

## ARTICLES OF INCORPORATION

SECRETARY OF STATE  
STATE OF IDAHO

## ROOSEVELT COTTAGES OWNERS' ASSOCIATION, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a nonprofit 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 ROOSEVELT COTTAGES OWNERS' ASSOCIATION, INC. (hereinafter, the "Corporation").

## ARTICLE II: TERM

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

## ARTICLE III: NONPROFIT

This Corporation shall be a nonprofit, membership corporation.

## ARTICLE IV: REGISTERED AGENT

The location and street address of the initial registered office of this Corporation shall be 1627 S Orchard Street, Suite 24, Boise, Idaho 83705, and Jim D. Conger is appointed the registered agent of the Corporation. The mailing address of the Corporation is 1627 S Orchard Street, Suite 24, Boise, Idaho 83705.

## ARTICLE V: PURPOSE AND POWERS OF THE ASSOCIATION

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Corporation is formed are to provide for certain regulations for the use and control of the Buildings and Common Areas located in Roosevelt Cottages according to the plat thereof recorded in the official records of Valley County, Idaho (The "Development"), which Buildings and Common Areas are a portion of the Property covered by the Declaration of Covenants, Conditions, Restrictions and Easements for Roosevelt Cottages recorded in the official records of Valley County, Idaho ("Master Declaration"); and to promote the health, safety and welfare of the residents within the Development; and for this purpose to:

(A) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Master Declaration, as amended from time to time as therein provided, said Master Declaration being incorporated herein as if set forth at length;

(B) Fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Master Declaration and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation;

(C) 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 of the Corporation under the limitations imposed by the Master Declaration;

(D) Borrow money, and with the assent of sixty-seven percent (67%) of each class 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;

(E) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall comply with the requirements of the Master Declaration;

(F) 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 and the Master Declaration and the amendments and supplements thereto.

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## ARTICLE VI: MEMBERSHIP

Each person or entity holding fee simple interest of record to a Unit that is a part of the Property, and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation, shall be a Member of the Corporation. Membership shall be appurtenant to and may not be separated from ownership of any Unit located in the Project.

## ARTICLE VII: VOTING RIGHTS

The Corporation shall have two classes of voting membership:

(A) Class A. Members Owners other than a Grantor shall be known as Class A. Members. Each Class A. Member shall be entitled to cast one (1) vote for each Condominium Unit owned by such Class A. Member on the day of the vote.

(B) Class B. Members The Grantor shall be known as the Class B Member, and shall be entitled to three (3) votes for each Unit of which Grantor is the Owner. The Class B Member shall cease to be a Class B Member in the Association, and shall become a Class A Member, on the happening of either of the following events, whichever occurs earlier:

- (a) when ninety percent (90%) of the Units have been sold to Owners other than Grantor;
- or
- (b) December 31, 2010.

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 being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint Owners of the Unit(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Unit to which it is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Unit concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Unit to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner, subject to any assignment of the right to vote to a lessee, mortgagee, or beneficiary as provided herein.

## ARTICLE VIII: BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of three (3) Directors, who need not be Members of the Corporation. The number of Directors may be changed by amendment of the Bylaws of the Corporation, but in no event shall the number be less than three (3). The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

|               |   |
|---------------|---|
| Jim D. Conger | 1627 S Orchard St, Ste 24<br>Boise, Idaho 83705 |
| Scott Beecham | 1627 S Orchard St, Ste 24<br>Boise, Idaho 83705 |
| Pam Parker    | 2726 Terrace Way<br>Boise, Idaho 83702          |

## ARTICLE IX: ASSESSMENTS

Each member shall be liable for the payment of Assessments provided for in the Master Declaration and as set forth in the Bylaws of the Corporation.

## ARTICLE X: BYLAWS

The Bylaws of this Corporation may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of a majority of each class of Members. 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 Corporation, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Master Declaration.

## ARTICLE XI: DISSOLUTION

This Corporation may be dissolved at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of not less than seventy-five percent (75%) of each class of Members. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the real property and other assets of the Corporation shall be (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Corporation was created or (ii) granted, conveyed and assigned to a nonprofit corporation, association, trust or other organization to be devoted to such similar purposes; or (iii) distributed to the Owners of to be held by them as tenants in common in proportion to the number of Units within the Project. The determination of the liquidating distribution of the real property and other assets of the Corporation as provided above, shall be by vote of a majority of the Owners of Units as part of the Member vote on dissolution.

## ARTICLE XII: AMENDMENTS

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of not less than seventy-five percent (75%) of each class of Members and, if required by the Master Declaration, the consent of holders of first mortgages on Unit(s) who have requested of the Corporation in writing to provide them notice of proposed action which affects their interests. No amendment which is inconsistent with the provisions of the Master Declaration shall be valid.

## ARTICLE XIII: MEANING OF TERMS

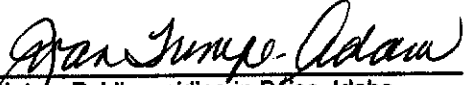
Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are applied to such terms in the Master Declaration including, without limitation, "Articles", "Assessments", "Board", "Building", "Bylaws", "Common Area", "Declarant", "Declaration", "Member", "Owner", "Property", and "Unit".

Dated this 25<sup>th</sup> day of June, 2009.

  
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Jim D. Conger  
President, Board of Directors

State of Idaho                    )  
  ) ss  
County of Ada                    )

On this 26<sup>th</sup> day of June, 2009, before me, a Notary Public in and for said State, personally appeared Jim D. Conger, known or identified to me to be the person whose name is subscribed to the within instrument as President of the Roosevelt Cottages Owners' Association, Inc., and acknowledged to me that such Corporation executed the same.

  
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Notary Public residing in Boise, Idaho  
My Commission expires: 12-31-13

