

ARTICLES OF INCORPORATION

OF

THE RESERVE AT PINEWOOD LAKES HOMEOWNERS ASSOCIATION, INC.

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SECRETARY OF STATE
STATE OF IDAHO

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a nonprofit 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 THE RESERVE AT PINEWOOD LAKES HOMEOWNERS 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: NONPROFIT

This Corporation shall be a nonprofit, membership corporation.

ARTICLE IV: REGISTERED AGENT

The location and street address of the initial registered office of this Corporation shall be 11650 W. New Hope, Star, Idaho 83669, and Sandra J. Johnson is hereby appointed the initial registered agent of the Corporation.

ARTICLE V: PURPOSE AND POWERS

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 Building Lots and Common Areas located in Pinewood Lakes Subdivision Phase 4, also known as The Reserve at Pinewood Lakes, according to the plat thereof recorded in the official records of Ada County, Idaho (the "**Subdivision**"), which Building Lots and Common Areas are a portion of the Property covered by the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Pinewood Lakes, as amended ("**Master Declaration**") and The Reserve Third Supplement to the Master Declaration (the "**Reserve Supplement**") recorded or to be recorded in the official records of Ada County, Idaho, and to promote the health, safety and welfare of the residents within the Subdivision; 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 Master Declaration and The Reserve Supplement as amended from time to time as therein provided, said Master Declaration and The Reserve Supplement being incorporated herein as if set forth at length; and

(B) 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 Reserve Supplement, including 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 Master Declaration and The Reserve Supplement;

(D) Borrow money, and with the assent of two-thirds (2/3) of each class of Members 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 nonprofit 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 Master Declaration and The Reserve Supplement;

(F) 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 Reserve Supplement, and any amendments and supplements thereto.

ARTICLE VI: MEMBERSHIP

Each person or entity holding fee simple interest of record to a Building Lot which is a part of the Subdivision, 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. There shall be one (1) membership in the Corporation for each Building Lot located in the Subdivision. Membership shall be appurtenant to and may not be separated from ownership of any Building Lot located in the Subdivision.

ARTICLE VII: VOTING RIGHTS

The Corporation shall have two (2) classes of voting membership:

(A) Class A Members. The Class A Members shall be Owners of Building Lots within the Subdivision, except for Grantor. The Class A Members shall be entitled to one (1) vote for each Building Lot owned by such Class A Members.

(B) Class B Member. Grantor shall be the Class B Member, and shall be entitled to five (5) votes for each Building Lot owned by Grantor within the Subdivision. The Class B Member shall cease to be a voting Member in the Corporation at the earlier of: (1) the date the Class B Member owns no Building Lots within the Subdivision; or (2) ten (10) years from the date the first Building Lot within the Subdivision is conveyed by Grantor.

ARTICLE VIII: BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of three (3) Directors, comprised of agents of Grantor so long as Grantor owns any Building Lot in the Subdivision. 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 to act in the capacity of Directors until the selection of their successors are:

Sandra J. Johnson

PO Box 388
Star, ID 83669

James Durst

PO Box 388
Star, ID 83669

Kelly Fulfer

PO Box 388
Star, ID 83669

ARTICLE IX: ASSESSMENTS

Each Member shall be liable for the payment of Assessments provided for in the Master Declaration and The Reserve Supplement, the Project Documents and as otherwise set forth in the Bylaws of the Corporation.

ARTICLE X: 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 three-fourths (3/4) of each 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, if any, 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 nonprofit corporation, association, trust or other organization to be devoted to such similar purposes; or (iii) distributed to the Owners of Building Lots to be held by them as tenants in common in proportion to the number of Building Lots within the Subdivision.

ARTICLE XI: 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 three-fourths (3/4) of each class of Members. No amendment which is inconsistent with the provisions of the Master Declaration, The Reserve Supplement, or the Project Documents shall be valid.

ARTICLE XII: 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 Master Declaration and The Reserve Supplement including, without limitation, "Articles," "Assessments," "Board," "Building Lot," "Bylaws," "Common Area," "Community Association," "Delegate," "Grantor," "Member," "Owner," "Project Documents," and "Property."

ARTICLE XIII: INCORPORATION

JoAnn C. Butler, 251 E. Front Street, Suite 200, Boise, Idaho 83702, shall be the incorporator of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 14th day of October, 2005.



JOANN C. BUTLER, Incorporator