

ARTICLES OF INCORPORATION  
OF  
THE CEDAR BUTTE ADDITION  
OWNER'S ASSOCIATION, INC.

**FILED**

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STATE OF IDAHO

The undersigned, acting as incorporator, in order to form a nonprofit corporation for the purposes hereinafter stated, pursuant to Chapter 3, Title 30 of the *Idaho Code* entitled "Idaho Nonprofit Corporation Act", does hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation shall be THE CEDAR BUTTE ADDITION OWNER'S ASSOCIATION, INC.

ARTICLE II

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

ARTICLE III

The corporation shall be a nonprofit membership corporation.

ARTICLE IV

The address of the corporation's initial registered office shall be 5465 South 5th West, Idaho Falls, Idaho 83404. The name of the corporation's initial registered agent at such address is Allen Ball.

ARTICLE V

The names and address of the incorporator is:

Charles A. Homer  
HOLDEN, KIDWELL, HAHN & CRAPO, P.L.L.C.  
P.O. Box 50130  
Idaho Falls, Idaho 83405

IDAHO SECRETARY OF STATE

06/29/1999 09:00  
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## ARTICLE VI

Three (3) Directors shall constitute the initial Board of Directors of the corporation and the name and address of the persons who are to serve as Directors until the first annual meeting of the members or until their successors are elected and shall qualify are:

Allen Ball  
5465 South 5th West  
Idaho Falls, Idaho 83404

Connie Ball  
5465 South 5th West  
Idaho Falls, Idaho 83404

Judd Ball  
4111 East 240 North  
Rigby, Idaho 83442

## ARTICLE VII

This corporation shall be the Association defined in the Declaration of Covenants, Conditions and Restrictions for the Cedar Butte Addition, Madison County, Idaho (hereinafter referred to as the "Declaration"). The words and terms defined in the Declaration shall have the same meaning and definition herein as contained in the definitions section of the Declaration, which definitions are incorporated herein by reference.

## ARTICLE VIII

The nature of the business and the object and purpose of this corporation shall be as follows:

A. The transaction of any lawful business for which corporations may be incorporated under the Idaho Business Corporation Act and the Idaho Nonprofit Corporation Act.

B. To form a corporation under Title 30, Chapter 3 of the *Idaho Code*, for the purpose of providing an Owner's Association to which all owners of lots located

in the Cedar Butte Addition, Madison County, Idaho, shall belong for the purpose of maintaining and creating an environment that will provide maximum opportunity for the orderly use and development of the Cedar Butte Addition.

C. To form an Association in which the rights, privileges, burdens, responsibilities and interests of all members shall be based upon the ownership of lots in the Cedar Butte Addition. This corporation shall have all powers incidental to a corporate structure except as its powers are restricted in the Declaration.

D. To receive and accept and to be obligated to receive and accept from various parties grants of right, title and interest in Association Property, to assume the functions and obligations imposed upon the Association Property as provided for under the Declaration. All Association Property, both real and personal, received and accepted by the corporation shall be held for the benefit and use of the members of the corporation.

E. The corporation shall have the power to levy regular or special assessments to fulfill the obligations and purposes set forth in these Articles of Incorporation and the Declaration.

## ARTICLE IX

No dividend shall be paid and no part of the income of the corporation shall be distributed to its members, directors, or officers. The corporation may pay compensation in a reasonable amount to its members, directors or officers for services rendered. If the corporation is dissolved, the assets of the corporation shall be dedicated to a public body, or conveyed to a nonprofit organization with similar purposes.

## ARTICLE X

A. Each owner of a lot in the Cedar Butte Addition, by virtue of being such an owner and for so long as he, she or it is such an owner, shall be deemed a member of the Association. The Association membership of each owner shall be appurtenant to a lot for which it is issued in the Cedar Butte Addition and such membership shall not be transferred, pledged or alienated in any way except upon the transfer of title to said lot, and then only to transferees of title to said lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to said lot shall operate automatically to transfer said membership to the new owner thereof.

B. (1) Every member shall be entitled to one vote for each lot owned.

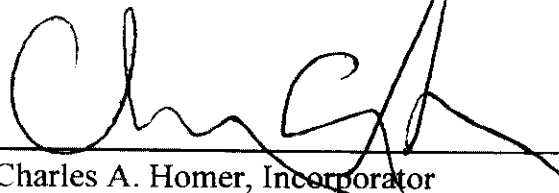
(2) The vote for each such lot shall, if at all, be cast as a unit, and fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any owner casts a vote representing a certain lot, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other owners of the same lot.

(3) The right to vote may not be severed or separated from the ownership of the lot to which it is appurtenant, except that any owner may give a revocable proxy, or may assign his, her or its right to vote for the term of a lease or deed of trust, and any sale, transfer or conveyance of such lot to a new owner or owners shall operate automatically to transfer the appurtenant vote to the new owner, subject to any assignment of the right to vote to a lessee or beneficiary as provided herein.

## ARTICLE XI

Each member shall be liable for payment of all regular and special assessments provided for in the Declaration and for payment and discharge of the liabilities of the corporation as provided in the Declaration and By-Laws of the corporation.

DATED this 25<sup>th</sup> day of June, 1999

  
Charles A. Homer, Incorporator

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