ARTICLES OF INCORPORATION

of

Northridge No. 5 Subdivision Homeowners' Association, Inc.

AN IDAHO NONPROFIT CORPORATION

Filed / Effective	Filed with	File number
May 23, 2002, 1:49 p.m.	Idaho Secretary of State	C144027

Reformatted copy for easier reading. This is a word-for-word transcription of the Articles of Incorporation as filed with the Idaho Secretary of State. Spelling and wording are unchanged; only the layout is new. If this copy and the filed original ever differ, the filed original controls.

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation for such corporation.

ARTICLE 1. NAME:

The name of the corporation shall be Northridge No. 5 Subdivision Homeowners' Association, Inc. This corporation is a nonprofit corporation.

ARTICLE 2. DURATION:

The duration of this corporation shall be perpetual.

ARTICLE 3. PURPOSE AND POWERS:

The purposes for which the corporation is organized are to engage in all such activities as are incidental or conducive to the attainment of the objectives of the corporation and any other activities which are permitted to be done by a nonprofit corporation under any laws that may now or hereafter be applicable or available to this corporation. Without limiting the foregoing, it is expressly provided hereby that:

(a) The corporation shall exercise all of the powers and privileges and perform all of the duties and obligations of the corporation as set forth in the Declaration of Covenants, Conditions and Restrictions (hereinafter "Declaration") applicable to the property and recorded or to be recorded in the Office of the Canyon County Recorder,[1] as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set out at length.

(b) The corporation shall fix, levy, collect and enforce payment by any lawful means, all charges or assessments, periodic or special, authorized to be made under the

Declaration.

(c) Annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dissolution and amendment of these Articles shall require prior approval of the United States Department of Housing and Urban Development and/or the United States Veterans Administration as long as there is a Class B membership and provided that the said agencies then have an interest in the property which is subject to the Declaration.

ARTICLE 4. MEMBERSHIP:

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the corporation, including contract sellers, shall be a member of the corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the corporation.

ARTICLE 5. VOTING RIGHTS:

Voting in the Association shall be carried out by Members who shall cast the votes attributable to the Building Lots which they own, or attributable to the Building Lots owned by Grantor. The number of votes any Member may cast on any issue is determined by the number of Building Lots which the Member, including Grantor, owns. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the votes attributable to the Building Lot. For voting purposes, the Association shall have two (2) classes of Members as described below:

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

5.2 Class B Members. Grantor shall be known as the Class B Member, and shall be entitled to cast five (5) votes for each Building Lot owned by such Class B Member on the day of the vote. The Class B Member shall convert to a Class A Member on the happening of either of the following events, whichever occurs earlier:

(a) when all of the Building Lots have been sold to Owners other than Grantor; or

(b) twenty (20) years after the date this Declaration is recorded in the official records of Ada County, Idaho.

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 Building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot 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 Building Lot concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Building Lot 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 6. REGISTERED OFFICE AND AGENT:

The address of the initial registered office of this corporation is 310 East Lake Street, McCall, Idaho 83638, and the name of its initial registered agent at such address is Scott G. Findlay. Mailing Address is PO BOX 4418 McCall ID 83638[2]

ARTICLE 7. DIRECTORS:

The number of directors of this corporation shall be fixed by the bylaws and may be increased or decreased from time to time in the manner specified therein. The initial board of directors shall consist of three (3) directors. The names and addresses of the persons who shall serve as directors until the first meeting of the members and until their successors are elected and qualify, or unless they resign or are removed, are:

Scott G. Findlay	310 East Lake Street McCall, Idaho 83638
Chris G. Findlay	310 East Lake Street McCall, Idaho 83638
Vicki J. Findlay	310 East Lake Street McCall, Idaho 83638

ARTICLE 8. INCORPORATOR:

The name and address of the incorporator are as follows:

Scott G. Findlay	310 East Lake Street McCall, Idaho 83638

ARTICLE 9. AMENDMENT OF ARTICLES AND BYLAWS:

These Articles may not be amended without at least 66-2/3% of the membership votes being cast in support of such amendment.

ARTICLE 10. DISSOLUTION:

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be dedicated to a public body or conveyed to a nonprofit organization with similar purposes.

ARTICLE 11. LIMITATION OF LIABILITY:

A director of this corporation shall not be personally liable to this corporation or its members for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to this corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the director derived any improper personal benefit. If the Idaho Nonprofit Corporation Act (the "Act") is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of this corporation shall be eliminated or limited to the fullest extent permitted by the Act as so amended. Any repeal or modification of this Article 11 by the members of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

EXECUTED this 9 day of MAY, 2002, by the undersigned incorporator.

/s/ Scott G. Findlay
Scott G. Findlay

[1] As written in the filed Articles. The Declaration of Covenants, Conditions and Restrictions for Northridge No. 5 Subdivision was recorded with the Ada County Recorder on December 6, 2001.

[2] This sentence was typed onto the filed original after the rest of the paragraph.