



Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

BAILEY CREEK COMMUNITY ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **19th** day of **February** A.D., One Thousand Nine Hundred **seventy-four** and ~~will be~~ ~~duly~~ recorded on ~~film~~ ~~microfilm~~ of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **Perpetual Existence** from the date hereof, with its registered office in this State located at **Soda Springs, Idaho** in the County of **Caribou**

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **19th** day of **February**, A.D., 19 **74**.

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

ARTICLES OF INCORPORATION
OF
BAILEY CREEK COMMUNITY ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, Ian M. Cumming, Ralph R. Shaw, Jay R. Bingham, Glenn L. Pace, and Philip D. Thorpe, have associated ourselves together for the purpose of organizing a non-profit corporation in accordance with the provisions of Section 117A, Chapter 1, Title 30, of the Idaho Code, and do hereby adopt, execute, and acknowledge, in triplicate, these Articles of Incorporation.

ARTICLE I

NAME OF CORPORATION

The name of the corporation shall be the BAILEY CREEK COMMUNITY ASSOCIATION, INC., and shall hereinafter be referred to as "the Association."

ARTICLE II

PURPOSES AND POWERS OF THE CORPORATION

The Association does not contemplate pecuniary gain or profit, direct or indirect, to itself or its members. The purposes for which the Association is formed are as follows:

To organize and operate a non-profit civic organization, which shall be organized and operated exclusively for the promotion of the health, safety, common good, and social welfare of the owners of property in, and the residents of, Bailey Creek, a recreational community being developed upon that certain property located in Bear Lake and Caribou Counties, State of Idaho, which property is more particularly described as follows and which property, together with additional property subsequently annexed thereto, is hereinafter referred to as "the Property":

Beginning at the south 1/4 corner of Section 32, T9S, R42E, Boise Base and Meridian; and running thence N 0°34'15" E 1327.98 feet, thence S 89°40'54" W 4046.53 feet to an existing fence corner, thence S 4°16' E 1261.86 feet, thence S 83°33' W 1161.73 feet, thence S 0°26'37" E 4014.76 feet to the south line of Lot 2, Bailey Creek Estates, a subdivision of part of the SE 1/4 of Section 6 and part of the NW 1/4 of Section 5, T10S, R42E, Bear Lake County, Idaho, according to the official plat thereof, and running thence along said lot line S 87°29'50" E (equivalent to S 87°06'30" E on said plat) 617.14 feet to a point on a 330 foot radius curve to the right, thence southwesterly along said curve for an arc distance of 179.01 feet (central angle = 31°04'50"), thence S 43°30' W 82.64 feet to point of curvature to a 40 foot radius curve to the right, thence westerly along said curve for an arc distance of 26.12 feet to point of reverse curvature to a 75 foot radius curve to the left (central angle = 37°24'39"), thence southerly and easterly along said curve for an arc distance of 214.82 feet to point of reverse curvature to a 40 foot radius curve to the right, thence easterly along said curve for an arc distance of 20.66 feet (central angle = 29°35'30"0, thence S 85°23'20" E 83.65 feet to point of curvature to a 430 foot radius curve to the left, thence easterly along said curve for an arc distance of 195.13 feet (central angle = 26°00'), thence N 68°36'40" E 134.49 feet to point of curvature to a 857.45 foot radius curve to the right, thence easterly along said curve for an arc distance of 112.24 feet (central angle = 7°30'), thence N 76°06'40" E 292.04 feet to point of curvature to a 700 foot radius curve to the left, thence easterly along said curve for an arc distance of 103.85 feet (central angle = 8°30'), thence N 67°36'40" E 214.37 feet to point of curvature to a 301.97 foot radius curve to the right, thence easterly along said curve for an arc distance of 112.72 feet (central angle = 21°23'12"), thence S 9°36'40" W 629.62 feet to the southeast corner of Lot 10, Bailey Creek Estates, thence S 77°36'40" W 1639.49 feet, thence S 0°26'37" E 206.85 feet to a brass monument marking the south 1/4 corner of said Section 6, thence N 89°36'40" E 1898.06 feet to the southwest corner of Lot 15, said Bailey Creek Estates Subdivision, thence N 23°23'20" W 117.34 feet to the northwest corner of said Lot 15, thence N 65°36'40" E 488.78 feet to a point on a 60 foot road, thence S 29°23'29" E 150.57 feet thence S 65°36'40" W 430.57 feet, thence N 89°36'40" E 642.72 feet to the SE corner monument of said Section 6; thence N 0°23'20" W 107.10 feet, thence S 87°23'20" E 4.91 feet, thence N 9°34'50" W 61.38 feet, thence N 68°13'40" E 5.26 feet, thence N 0°23'20" W 521.81 feet to the southeast corner of Lot 70, said Bailey Creek Estates, thence S 65°36'40" W 390.70 feet, thence N 19°12'20" W 154.90 feet, thence N 62°36'40" E 456.66 feet to the northeast corner of said Lot 70, thence N 0°23'20" W 428.86 feet, thence S 64°48'20" E 271.79 feet, thence N 33°36'40" E 453.08 feet, thence N 26°53'20" W 240.72 feet, thence N 56°36'40" E 500.00 feet, thence N 15°40'20" W 37.46 feet, thence N 2°02'40" E 109.15 feet, thence N 87°57'20" W 560.00 feet, thence N 2°02'40" E, 436 feet more or less and S 89°51' W 15 feet more or less to the southwest corner of Lot 16, Bailey Creek Acres, 1st Addition, thence N 5°00' E 829.19 feet more or less, to the southwest corner of Lot 11, Bailey Creek Acres, 1st Addition, thence due east 626.23 feet, thence N 5°00' E 331.26 feet to the southwest corner of Lot 9, Bailey Creek Acres Subdivision, Block 2, thence due east 588.00 feet, thence due north 165.00 feet, thence N 14°00' E 170.05 feet, thence N 23°20' E 179.70 feet, thence N 22°00' E 177.96 feet, thence due west 569.52 feet, thence N 27°00' E 45.35 feet to point of curvature to a 1916.22 foot radius curve to the left, thence northeasterly along said curve for an arc

distance of 137.44 feet (central angle = $4^{\circ}06'34''0$, to the projected south line of Lot 4, Block 2, of said subdivision, thence due east 557.66 feet, thence N $4^{\circ}42'$ E 165.56 feet, thence N $3^{\circ}22'$ E 165.29 feet, thence N $10^{\circ}18'$ W 167.70 feet, thence due west 368.91 feet, thence N $20^{\circ}00'$ E 91.22 feet to point of curvature to a 120.48 foot radius curve to the right, thence northeasterly along said curve for an arc distance of 147.19 feet (central angle = $70^{\circ}00'$), thence due east 840.00 feet, thence due north 33.00 feet to point of beginning. In addition, the following listed lots of the before-mentioned Bailey Creek Estates located in the SW $1/4$ of Section 5 and the NW $1/4$ of Section 8 are to be included. Lots 17, 20 through 27, 36, 36, 37, 38, 40 through 44, 47 through 62, 66, and 67.

In the furtherance and accomplishment of the above-stated general purpose, the Association shall have the following specific purposes:

- A. To exercise all rights, powers, and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions, and Restrictions, Bailey Creek Community Association, hereinafter called "the Declaration," applicable to the Property and recorded or to be recorded in the Offices of the County Recorders, Bear Lake and Caribou Counties, State of Idaho, as the same may be amended from time to time as therein provided, said Declaration being incorporated by this reference as if fully set forth at length herein;
- B. To enforce all covenants, conditions, restrictions, licenses, easements, and liens provided in the Declaration; to assess, fix, levy, collect, and enforce by any lawful means any and all charges and assessments provided in the Declaration; and to disburse and use the charges and assessments collected pursuant to such Declaration for the promotion, furtherance, and accomplishment of the purposes of the Association;
- C. To acquire, purchase, lease, hire, construct, reconstruct, conduct, alter, enlarge, renew, replace, repair, maintain, operate, subsidize, and promote and provide for the establishment, advancement, and perpetuation of any and all

utilities, systems, services, and facilities within the Property which tend to promote the general welfare, peace, health, safety, education, culture, recreation, comfort, or convenience of the owners thereof and residents therein, to the extent and in such manner that the Board of Directors of the Association, in its discretion, may from time to time establish or provide, including without limitation:

Any or all projects, services, facilities, studies, programs, systems, and properties relating to: parks, recreational facilities or services; water supply, treatment, and drainage systems; streets, roads, highways, walkways, curbing, gutters, sidewalks, trees, flowers, and landscaping, fountains, benches, shelters, directional and informational signs, walkways, and bridges, and street, road, and highway lighting facilities; facilities for the collection, treatment, and disposal of garbage and refuse; facilities for the fighting and preventing of fires; security forces and facilities; utility systems, including plants, systems, facilities, or properties used or useful in connection with the manufacture, production, distribution, delivery, and storage of electric power and manufacture of natural gas or any other potential power source, and any integral part thereof, utility lines, poles, surface and underground ducts, relay stations, cables, pipes, pipelines, valves, meters and equipment and appurtenances, and all properties, rights, easements, and franchises relating thereto; communication systems and facilities; including all buildings, systems, facilities, and properties used or useful in connection with the operation of communication networks and facilities, stations, towers, relay systems and facilities, cables, underground and surface ducts, lines, poles, receiving, transmitting and relay equipment, and appurtenances and all properties, rights, easements, and franchises relating

thereto; auditoriums, galleries, halls, amphitheaters, theaters, arenas, and educational buildings and facilities, including equipment, supplies, and accessories in connection therewith, office buildings, buildings, storage and maintenance yards, garages, and other buildings and facilities deemed necessary or desirable by the Association Board; traffic engineering programs and parking facilities; lakes, dams, parks, golf courses, tennis courts, playgrounds, boat basins and marinas, equestrian centers and facilities; skeet ranges, bowling alleys, and other related or unrelated recreational facilities; and any and all other improvements, facilities, and services that the Association Board shall find to be necessary, desirable, or beneficial to the interest of the Property or the Owners thereof.

D. To receive, acquire by gift, purchase, lease, or otherwise, and to own, hold, develop, mortgage, improve, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise, real and personal property in connection with any of the purposes of the Association;

E. To make contracts, incur liabilities, borrow money, issue bonds, notes, and other evidences of indebtedness and secure the payment of the same by mortgage or deed of trust of all or any part of the property of the Association or by the assessments and charges created under the Declaration;

F. To lease, sell, or donate to the State of Idaho, Bear Lake and/or Caribou Counties, or any agency, subdivision, authority, or instrumentality of said State or Counties, or to any civic or other non-profit organization similar to the Association formed herein, any of the property or facilities acquired, operated, or maintained by the Association;

G. To solicit, receive and accept donations of money or property or any interest in property from the federal government,

the State of Idaho, Bear Lake and/or Caribou Counties, or
any agency, subdivision, authority, or instrumentality thereof;

H. To undertake and prepare, or cause to be prepared, studies, plans, recommendations, budgets, and other similar things which relate to any phase or aspect of the physical, social, or cultural development of the Property, and to create, or cause to be created, committees and other organizations for the preparation, supervision, and implementation thereof;

I. To engage in, conduct, encourage, and sponsor civic and other beneficial activities relating to the cultural, educational, social, recreational, and civic affairs of the owners of and residents in the Property, and to appear before and represent its members in or before other civic groups, associations, boards, or other like organizations;

J. To have and exercise any and all powers, rights, and privileges, and to do any and all lawful things and acts that the Association may from time to time, in its discretion, deem to be for the benefit of the Property, and the owners and residents thereof, and which a non-profit corporation organized under the laws of the State of Idaho may, now or hereafter, have, exercise, or do;

K. To make and amend bylaws, or resolutions, not inconsistent with these Articles of Incorporation, or with the laws of the State of Idaho, for the administration and regulation of the affairs of the Association.

ARTICLE III

PERIOD OF DURATION

The period of duration of the Association shall be perpetual unless earlier dissolved according to law.

ARTICLE IV

REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Association shall be:

P. O. Box 535, Soda Springs, Idaho 83276

and the name of its initial registered agent at such address shall be:

Sherman Smith

ARTICLE V

MEMBERSHIP IN ASSOCIATION

Membership in the Association shall be evidenced by a Certificate of Membership, and the Association shall not issue any shares of stock.

Every person or entity who is a record owner of a fee or undivided fee interest, or who is a tenant under a written lease or rental agreement, in any lot or other portion of the Property which is subject by the Declaration to assessment by the Association, shall automatically be a member of the Association, including contract sellers; provided, that any mortgagee and others having such interest merely as security for the performance of an obligation shall not be a member of the Association unless and until said mortgagee or other security interest holder has acquired title to any such lot or other assessable portion of the Property pursuant to a foreclosure or any proceeding equivalent to or in lieu of foreclosure. Membership shall be appurtenant to, shall be an incident of, and shall not be separated from ownership or actual occupancy of any such lot or other assessable portion of the Property, and such ownership or actual occupancy shall be the sole qualification for membership.

ARTICLE VI

VOTING RIGHTS

The Association shall have three (3) classes of voting memberships:

Class A. Class A Members shall be all those Owners of Lots or other portions of the Assessable Property with the exception of the Declarant. Class A Members shall be entitled to two (2) votes for each Lot or other portion of the Assessable Property in which they hold the interests required for membership by Section 1. When more than one person holds such interest or interests in any Lot or other portion of the Assessable Property, all such persons shall be Members and the vote for such Lot or other portion of the Assessable Property shall be exercised as they among themselves determine, but in no event shall more than two (2) votes be cast with respect to any such Lot or other portion of the Assessable Property.

Class B. Class B Members shall be all those Owners and Tenants of Lots or other portions of the Assessable Property who have executed a written lease or rental agreement pertaining to such Lot or other portion of the Assessable Property and who have delivered an executed copy of the same to the Association Board. Class B Members shall be entitled to one (1) vote each for any such Lot or other portion of the Assessable Property actually owned by an Owner and occupied by a Tenant pursuant to such a written lease or rental agreement. When more than one person holds such interest or interests, as either Owners or Tenants, in any such Lot or other portion of the Assessable Property, all such persons shall be Members and the vote of the Owners for such Lot and/or the vote of the Tenants for such Lot shall be exercised as they, respectively, among themselves determine, but in no event shall more than one (1) vote be cast by the Owners, nor more than one (1) vote be cast by the Tenants, nor more than a total of two (2) votes per Lot or other portion of the Assessable Property be cast with respect to any such Lot or other portion of the Assessable Property.

Class C. The sole Class C Member shall be the Declarant. The Class C Member shall be entitled to ten (10) votes for each Lot or other portion of the Assessable Property in which it holds the interest required for membership by Section 1; provided, that the Class C membership shall cease and become converted to Class A membership from and after the end of the Development Period. From and after the end of the Development Period, the Class C Member shall be deemed to be a Class A Member entitled to two (2) votes for each Lot or other portion of the Assessable Property in which it holds the interests required for membership under Section 1.

ARTICLE VII

BOARD OF DIRECTORS

The business of the Association shall be managed and conducted by a Board of five (5) Directors, who need not be members of the Association. The names and addresses of the persons who are to act in the capacity of directors until the election and qualification of their successors are:

Phillip D. Thorpe	Jay R. Bingham
Sherman B. Smith	Glenn L. Pace
Ralph R. Shaw	

ARTICLE VIII

OFFICERS

The Officers of the Association shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer. The Officers of the Association shall be elected by, hold office at the discretion of, and may be removed from office by the Board of Directors of the Association.

ARTICLE IX

AMENDMENT

Amendment of these Articles of Incorporation shall require the affirmative vote of two-thirds (2/3) of all classes of members, said affirmative vote being

duly taken at a meeting of the members duly called upon thirty (30) days written notice for that specific purpose.

ARTICLE X

DISSOLUTION

Dissolution of the Association shall require the affirmative vote of two-thirds (2/3) of all classes of members, said affirmative vote being duly taken at a meeting of the members duly called upon thirty (30) days written notice for that specific purpose.

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 the Association was created. In the event that such dedication is not made, or is refused, the Declarant or any owner of a lot or other portion of the Property may petition a court of competent jurisdiction to have a trustee appointed for the purpose of organizing a non-profit corporation and assigning the rights, powers, duties, and obligations of the Association to said corporation, subject only to the provisions of the Declaration.

ARTICLE XI

The name and street address of each incorporator is as follows:

Ian M. Cumming	529 East South Temple, Salt Lake City, Utah 84102
Ralph R. Shaw	529 East South Temple, Salt Lake City, Utah 84102
Jay R. Bingham	529 East South Temple, Salt Lake City, Utah 84102
Glenn L. Pace	529 East South Temple, Salt Lake City, Utah 84102
Philip D. Thorpe	529 East South Temple, Salt Lake City, Utah 84102

IN WITNESS WHEREOF, we, the undersigned original incorporators,
have hereunto set our hands the 24th day of January, 1974.

January 24, 1974
APPROVED AS TO FORM
TERRACOR LEGAL DEPARTMENT
BY Benton H. Hill

[Signature]
Ian M. Cumming

[Signature]
Ralph R. Shaw

[Signature]
Jay R. Bingham

[Signature]
Glenn L. Pace

[Signature]
Philip D. Thorpe

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

On the 24th day of January, 1974, personally appeared
before me IAN M. CUMMING, RALPH R. SHAW, JAY R. BINGHAM, GLENN L.
PACE, and PHILIP D. THORPE, who being by me duly sworn did say, each for
himself, that they are the incorporators of BAILEY CREEK COMMUNITY
ASSOCIATION, INC., and that they are the signers of the foregoing instrument.

[Signature]
Notary Public

My commission expires:

1/1/74

Residing at:

Stansbury Park, Utah