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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION

OF

RANCH AREA LOCAL ASSOCIATION, INC.

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 RANCH AREA LOCAL ASSOCIATION, INC. (the "Ranch Area Local Association").

ARTICLE II
TERM

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

ARTICLE III
NON-PROFIT

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

ARTICLE IV
REGISTERED AGENT

The location and street address of the initial registered office of the Ranch Area Local Association shall be 424 Sherman Avenue, Suite 205, Coeur d'Alene, Idaho 83814, and Dennis E. Cunningham, II is hereby appointed the initial registered agent of the Ranch Area Local Association.

ARTICLE V
PURPOSE AND POWERS OF THE RANCH AREA LOCAL ASSOCIATION

The Ranch Area Local Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Ranch Area Local Association is formed are to provide for certain regulations of the use of the Lots in Ranch Area A and Ranch Area B located in the Meadow Ranch Planned Unit Development (the "Ranch Phase") and to

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exercise all of the powers and privileges and perform all of the Ranch Area Local Association's duties and obligations as set forth in the Ranch Area A and Ranch Area B Supplement to the Master Declaration of Covenants, Conditions, Easements and Restrictions for Meadow Ranch Planned Unit Development, recorded in the real property records of Kootenai County, Idaho on August 14, 2008 as Instrument No. 2173657000, as it may be amended and supplemented from time to time (the "**Ranch Area Supplement**"), which Lots are a portion the Property covered by the Master Declaration of Covenants, Conditions, Easements and Restrictions for the Meadow Ranch Planned Unit Development, recorded in the real property records of Kootenai County, Idaho on August 14, 2008 as Instrument No. 2173656000, as it may be amended and supplemented from time to time (the "**Master Declaration**"), and the Project Documents identified therein 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 Master Declaration and the Ranch Area Supplement and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Ranch Area Local 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 Ranch Area Local Association under the limitations imposed by the Master Declaration or Ranch Area Supplement;

(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 Master Declaration and the Ranch Area Supplement; 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 Master Declaration, the Project Documents, the Ranch Area Supplement and any amendments and supplements thereto.

ARTICLE VI **MEMBERSHIP**

During the existence of this corporation, every Owner of a Lot in the Residential Phase, including Declarant, shall be a Member of the Ranch Area Local Association. No Owner of a Lot in the Residential Phase shall have more than one membership in the Ranch Area Local Association for each Lot owned.

ARTICLE VII
VOTING RIGHTS

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

(a) Class A Members. Class A Members shall be the Owners of Lots within the Residential Phase. Upon the Class B Member Termination Date (defined below), at all meetings of the Ranch Area Local Association each such Member will be entitled to one (1) vote for each Lot within the Residential Phase owned by such Member.

(b) Class B Member. Declarant, by and through Declarant's designated representative (hereinafter "**Declarant's Delegate**"), shall be the Class B Member, and shall be the sole voting member of the Ranch Area Local Association entitled to vote the collective voting power of the Residential Phase until the Class B Member Termination Date. The Class B Member shall cease to exist upon the earlier to occur of the following: (i) Declarant owns less than five percent (5%) of the Lots within the Residential Phase; or (ii) eight (8) years following the date the first Lot within the Residential Phase is conveyed by Declarant. This date may be referred to herein as the "**Class B Member Termination Date.**"

ARTICLE VIII
BOARD OF DIRECTORS

The affairs of the Ranch Area Local Association shall be controlled by the Board of Directors (individually "**Directors**") to carry out all of the powers and duties of the Ranch Area Local 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 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 elected by a majority of the Members of the Ranch Area Local 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 Ranch Area Local Association, 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 as follows:

Dennis E. Cunningham, II	PO Box 3398 Coeur d'Alene, Idaho 83816
Sharon Cunningham	PO Box 3398 Coeur d'Alene, Idaho 83816
Ryan T. Neary	424 Sherman Avenue, Suite 206 Coeur d'Alene, Idaho 83814

ARTICLE IX ASSESSMENTS

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

ARTICLE X BYLAWS

The Bylaws of this Ranch Area Local Association may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Ranch Area Local Association called for that purpose, by the affirmative vote of more than fifty percent (50%) of the total voting power of the Ranch Area Local 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 Ranch Area Local Association, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Master Declaration and the Ranch Area Supplement.

ARTICLE XI DISSOLUTION

The Ranch Area Local Association shall only be dissolved at a regular meeting, or a special meeting of the Ranch Area Local Association called for that purpose, by the affirmative votes of no less than two-thirds of the total voting power of the Ranch Area Local Association. Upon dissolution of the Ranch Area Local Association, other than incident to a merger or consolidation, the real property and other assets of the Ranch Area Local Association shall be distributed as follows: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Ranch Area Local 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 Ranch Area Local 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 Ranch Area Local Association called for that purpose, by the affirmative vote of more than two-thirds (2/3) of the total voting power of the Ranch Area Local Association as cast by the Members, and, if required by the Master Declaration or the Ranch Area Supplement, the consent of holders of first mortgages on Lot(s) who have requested in writing that the Ranch Area Local Association provide them notice of proposed actions which affect their interests. No amendment which is inconsistent with the provisions of the Master Declaration, the Ranch Area Supplement 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 Master Declaration or Ranch Area Supplement.

ARTICLE XIV
INCORPORATION

Dennis E. Cunningham, II shall be the incorporator of the Ranch Area Local Association.

IN WITNESS WHEREOF, I have hereunto set my hand effective this 12th day of November, 2009.



Dennis E. Cunningham, II, Incorporator