

ARTICLES OF INCORPORATION

OF

THREE ISLAND DEVELOPMENT

HOMEOWNERS ASSOCIATION, INC.

2009 FEB 12 PM 1:19  
SECRETARY OF STATE  
STATE OF IDAHO

FILED EFFECTIVE

The undersigned, acting as the incorporator of a nonprofit corporation ("association") organized under and pursuant to the Idaho Nonprofit Corporation Act, Chapter 30, Idaho Code, ("Act"), adopts the following Articles of Incorporation ("Articles").

ARTICLE I

NAME

The name of the Association is Three Island Development Homeowners Association, Inc.

ARTICLE II

NONPROFIT STATUS

The Association is a nonprofit corporation.

ARTICLE III

DURATION

The period of duration of the Association is perpetual.

ARTICLE IV

REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Association is 75 East First Street, Glenns Ferry, Idaho, 83623 and the name of the registered agent at this office is Jerry D. Gorrell.

ARTICLE V

PURPOSES

The purposes for which the Association is organized and will be operated are as follows:

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A. To associate its members together for their mutual benefit, and to that end to own, improve, maintain, repair and operate the irrigation system, common areas and related easements and improvements located in Three Island Development, a subdivision to Elmore County, Idaho, and as provided in the Declaration of Covenants, Conditions and Restrictions for Three Island Development (CC&Rs), together with any and all other assets and facilities owned by the Association, and to engage in any activity related thereto; and to enforce compliance with the CC&Rs.

B. Affiliations: To acquire, and to hold, own and exercise all rights of ownership in, land to well, transfer or pledge shares of capital stock or bonds, or become a member or a stockholder of any corporation or association if such is necessary to carry out the functions of the Association.

C. Property Ownership: To buy, lease, hold or exercise all privileges of ownership in the to the real or personal property necessary or convenient for the conduct and operation of the business of the Association, or incidental thereto.

D. Maintaining Reserves: To establish reserves and to invest the funds therein in such property as the Association may deem advisable, provided that such funds and the earnings derived therefrom shall be used solely to pay expenses incurred by the association to carry out its purposes.

E. To set fees and levy assessments in such manner and in such amount as may be provided by the Association consistent with the CC&Rs, its Articles and By-laws, provided the said funds are used solely to pay expenses incurred by the Association to carry out its purposes.

F. State Law Powers: To have and exercise all powers, privileges and rights conferred on non-profit corporations by the laws of the State of Idaho not inconsistent with the above-stated purposes of the Act.

## ARTICLE VII

### LIMITATIONS

No part of the net earnings or the assets of the association shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons except that the association 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 V thereof. No substantial part of the activities of the Association shall be for the carrying on of propaganda, or otherwise attempting to influence legislation, and the association 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 provisions of these articles, the Association shall not carry of any other activities not

permitted to be carried on by a Homeowner's Association as defined for federal income tax purposes under Section 528 of the Internal Revenue Code of 1986, as amended from time to time.

## **ARTICLE VIII**

### **MEMBERS**

The members of the association shall be the record owners of the fee simple title to any Lot within Three Island Development and by this reference made a part hereof, as provided in the CC&Rs. Membership is appurtenant to, and inseparable from, ownership of said lots or real property. Members shall have such rights as provided in the Act, the CC&Rs, these Articles and Association By-laws.

## **ARTICLE IX**

### **BOARD OF DIRECTORS**

The affairs of the Association shall be managed by its Board of Directors. The number of Directors serving on the Board of Directors shall be fixed in accordance with Association's By-laws. Other than the Directors constituting the initial Board of Directors as designated in the Articles, each Director shall be a member of the association and shall be elected by the members of the association in the manner and for the term provided in the By-laws of the Association.

The names and street addresses of the persons constituting the initial Board of Directors are: Jerry D. Gorrell

P.O. Box 727  
Glenns Ferry, Idaho 83623

John B. McCallum  
11204 N Bar 21 Dr.  
Glenns Ferry, Idaho 83623

Gayle Gorrell  
350 So. Star Lane  
Glenns Ferry, Id. 83623

The initial Directors shall serve until the first annual meeting of members. The members of the initial Board need not be members of the Association.

## **ARTICLE X**

### **MEMBERSHIP ASSISMENTS**

As provided in the CC&Rs, the Association is authorized to levy assessments upon all members to pay the costs incurred by the association in order to carry out its purposes.

#### ARTICLE XI

#### DISTRIBUTION ON DISSOLUTION

Upon dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Association, distribute all the assets of the Association consistent with the purposes of the association to a public body or other nonprofit organization with similar purposes. Any such assets not so distributed shall be distributed by the district court of the county in which the principal office of the Association is then located, exclusively for the purposes or to such organizations, as such court shall determine to be consistent with the purposes of the Association.

#### ARTICLE XII

#### INCORPORATORS

The name and street address of the incorporator is:

Jerry D. Gorrell  
5 East First St.  
Glenns Ferry, Id. 83623

#### ARTICLE XIII

#### BY-LAWS

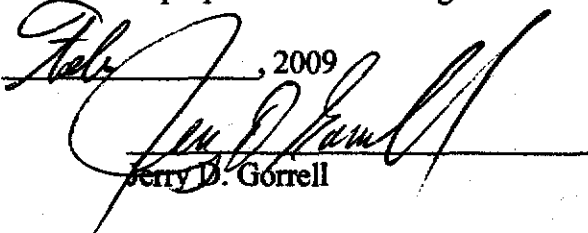
Provisions for the regulation of the internal affairs of the association shall be set forth in the By-Laws.

#### ARTICLE XIV

#### AMENDMENT OF ARTICLES

Amendment of these Articles requires the approval of two-thirds (2/3) of the votes cast by the members at a meeting called for the purpose of considering such amendments.

Dated this 10 day of July, 2009

  
Jerry D. Gorrell

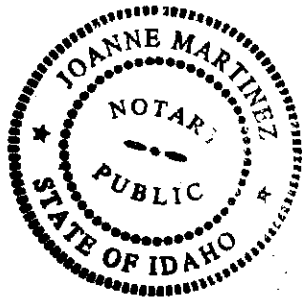
STATE OF IDAHO, )

) ss.

COUNTY OF ELMORE, )

On this 10<sup>th</sup> day of February, 2009, before me, the undersigned, a Notary Public in and for said state, personally appeared Jerry D. Gorrell, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to the he 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.



Joanne Martinez  
Notary Public for Idaho  
Residing at : Shane Jerry  
My commission expires: 9/28/12

EXHIBIT A

**Legal Description  
For  
Three Island Development**

**Lot 1 Blk. 1- West 357 feet of Lot 6 south of Little Canyon Creek, sec 31 T5S R10E.**

**Lot 2 Blk. 1- West 714 feet less west 357 feet of lot 6 south of Little Canyon Creek,  
Sec 31 T5S R10E.**

**Lot 3 Blk. 1- East 714 feet less east 357 feet of Lot 6 south of Little Canyon Creek,  
Sec 31 T5S R10E.**

**Lot 4 Blk. 1- East 357 feet of Lot 6 south of Little Canyon Creek, Sec 31 T5S R10E.**

**Lot 1 Blk. 2- West 330 feet of SE¼ NW¼ south of Little Canyon Creek, Sec 31  
T5S R10E.**

**Lot 2 Blk. 2- West 660 feet less West 330 feet of SE¼ NW¼ south of Little Canyon  
Creek Sec 31 T5S R10E.**

**Lot 3 Blk. 2- East 660 feet less East 330 feet of SE¼ NW¼ south of Little Canyon  
Creek, Sec 31 T5S R10E.**

**Lot 4 Blk. 2- East 330 feet of SE¼ NW¼ south Little Canyon Creek, Sec 31  
T5S R10E. and**

A parcel of land located in the SE¼ NW¼, Sec. 31, T5S, R10E,  
B. M. Elmore County, Idaho, more particularly described as  
follows:

Commencing at the Center Section corner of said Section 31,  
T5S, R10E, B.M., Elmore County, Idaho, and running thence;  
North 0°01' East a distance of 172 feet, more or less, to a  
point; said point being the REAL POINT OF BEGINNING; running thence  
in a Northeasterly direction 62.9 feet, more or less, to a  
point on an existing fence line; running thence Northeasterly  
along said fence line 600 feet, more or less, to a point on the  
South Boundary line of Little Canyon Creek, running thence  
in a Southwesterly direction along Little Canyon Creek 37 feet,  
more or less, to a point on the North-South Center Section line  
of said Sec. 31, running thence South 0°01' West along said  
Section line a distance of 600 feet, more or less, to the  
POINT OF BEGINNING.

Magic West Inc.

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**Legal Description  
For  
Three Island Development**

**Lot 1 Blk. 1- West 357 feet of Lot 6 south of Little Canyon Creek, sec 31 T5S R10E.**

**Lot 2 Blk. 1- West 714 feet less west 357 feet of lot 6 south of Little Canyon Creek,  
Sec 31 T5S R10E.**

**Lot 3 Blk. 1- East 714 feet less east 357 feet of Lot 6 south of Little Canyon Creek,  
Sec 31 T5S R10E.**

**Lot 4 Blk. 1- East 357 feet of Lot 6 south of Little Canyon Creek, Sec 31 T5S R10E.**

**Lot 1 Blk. 2- West 330 feet of SE $\frac{1}{4}$  NW $\frac{1}{4}$  south of Little Canyon Creek, Sec 31  
T5S R10E.**

**Lot 2 Blk. 2- West 660 feet less West 330 feet of SE $\frac{1}{4}$  NW $\frac{1}{4}$  south of Little Canyon  
Creek Sec 31 T5S R10E.**

**Lot 3 Blk. 2- East 660 feet less East 330 feet of SE $\frac{1}{4}$  NW $\frac{1}{4}$  south of Little Canyon  
Creek, Sec 31 T5S R10E.**

**Lot 4 Blk.2- East 330 feet of SE $\frac{1}{4}$  NW $\frac{1}{4}$  south Little Canyon Creek, Sec 31  
T5S R10e. *and***

A parcel of land located in the SE $\frac{1}{4}$  NW $\frac{1}{4}$ , Sec. 31, T5S, R10E,  
B. M. Elmore County, Idaho, more particularly described as  
follows:

Commencing at the Center Section corner of said Section 31,  
T5S , R10E, B.M., Elmore County, Idaho, and running thence;  
North 0°01' East a distance of 172 feet, more or less, to a  
point; said point being the REAL POINT OF BEGINNING; running thence  
in a Northeasterly direction 62.9 feet, more or less, to a  
point on an existing fence line; running thence Northeasterly  
along said fence line 600 feet, more or less, to a point on the  
South Boundary line of Little Canyon Creek, running thence  
in a Southwesterly direction along Little Canyon Creek 37 feet,  
more or less, to a point on the North-South Center Section line  
of said Sec. 31, running thence South 0°01' West along said  
Section line a distance of 600 feet, more or less, to the  
POINT OF BEGINNING.

Magic West Inc.

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