Planned Residential Development**, executed and acknowledged by Developer and filed for record in the Public Records, as the same may be supplemented or amended from time to time.

Developer shall mean and refer to Parkside Development, L.L.C., an Idaho limited liability company and its successors or assigns, if any, as developers of the Property.

Development shall mean and refer to the expandable real estate project known as Parkside, a planned residential development located in Rexburg, Madison County, Idaho, as it exists at any given time.

Lot shall mean and refer to any of the subdivided and separately numbered and individually described parcels of land within the Development, as designated on a Development Plat, intended for single family residential use.

Managing Agent shall mean any natural person or entity appointed or engaged to manage the Association, its properties and affairs.

Member shall mean and refer to every person who, as an Owner, holds membership in the Association.

Mortgage shall mean any recorded first mortgage or first deed of trust encumbering a Lot; and **Mortgagee** shall mean any mortgagee or beneficiary named in a Mortgage.

Owner shall mean any person who is the owner of record, as reflected in the Public Records, of a fee or undivided fee interest in any Lot, and any contract purchaser of any Lot. Notwithstanding any applicable theory relating to mortgages, no Mortgagee, nor any beneficiary of a Mortgage, shall be an Owner unless such party acquires fee title pursuant to foreclosure, sale, or conveyance in lieu thereof. Developer shall be an Owner with respect to each Lot owned by it. Multiple owners of a particular Lot shall be jointly and severally liable as to all responsibilities and obligations of an Owner.

Plat shall mean and refer to a recorded subdivision plat within the Development. The initial Plat is entitled **Parkside, Planned Residential Development, Plat A, City of Rexburg, Madison County, Idaho**, recorded in the Public Records concurrently with the Declaration.

Public Records shall mean and refer to the Office of the Madison County Recorder in Rexburg, Idaho.

Unit shall mean and refer to a residence structure within the Development which is designed, constructed and intended for use or occupancy as a single family residence, together with all improvements located on the same Lot and used in conjunction with such residence, and otherwise as defined in the Declaration.

ARTICLE III

Powers and Purposes

3.01 **Purposes.** The association is organized and shall be operated as a nonprofit corporation for the purpose of owning, maintaining and administering the Common Areas; collecting and disbursing the Assessments and charges provided for in the Declaration; and otherwise administering, enforcing, and carrying out the terms and provisions of the Declaration to promote the interests of Owners and their Units within the Development.

3.02 **Powers.** The Association shall have all of the powers conferred upon it by the Declaration and all powers allowed by law necessary or convenient for the accomplishment of any of its purposes, including all powers referred to or described in the Act.

3.03 **Limitation.** The Association is not organized for pecuniary profit. Notwithstanding the breadth of the foregoing sections of this ARTICLE III: (a) no dividend shall be paid to, no part of the Association's funds shall be distributed to, and no part of any net income of the Association shall inure to the benefit of, any of its Members, Directors, or officers or any other person; and (b) the powers of the Association shall be subject to all limitations or restrictions contained herein, in the Act, or in the Declaration and Bylaws.

ARTICLE IV

Membership and Voting Rights

4.01 **Membership.** Every Owner shall be a Member of the Association and entitled to vote. Membership in the Association shall be mandatory, shall be appurtenant to the Lot in which the Owner holds the necessary interest, and shall not be separated from the Lot to which it appertains. Neither the issuance nor the holding of certificates or shares of stock shall be necessary to evidence membership in the Association. All other matters pertaining to membership in the Association shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

4.02 **Voting Rights.** All matters pertaining to Member's voting rights shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

ARTICLE V

Members' Meetings

All matters pertaining to Members' Meetings shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

ARTICLE VI

Board of Trustees

6.01 **Number, Tenure, and Qualifications.** The affairs of the Association shall be managed by a Board of Directors composed initially of not more than three individuals. All matters pertaining to the Board of Directors shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

6.02 **Initial Board.** The persons who are to serve as the initial Board of Directors until the first annual meeting of Members at which a Board of Directors is to be elected are as follows:

<u>Name</u>	<u>Address</u>
John Dester	2230 N. University Parkway, Suite 7-G Provo, UT 84604
Steve Nielsen	2230 N. University Parkway, Suite 7-G Provo, UT 84604
Barry Genta	305 West Main Rexburg, ID 83440

ARTICLE VII

Officers

All matters pertaining to Officers of the Association shall be governed by the Association's Bylaws set forth and embodied in the Declaration.

ARTICLE VIII

Miscellaneous

8.01 **Transfer of Common Areas.** The Board of Directors may, in connection with dissolution of the Association, or otherwise, dedicate or transfer all or any part of any Common Areas owned by it to any public agency or authority for such purposes and subject to such conditions as may be agreed to by the Board. Any such dedication or transfer (other than the granting of reasonable easements for utilities and similar or related purposes) must, however, be consented to in writing by the Mortgagee of each Lot in the Development, and be assented to by all of the outstanding votes in the Association entitled to vote at a meeting duly called for such purpose. Written or printed notice setting forth the purpose of the meeting and the action proposed shall be sent to all Members at least 10 but not more than 30 days prior to the meeting date.

8.02 **Managing Agent.** The Association may carry out through a Managing Agent any of its functions which are properly the subject of delegation. Any Managing Agent so engaged shall be an

independent contractor and not an agent or employee of the Association and shall be responsible for managing the Common Areas for the benefit of the Association and the Members, and shall, to the extent permitted by law and the terms of the agreement with the Association, be authorized to perform any of the functions or acts required or permitted to be performed by the Association itself.

8.03 Principal Office. The address of the initial principal office of the Association is 2230 N. University Parkway, Suite 7-G, Provo, UT 84604.

8.04 Registered Agent and Registered Office. Barry Genta, an individual, is appointed as the registered agent of the Association and 305 West Main, Rexburg, Idaho 83440, is designated as the registered office of the Association. The registered agent accepts such appointment as evidence by his signature:


Barry Genta, Registered Agent

8.05 Amendment. Any amendment to these Articles shall require the affirmative vote of Members entitled to exercise the percentage or fraction of outstanding Association votes required by the Act. Any amendment authorized pursuant to this Section 8.05 shall be accomplished through filing with the office of the Idaho Secretary of State appropriate articles of amendment executed as required by the Act. Except as required by the Act, no amendment to these Articles of Incorporation shall be effective which is inconsistent with the provisions of the Declaration.

8.06 Consent in Lieu of Vote. In any case in which these Articles require for authorization or approval of a transaction the assent or affirmative vote of a stated percentage of the votes present or represented at a meeting, such requirement may be fully satisfied by obtaining, with or without a meeting, consents in writing to such transaction from Members entitled to cast at least the stated percentage of all membership votes then outstanding in the Association. The following additional provisions shall govern any application of this Section 8.06:

(a) All necessary consents must be obtained prior to the expiration of 90 days after the first consent is given by any Member;

(b) The total number of votes required for the applicable authorization or approval shall be determined as of the date on which the last consent is signed;

(c) Any change in ownership of a Lot which occurs after consent has been obtained from the Member having an interest therein shall not be considered or taken into account for any purpose; and

(d) The effectiveness of consents given by multiple owners of the same Lot shall be governed by Section 11.03 of the Association's Bylaws set forth and embodied in the Declaration.


8.07 Bylaws and Resolutions. The Board of Directors may (but nothing herein shall mandate) adopt, amend, and repeal Bylaws or resolutions for regulation and management of the affairs of the Association not inconsistent with these Articles, the Declaration, or the Act.

DISSOLUTION STATEMENT

Upon the dissolution of Parkside PRD Owners Association, Ltd., an Idaho nonprofit corporation, the assets would be distributed to the Owners/Members of the Parkside PRD Owners Association.

8.08 Interpretation. The captions which precede the various portions of these Articles are for convenience only and shall in no way affect the manner in which any provision hereof is construed. Whenever the context so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include all genders. The invalidity or unenforceability of any provision contained in these Articles shall not affect the validity or enforceability of the remainder thereof. These Articles have been prepared in conjunction with the Declaration and should be read and construed liberally in light of that fact so as to effect all of the purposes of both instruments. To the extent the Act and any modifications, amendments, and additions thereto are consistent with these Articles and the Declaration, such legislation shall supplement the terms hereof.

DATED this 29th day of April, 2002.



John L. Dester, Incorporator
2230 N. University Parkway, Suite 7-G
Provo, UT 84604