

**ARTICLES OF INCORPORATION
OF
12th AVENUE PLACE OWNERS ASSOCIATION, INC.**

FILED EFFECTIVE

06 MAR 16 PM 1:17

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 ("Articles"):

ARTICLE 1 - NAME

The name of the corporation shall be 12th AVENUE PLACE OWNERS ASSOCIATION, INC. (the "Association").

ARTICLE 2 - TERM

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

ARTICLE 3 - NON-PROFIT

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

ARTICLE 4 - REGISTERED AGENT

The location and street address of the initial registered office of the Association shall be 12601 W. Explorer Dr., Suite 200, Boise, Idaho 83713, and Peter J. Oliver shall be the initial registered agent of the Association.

ARTICLE 5 - 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 Easements, Maintenance and Restrictions for 12th Avenue Place recorded on March 2, 2006, in the official records of Canyon County, Idaho, as Instrument No. 200615139, as amended and supplemented from time to time (the "Declaration"), including, without limitation, the following powers:

(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.

03/16/2006 05:00
CK: 46891 CT: 195536 BH: 943690
1 @ 30.00 = 30.00 INC NONP # 2
1 @ 20.00 = 20.00 EXPEDITE C # 3

C165706

(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 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 these Articles, the bylaws of the Association, and/or the Declaration, and any amendments and supplements thereto.

ARTICLE 6 - MEMBERSHIP

During the existence of this Association, every Owner, including Declarant, shall be a Member of the Association. No Owner, except Declarant (as provided in Article 7), shall have more than one membership in the Association for each Lot owned.

ARTICLE 7 - VOTING RIGHTS

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

(a) Class A. Class A Members shall include all Owners. Class A Members shall not be entitled to vote in the Association until such time as the Class B Member ceases to exist. As of the Class B Member Termination Date (as defined below), each Class A Member shall be entitled to one (1) vote per one thousand (1,000) square feet of the Building located on such Owner's Lot. For purposes of determining the number of votes per Lot, any square footage in excess of one thousand (1,000) square feet of any Building shall be rounded down to the nearest thousand, provided that each Owner shall be entitled to a minimum of one (1) vote per Lot. Notwithstanding anything to the contrary, when a Lot has more than one (1) Owner, the vote(s) for such Lot shall be exercised as determined by the Lot's Owners, but in no event shall the number of votes per Lot be greater than one (1) vote per one thousand (1,000) square feet of the respective Building.

(b) Class B. The Class B member shall be the Declarant. The Class B Member shall have the exclusive right to elect and appoint the Board and shall be the sole voting Member of the Association until the Class B Member Termination Date. Upon the earlier of (i) five (5) years after the substantial completion of the construction of the last building on the last Lot on the Property or (ii) the date the Class B Member does not own any of the Lots, the Class B Member shall be terminated and shall cease to exist. This date may be referred to as the "Class B Member Termination Date."

ARTICLE 8 - BOARD OF DIRECTORS

The affairs of the Association shall be controlled by the Board of Directors (the "Board") 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 seven (7) Directors (individually a "Director" or collectively the "Directors") appointed by the Class B Member in the Class B Member's discretion. Prior to the Class B Member Termination Date, 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 Directors elected by a majority of the Owners pursuant to the bylaws of the Association. The number of Directors within the range set forth in subsection (a) above shall be established by resolution of the Board. The number of Directors outside the range set forth in subsection (a) above may be changed by amendment of the bylaws of the Association, but in no event shall the number be less than three (3). The names and addresses of the individuals who are to act in the capacity of Directors until the selection of their successors are as follows:

Peter J. Oliver	12601 W. Explorer Dr., Suite 200 Boise, ID 83713
Rebecca A. Hanks	12601 W. Explorer Dr., Suite 200 Boise, ID 83713
Barry T. Baker	12601 W. Explorer Dr., Suite 200 Boise, ID 83713

ARTICLE 9 - ASSESSMENTS

Each Member shall be responsible for the performance of such Member's duties and responsibilities provided for in the Declaration and shall be liable for the payment of Assessments pursuant to the Declaration and as set forth in the bylaws of the Association.

ARTICLE 10 - 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 no less than two-thirds (2/3) 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 11 - 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 (2/3) 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 12 - AMENDMENTS

Amendment of these Articles may be made at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative vote of no less than two-thirds (2/3) of the total voting power of the Association, 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 shall be valid.

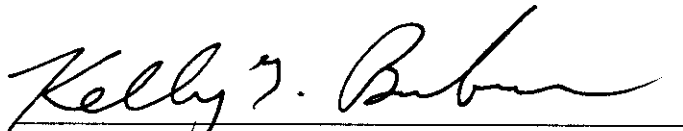
ARTICLE 13 - MEANING OF TERMS

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 14 - INCORPORATION

Kelly T. Barbour, 601 W. Bannock St., Boise, Idaho 83702 shall be the initial incorporator of the Association.

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective this 16th day of March, 2006.



Kelly T. Barbour, Incorporator