

FILED EFFECTIVE

ARTICLES OF INCORPORATION

OF

RIVER RIDGE HOMEOWNERS' ASSOCIATION, INC.

04 JUN -2 PM 4:27
SECRETARY OF STATE
STATE OF IDAHO

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be RIVER RIDGE HOMEOWNERS' ASSOCIATION, INC. ("Association").

ARTICLE II

TERM

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

ARTICLE III

NON-PROFIT

The Association shall be a non-profit, membership corporation.

ARTICLE IV

REGISTERED AGENT

The location and street address of the initial registered office of the Association shall be 1800 W. Woods Gulch Court, Eagle, Idaho 83616, and Larry Coelho is hereby appointed the initial registered agent of the Association.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Association is formed are to exercise all of the powers and privileges and perform all of the Association's duties and obligations as set forth in the Declaration of Covenants, Conditions and Restrictions of River Ridge, records of Boise County, Idaho, as amended and supplemented from time to time ("Declaration"), and the Project Documents identified therein, including, without limitation, to:

IDAHO SECRETARY OF STATE
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(A) Fix, levy, collect and enforce payment by any lawful means of all charges or Assessments pursuant to the terms of the Declaration and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association;

(B) Acquire (by gift, purchase 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 under the limitations imposed by the Declaration;

(C) Borrow money, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(D) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property, provided that any such merger, consolidation or annexation shall comply with the requirements of the Declaration; and

(E) Have and exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may by law now or hereafter have or exercise, subject only to limitations contained in the Bylaws, the Declaration, the Project Documents, and any amendments and supplements thereto.

ARTICLE VI MEMBERSHIP

During the existence of this corporation, every Owner, including Grantor, shall be a Member of the Association. No Owner shall have more than one membership in the Association for each Lot owned.

ARTICLE VII VOTING RIGHTS

The Association shall have two (2) classes of memberships:

(a) Class A Members. Class A Members shall be Members of the Association excluding Grantor so long as Grantor is the Class B Member, and shall be entitled to one vote for each Lot owned by such Owner.

(b) Class B Member. Grantor, by and through Grantor's designated representative, shall be the Class B Member and shall be entitled to ten (10) votes for each Lot owned by Grantor. The Class B Member shall cease to exist when the total cumulative votes of the Class A Members equal or exceed the total votes of the Class B Member. The date may be referred to herein as the Class B Member Termination Date. Upon the Class B Member Termination Date, Grantor shall become a Class A Member and shall be entitled to one (1) vote for each Lot owned by the Grantor.

ARTICLE VIII
BOARD OF DIRECTORS

The affairs of the Association shall be controlled by the Board of Directors (individually "Directors") to carry out all of the powers and duties of the Association as set forth herein, and shall be selected as follows:

(a) Selection of Directors Prior to Class B Member Termination Date. Until the Class B Member Termination Date, the Board shall consist of not less than three (3) Directors nor more than five (5) Directors appointed by the Class B Member in the Class B Member's discretion. The Class B Member shall have the right to remove and replace any Director, with or without cause, in the Class B Member's discretion.

(b) Selection of Board After the Class B Member Termination Date. Subsequent to the Class B Member Termination Date, the Board shall be comprised of the Members elected by a majority of the Members of the Association consistent with these Articles and the Association's Bylaws. The number of Directors within the range set forth in subsection (a) above shall be established by resolution of the Board. The names and addresses of the Persons who are to act in the capacity of Directors until the selection of their successors are as follows:

Larry Coelho	1800 W. Woods Gulch Court Eagle, Idaho 83616
Victoria Coelho	1800 W. Woods Gulch Court Eagle, Idaho 83616
Steve Dobson	P.O. Box 366 Horseshoe Bend, Idaho 83629

ARTICLE IX
ASSESSMENTS

Each Member shall be liable for the payment of Assessments pursuant to the Declaration and as set forth in the Bylaws of the Association.

ARTICLE X
BYLAWS

The Bylaws of this Association may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative vote of more than fifty percent (50%) of the total voting power of the Association. For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the Association, and the Members for

the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Declaration.

ARTICLE XI DISSOLUTION

The Association shall only be dissolved at a regular meeting, or a special meeting of the Association called for that purpose, by the affirmative votes of no less than two-thirds of the total voting power of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the real property and other assets of the Association shall be distributed as follows: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created; or (ii) granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes. Notwithstanding any other provisions of these Articles, the Association shall not carry on any other activities not permitted by any organization exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law).

ARTICLE XII AMENDMENTS

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative vote of more than two-thirds (2/3) of the total voting power of the Association as cast by the Members, and, if required by the Declaration, the consent of holders of first mortgages on Lot(s) who have requested in writing that the Association provide them notice of proposed actions which affect their interests. No amendment which is inconsistent with the provisions of the Declaration or the Project Documents shall be valid.

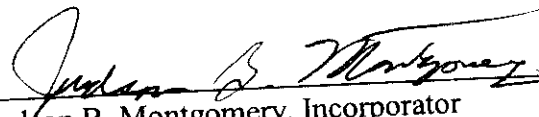
ARTICLE XIII MEANING OF TERMS

Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are ascribed to such terms in the Declaration.

ARTICLE XIV INCORPORATION

Judson B. Montgomery shall be the incorporator of the Association.

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective this 2nd day of June, 2004


Judson B. Montgomery, Incorporator
PO BOX 2720
BOISE ID 83701