

**FILED EFFECTIVE**

**ARTICLES OF INCORPORATION  
OF  
HERITAGE ESTATES HOME OWNER'S ASSOCIATION, INC.**

2006 JUL 12 AM 8:27

SECRETARY OF STATE  
STATE OF IDAHO

The undersigned, being a natural person of full age, legally competent to enter into contracts, and a citizen of the United States of America, do hereby voluntarily adopt the following Articles of Incorporation for the purpose of forming a nonprofit corporation under the provisions of Title 30, Chapter 3, *Idaho Code*:

**Article One: Name**

The name of this corporation shall be:

HERITAGE ESTATES SUBDIVISION HOME OWNER'S ASSOCIATION, INC.

**Article Two: Nonprofit Designation**

The corporation formed by these Articles shall be a non-profit corporation; as such term is defined in *Idaho Code* 30-305.

**Article Three: Duration**

This corporation shall have perpetual duration.

**Article Four: Purposes**

The nature, objects, purposes, and powers of this corporation are as follows:

- A. This corporation does not contemplate any pecuniary gain or profit, and no part of its income shall at any time be distributable to its members, directors, or officers, provided, however, that this provision shall not be construed to prohibit the payment of reasonable compensation for services actually rendered for the benefit of the corporation, nor to prohibit the conferring of benefits upon the corporation's members in conformity with the purposes expressed in these Articles. It is not intended, however, that this corporation be eligible to qualify for tax-exempt status under the provisions of Section 501 (c) of the Internal Revenue Code, as amended from time to time.

IDAHO SECRETARY OF STATE  
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- B. The main purpose of this corporation is to provide for the ownership, management, and maintenance of a parcel of real property in Bingham County, Idaho, known as Heritage Estates and adjoining parcels/lots, collectively hereafter Heritage Estates Subdivision, according to the official Plat thereof, Records of Bingham County, Idaho. An additional purpose of this corporation is to provide for the maintenance and management of a pressured irrigation system within the subdivision and the maintenance and management of the landscaped areas of the subdivision as is defined in Section 19 of the Declaration of Covenants, Conditions and Restrictions. The corporation shall have the rights set forth herein, as well as incidental rights under Idaho law and as more fully described in the Code of By-Laws for this corporation and the Declaration of Covenants, Conditions and Restrictions for Heritage Estates Subdivision as amended and recorded in the Records of Bingham County, Idaho.

#### **Article Five: Members**

**Members:** The record title owners of every lot in Heritage Estates Subdivision of Bingham County, Idaho, and adjacent parcels, shall automatically be members of this corporation. This membership in the corporation shall be appurtenant to ownership of the real property and shall run with the land as port of title.

- A. At all meetings of members of this corporation, the maximum number of votes which may be cast shall be twenty-five (25) and (1) vote shall be allocated to each owner of each lot in Heritage Estates Subdivision. Votes cast shall be by the record owner of the lot, or his proxy, and the majority of those votes cast after a quorum is had shall control unless the issue presented specifically requires a greater (than majority) vote according to these Articles, the Code of By-Laws, and/or the Declaration of Covenants, Conditions and Restrictions for the Heritage Estates Subdivision. In that case, the specified percentage of votes for a specific action sought must be obtained.
- B. There shall be no certificates of membership, and evidence of ownership of record title of all or any portion of said lots in Heritage Estates Subdivision, according to the Official Records of Bingham County, Idaho, shall constituted proof of membership in this corporation. Membership shall automatically transfer to the transferee of the property concurrently with transfer of a member's record title to all or any portion of the said lots of Heritage Estates Subdivision.
- C. Meetings of the members shall be held at such places and times as may be provided in the By-Laws, and may also be held in any manner prescribed or

permitted by the corporation laws of the State of Idaho, as amended from time to time. The presence of members entitled to cast twelve (12) votes at a meeting shall be sufficient to constitute a quorum, and such quorum may transact any matter of business lawfully permitted to be transacted at a membership meeting held at the place and time provided in the by-laws, written notice of each membership meeting shall be given to each member at the most recent address for such member shown on the corporation's books and records, and such written notice shall be deposited in the United States Mail, postage fully prepaid, not less than ten (10) days nor more than fifty (50) days before the date of the meeting; provided, however, the necessity for such written notice may be waived by the unanimous written consent of all members.

- D. Members of this corporation shall not be personally liable for the debts, liabilities, or obligations of the corporation. Additionally, neither directors nor officers shall be personally liable for the debts, liabilities, or obligations of the corporation.

#### **Article Six: Board of Directors**

The affairs of this corporation shall be managed by a Board of Directors who need not be residents of the State of Idaho. The by-laws may require additional qualifications for directors.

- A. The number of directors for any given year shall be three (3) directors elected for that period of time of no less than twelve (12) months. Directors shall be elected for annual terms of service, unless otherwise declared in the By-Laws.
- B. The directors shall also be considered as the acting Architectural Control Committee (ACC) defined in section 1 of the Declaration of Covenants, Conditions and Restrictions, unless otherwise declared in the By-Laws.

#### **Article Seven: By-Laws**

The Board of Directors is authorized to adopt, amend, and repeal by-laws of the corporation, and to provide in such by-laws for any matter which may lawfully be governed by the by-laws of a nonprofit corporation under the laws of the State of Idaho. All provisions of the by-laws relating to the election, qualification, and term of office of directors may be adopted, amended, and repealed by vote of the members at any annual membership meeting or at any special membership meeting called for such purpose.

#### **Article Eight: Dissolution**

This corporation may not be dissolved without the permission of the Idaho Bingham County Planning and Zoning. If such permission is obtained the corporation may be dissolved upon unanimous affirmative vote of the members present and voting at any membership meeting, provided written notice was given to each member, at such member's most recent address as shown on the books and records of the corporation, not less than ten (10) days before the date of the meeting, stating that the question of dissolution of the corporation was proposed to be voted upon at such meeting.

In the event of dissolution of the corporation, all processes required by Idaho law shall be followed but, to the extent not otherwise disallowed by law, the assets shall be dedicated to a public body or conveyed to a nonprofit organization with similar propose to those expressly granted to this corporation.

#### **Article Nine: Assessments**

Assessments may be levied upon members for the purposes specified in the by-laws or declaration of covenants, conditions and restrictions, and the same shall be allocated among the members in the manner set forth in the by-laws. The time of payment and manner of collection thereof shall be fixed by the Board of Directors from time to time in conformity with the provisions set forth in the by-laws or declaration of covenants, conditions, and restrictions. Unpaid assessments shall constitute a lien upon any portion of the lots in Heritage Estates Subdivision owned by a member whose assessment is unpaid, and such lien may be enforced by this corporation in the same manner as provided by law in the State of Idaho for the foreclosure of mortgages upon real property, except that all assessments are subordinated to the lien of the first mortgage. The failure to pay the assessments does not constitute a default under an insured first mortgage.

#### **Article Ten: Amendment**

These Articles of Incorporation may be amended by vote of seventy-five (75%) per cent of interest of the members present and voting at any annual membership meeting or at any special membership meeting called for such purpose.

#### **Article Eleven: Registered Agent and Office**

The initial registered agent of this corporation is:

Clinton Bradshaw  
Custom Development, LLC  
1317 North 1100 East  
Shelley, Idaho 83274

**Article Twelve: Initial Directors**

The initial directors shall be:

Keith Zaugg  
1404 North 1070 East  
Shelley, Idaho 83274

Jennifer Erikson  
1411 North 1070 East  
Shelley, Idaho 83274

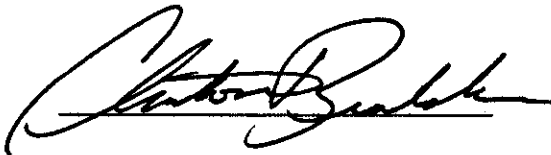
Matt Young  
1419 North 1070 East  
Shelley, Idaho 83274

**Article Thirteen: Incorporator**

The name and street address of the incorporator of this corporation are as follows:

Clinton Bradshaw  
Custom Development, LLC  
1317 North 1100 East  
Shelley, Idaho 83274

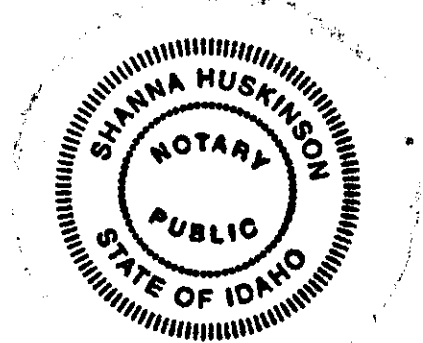
IN WITNESS WHEREOF, the said incorporator has executed these Articles of Incorporation on this 10<sup>th</sup> day of July, 2006.



Clinton Bradshaw

State of Idaho

County of Bonneville



I, Shanna Huskinson a notary public, do hereby certify that on this 10<sup>th</sup> day of July, 2006, personally appeared before me Clinton Bradshaw who, being by me first duly sworn, declared that he is the President of Custom Development, LLC that he signed the foregoing document as President of the corporation, and that the statements therein contained are true.

Shanna Huskinson  
Notary Public

Expires on: 3/18/2011