

**FILED**

NO. 1 OF 1958  
ON INC

## Article I

The name of the corporation is Vine Crest Rural Residential Properties No. 1 of Canyon County Homeowners' Association Inc., hereafter called the "Association".

## Article II

The principal office of the Association is located at 13957 Main Road, Caldwell Idaho 83605 (208) 459-9192.

### Article III

John J. Hockberger, Sr, whose address is 13957 Malt Road, Caldwell, Idaho 83605 is hereby appointed the initial registered agent of this Association.

## Article IV

## PURPOSE AND POWERS OF THE 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, preservation and architectural control of the residence parcels and common areas and facilities within that certain tract of property described in the Declaration of Covenants, Conditions and Restrictions for Vine Crest Rural Residential Properties No.1 of Canyon County filed of record in the office of the Recorder of Canyon County on July 6, 1998 as document number 9825296, (hereinafter called the "Declaration") 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. No part of the income or assets of the corporation is distributable to or for the benefit of its members, directors or officers except to the extent permissible under law. These articles authorize the Association to:

(a) exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that Declaration as the same ~~may~~ be amended from time to time as therein provided, said

C126173

Declaration being incorporated 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 office, accounting, legal, engineering, and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or utility and governmental charges levied or imposed against the property of the Association;

(c) acquire (by bequest, devise gift, purchase, lease 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;

(d) invest, reinvest, manage, use, apply, employ, sell, expend, disburse, lease, convey, option, donate or otherwise dispose of assets, including property, and the income, principal and proceeds of such assets;

(e) borrow money, and with the assent of three quarters (3/4) 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;

(f) dedicate, sell or transfer all or any part of the Common Area or facilities 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 three quarters (3/4) of members, agreeing to such dedication, sale or transfer;

(g) operate, maintain, and replace irrigation water facilities;

(h) participate in mergers and consolidations with other nonprofit corporations, associations or limited liability companies organized for the same or similar purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of three quarters (3/4) of members;

(i) do such other things as are incidental to the purposes of the Association or necessary or desirable in order to accomplish them;

(j) exercise all rights and powers conferred by the laws of the State of Idaho upon nonprofit corporations;

(k) have and exercise any and all powers, rights and privileges which a corporation organized under the not for profit corporation laws of the State of Idaho 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 parcel which is subject by the Declaration 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 parcel or portion thereof which is subject to assessment by the Association.

## **Article VI**

### **VOTING RIGHTS**

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Parcel owned. When more than one person holds an interest in any Parcel, all such persons shall be members. The vote for such Parcel shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Parcel.

Class B. The Class B member(s) shall be the Declarant (as defined in the Declaration), his beneficiaries or his devisees, and shall be entitled to four (4) votes for each Parcel owned.

The Class B membership shall cease and be converted to Class A membership twelve (12) years from the date of incorporation or January 1, 2012, whichever occurs first, if at such time there are 7 total votes outstanding in the Class A membership.

## **Article VII**

### **BOARD OF DIRECTORS**

The affairs of this Association shall initially be managed by John J. Hockberger Sr., the Declarant and sole required initial incorporator, president, and director. After transfer of ownership of the first two parcels the Declarant may at his sole discretion select two additional directors, who need not be members of the Association, to serve with him on an initial Board of not less than three (3) directors. The bylaws of the Association are to be adopted by the board of directors, and may be altered, amended or rescinded by the board of directors. The number of directors, their qualifications, and their terms may be changed by amendment of the bylaws of the Association. The names and addresses of the persons who are to act in the capacity of officers, directors and incorporators until the selection of their successors are:

Name

Address

John J. Hockberger Sr.  
President

13957 Malt Road  
Caldwell, Idaho 83605

Vice President

Secretary

Treasurer

At the first annual meeting following the creation of a three member Board the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years. The bylaws may provide for ex officio and honorary directors, and their rights and privileges.

#### Article VIII

##### OFFICERS

The officers of the association shall consist of a president, vice president, secretary, treasurer and such other officers and assistant officers as may be provided in the bylaws. Each officer shall be elected by the board of directors (and may be removed by the board of directors at such time and in such manner as may be prescribed by the bylaws.

#### Article VIII

##### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than three quarters (3/4) 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

Article IX

DURATION and AMENDMENT

The Association shall exist perpetually. The Association reserves the right to amend or repeal any provisions contained in these article of incorporation or any amendment to them and all rights and privileges conferred upon the members, directors and officers are subject to this reservation.

Article X

INDEMNIFICATION

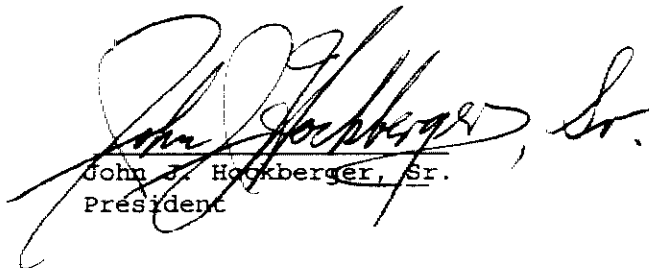
The Association shall indemnify each officer and director, including former officers and directors, to the full extent permitted by the Idaho Nonprofit Corporation Act as it may be interpreted or amended from time to time.

Article XI

IN THE EVENT OF FHA/VA APPROVAL REQUIREMENTS

As long as there is a Class B membership, the following actions may require the prior approval of the Federal Housing Administration or the Veterans Administration if any member anticipates or obtains mortgage insurance or financing from those agencies and so informs the Association: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles.

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 23 day of October, 1998.

  
John J. Hookberger, Sr.  
President