

ARTICLES OF INCORPORATION

OF

ELDORADO ESTATES SUBDIVISION OWNERS' ASSOCIATION, INC.

2007 SEP 11 PM 4:31

SECRETARY OF STATE
STATE OF IDAHO

FILED EFFECTIVE

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 Eldorado Estates Subdivision 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
NON-PROFIT**

This Corporation shall be a non-profit, membership corporation.

**ARTICLE IV
REGISTERED AGENT**

The location and street address of the initial registered office of this Corporation shall be 1311 Torrey Lane, Nampa, Idaho 83686, and S&D Development, Inc. is hereby appointed the initial registered agent of the Corporation.

**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 of the use and architectural control of the Apartments, Buildings, and Common Area located or to be located in the Property, which is a portion of the Eldorado Estates Subdivision according to the plat thereof recorded or to be recorded in the official records of Canyon County, Idaho (the "**Subdivision**"), which Property is covered by the Declaration of Covenants,

ARTICLES OF INCORPORATION - 1

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Conditions and Restrictions for Eldorado Estates Apartments recorded or to be recorded in the official records of Canyon County, Idaho (the "**Declaration**"); and to promote the health, safety and welfare of the Owners and residents within the Property; 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 Declaration as 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 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 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 in connection with the affairs of the Corporation under the limitations imposed by the Declaration;

(D) Borrow money, and with the assent of fifty percent (50%) of the Class A Members and the Class B Member, 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 non-profit 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 Declaration; and

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

ARTICLE VI MEMBERSHIP

Each person or entity holding fee simple interest of record to a Building and Lot which 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 Building and Lot located in the Property.

ARTICLE VII VOTING RIGHTS

The Corporation shall have three (3) classes of voting membership:

(A) Class A. The Class A Members shall be all Owners of Lots within the Property, with the exception of Grantor, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members, but in no event shall more than one (1) vote be cast with respect to any Lot.

(B) Class B. The Class B Member shall be Grantor, and shall be entitled to ten (10) votes for each Lot owned by Grantor in the Subdivision.

The Class B Member shall cease to be a Member in the Association on the happening of either of the following events, whichever occurs earlier:

(1) When the Class B Member holds no votes; or

(2) Ten (10) years after the date the Declaration is recorded in the official records of Canyon County, Idaho.

(C) Class C. The Class C Member shall be the managing agent of the Property appointed by the Board of Directors pursuant to the Bylaws. The Class C Member shall be a non-voting Member of the Corporation and may act on the Board if so selected or appointed by the Board. The Class C Member shall not pay Assessments.

ARTICLE VIII BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of at least three (3) Directors, but not more than five (5) Directors, who need not be Members of the Association. 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 initially appointed to act in the capacity of Directors until the selection of their successors are:

David Scaggs

1311 Torrey lane
Nampa, ID 83686

Stephen White

3710 E. Man O'War
Nampa, ID 83686

Marty Short

3436 Southside Boulevard
Nampa, ID 83686

ARTICLE IX ASSESSMENTS

Each Member shall be liable for the payment of Assessments provided for in the 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 the Class A Members and the Class B Member. 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 Declaration.

ARTICLE XI DISSOLUTION

The 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 voting 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 non-profit corporation, association, trust or other organization to be devoted to such similar purposes; or (iii) distributed to the Owners of Lots to be held by them as tenants in common in proportion to the number of Apartments within the Subdivision. The determination of the liquidating distribution of the real property and other assets of the Corporation as provided above shall be determined by vote of a majority of the Owners of Lots 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 voting class of Members and, if required by the Declaration, the consent of holders of first mortgages on Lot(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 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 Declaration including, without limitation, "Apartment," "Articles," "Assessments," "Association," "Board," "Building," "Bylaws," "Common Area," "Grantor," "Lot," "Member," "Owner" and "Property."

**ARTICLE XIV
INCORPORATION**

Michael T. Spink, 251 E. Front Street, Suite 200, P.O. Box 639, Boise, Idaho 83701, shall be the incorporator of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 11th day of September, 2007.



Michael T. Spink, Incorporator