



CERTIFICATE OF INCORPORATION
OF

FIVE MILE ESTATES NORTH NO. 3 SUBDIVISION CORPORATION

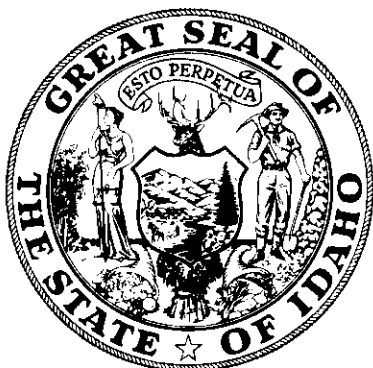
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

FIVE MILE ESTATES NORTH NO. 3 SUBDIVISION CORPORATION

duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated January 20th, 19 81.



Pete T. Cenarrusa
SECRETARY OF STATE

Corporation Clerk

ARTICLES OF INCORPORATION
OF

FIVE MILE ESTATES NORTH NO. 3 SUBDIVISION CORPORATION

SECRETARY OF STATE

In compliance with the requirements of the laws of the State of Idaho relating to non-profit corporations and acts amendatory and supplemental thereto, including particularly Section 30, Idaho Code, the undersigned natural persons, each of whom are of full age and residents of the United States, in order to form a non-profit corporation for the purposes hereinafter stated, do hereby as incorporators, adopt the following Articles of Incorporation and certify:

ARTICLE I

The name of the corporation is Five Mile Estates North No. 3 Subdivision Corporation, hereinafter called the "Corporation".

ARTICLE II

The principal office of the Corporation is located at 412 East 41st. Street, Boise, Idaho, 83704.

ARTICLE III

PURPOSE AND POWERS OF THE CORPORATION

The purposes of this Corporation shall be to own, provide for maintenance, preservation and control of the Sewage Disposal Sites and Sewage Systems, "Sewage Systems" being defined as any system designed for the disposal of human waste and wastewater previously approved by Public Health District No. 4, an appropriate agency of the state or county government, or their successors, hereinafter called the "health authority"; and architectural control with Five Mile Estates North No. 3 Subdivision, Ada County, Idaho, as filed for record in the office of the Ada County Recorder in Book _____ of Plats at pages _____ and _____, any additions as may hereafter be brought within the jurisdiction of this Corporation by annexation as provided in the Declaration referred to below, and to promote the recreation, health, safety and welfare of the stockholders hereof, 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 that certain Declaration of Covenants, Conditions and Restrictions, hereafter called the "Declaration", applicable to the property and recorded or to be recorded in the office of the County Recorder of Ada County, Idaho, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;
- (b) Fix, levy, collect, and enforce payment by any lawful means, all charges and assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges imposed against the property of the Corporation;

- (c) Acquire (by gift, purchase or otherwise), own, sell, hold, improve, build upon, operate, maintain, convey, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;
- (d) Borrow money, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to those restrictions contained in the Declaration and any amendments thereto;
- (e) Dedicate, sell or transfer all or any part of the Sewage Disposal Site or facilities to any public agency, authority, utility or other legally formed entity for such purposes and subject such conditions as may be agreed to by the stockholders, subject to those restrictions contained in the Declaration and any amendments thereto;
- (f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional property subject to those restrictions contained in the Declaration and any amendments thereto; and
- (g) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Idaho by law may now or hereafter have or exercise.

ARTICLE IV

STOCKHOLDERS AND SHARES OF STOCK

Every person or entity who is a record owner (including contract sellers) of a fee or undivided fee interest in any improved lot located within said property shall, by virtue of such ownership, be a stockholder of the Corporation. When more than one person holds such interest in any Lot, all such persons shall be stockholders. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Stock ownership shall be appurtenant to and may not be separated from ownership of any such Lot subject to assessment by the Corporation. Such ownership shall be the sole qualification for becoming a stockholder, and shall automatically commence upon a person becoming such owner, and shall automatically terminate and lapse when such ownership in said property shall terminate or be transferred. The Corporation shall maintain a stockholder list and may require written proof of any stockholders' Lot ownership interest.

The number of shares to be issued shall be 52 shares of no par, assessable, common stock.

ARTICLE V

VOTING RIGHTS

The Corporation shall have one class of voting stock. Each stockholder shall be entitled to cast one vote or fractional vote as set forth herein for each improved Lot in which they hold the interest required for stock, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any improved Lot. Voting by proxy shall be permitted; provided, proxies shall not be valid for a period in excess of eleven (11) months from their date of execution and shall

and initially terminate if the grantor of the proxy ceases to be a stockholder of the Corporation. Each proxy shall be revocable at the pleasure of the stockholder who executed it.

ARTICLE VI BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by a Board of at least three (3) Directors, who need not be stockholders of the Corporation, at meetings duly held pursuant to the By-Laws and at which a quorum is present in person or by proxy. A quorum shall consist of a majority of the Directors present in person or by proxy.

At the first regular meeting the stockholders shall elect all Directors for a term of one year. Vacancies during the terms shall be filled by appointment by a majority of the remaining Directors.

ARTICLE VII DISSOLUTION

The Corporation may be dissolved only upon compliance with one of the following conditions:

- (a) The Sewage System has been permanently abandoned;
- (b) Sewage disposal is provided by central sewage operated by a public agency; and
- (c) The subject properties have been transferred to a party or parties who, prior to such transfer, entered into an agreement with the health authority to maintain and operate said sewage system.
- (d) Merger or consolidation with a similar non-profit corporation to carry out the duties and responsibilities of the Corporation including the specific financial accounts as required by the By-Laws and/or the Declaration, provided the new responsible non-profit corporation, prior to such merger or consolidation, enters into an agreement with the health authority to maintain and operate said sewage system.

Upon compliance with the above requirements, the Corporation may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the stockholders. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the assets of the Corporation shall be dedicated to the appropriate public agency, or agencies, to be used for purposes similar to those for which the Corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or their organization to be devoted to such similar purposes. No part of the assets of such dissolution shall inure to the benefit of any stockholder.

ARTICLE VIII DURATION

The Corporation shall exist perpetually.

ARTICLE XI

The names and post office addresses of each of the incorporators are:

Name	Address
Earl T. Grossaint	412 East 41st. Street, Boise, Idaho
Douglas F. Wolf	412 East 41st. Street, Boise, Idaho

and Douglas L. Bell, whose address is 412 East 41st, Boise, Idaho
is hereby appointed the initial register agent of this Corporation.

ARTICLE X

The names and addresses of the initial directors are:

<u>Name</u>	<u>Address</u>
<u>Earl T. Grossaint</u>	<u>412 East 41st., Boise, Idaho</u>
<u>Douglas F. Wolf</u>	<u>412 East 41st., Boise, Idaho</u>
<u>Douglas L. Bell</u>	<u>412 East 41st., Boise, Idaho</u>

ARTICLE XI

Amendments to these Articles shall require the assent of those stockholders casting two-thirds (2/3) of the votes of the Corporation stock at any regular stockholders' meeting called specifically for that purpose. The By-Laws may be amended by the same procedure.

Notwithstanding any other provision of these Articles of Incorporation, or the By-Laws, no amendment to any provision contained therein regarding the sewage system shall be made without the prior written approval of the proper health authority. No amendment shall be made for twelve (12) months after the filing of these Articles of Incorporation or of the By-Laws without written approval of the U.S. Department of Housing and Urban Development.

IN WITNESS WHEREOF, for the purpose of forming this Corporation under the laws of the State of Idaho, we, the undersigned, constituting the incorporators of this Corporation, have executed these Articles of Incorporation this 13 day of January, 1981.

Earl T. Grossaint
Douglas F. Wolf
Douglas L. Bell

STATE OF IDAHO)
County of Ada) ss.

On this 14th day of January, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Earl T. Grossaint, Douglas F. Wolf, and Douglas L. Bell, known to me to be the persons whose names are subscribed to the foregoing instrument, and who acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first above written.

Laura J. Draper
Notary Public for Idaho
Residing at Engle