

ARTICLES OF INCORPORATION

OF

SOUTHPOINT HOMEOWNERS ASSOCIATION, INC.
an Idaho Nonprofit Corporation

FILED

Nov 13 3 56 PM '97

SECRETARY OF STATE
STATE OF IDAHO

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, being a natural person of full age, legally competent to enter into contracts, and a citizen of the United States of America, does hereby voluntarily adopt the following Articles of Incorporation for the purpose of forming a nonprofit corporation pursuant to the provisions of Title 30, Chapter 3, Idaho Code:

ARTICLE ONE: NAME

The name of this corporation is Southpoint Homeowners Association, Inc.

ARTICLE TWO: NONPROFIT DESIGNATION

The corporation formed by these Articles shall be a nonprofit corporation as provided for by Idaho Code Section 30-3-1, *et seq.*

ARTICLE THREE: DURATION

This corporation shall have perpetual duration.

ARTICLE FOUR: PURPOSES

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

The corporation is organized exclusively for the purpose of performing any and all acts which may be necessary or proper for, or incidental to, the rights, powers, and duties conferred upon Southpoint Homeowners Association, Inc. under that certain Declaration of Covenants, Conditions, and Restrictions for Southpoint Subdivision recorded as Instrument No. 97079120, records of Ada County, Idaho, hereinafter referred to as the "Declaration" as the same may, from time to time, be amended; including but not limited to rights and duties incidental to the ownership, management and operation of the common areas of Southpoint Subdivision as identified in the official plat of the Southpoint Subdivision and the Declaration.

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The corporation may have and exercise all such powers as are by law conferred upon such corporations of like character, consistent with its purposes, and in carrying out its purposes the corporation may do any and all things necessary thereto and may exercise any and all powers not prohibited by these Articles of Incorporation or by Idaho law.

ARTICLE FIVE: EXEMPT STATUS NOT INTENDED

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.

ARTICLE SIX: MEMBERS

Every person who is an owner of a lot (except common area lots) in Southpoint Subdivision, according to the official plat thereof recorded as Instrument No. 97032375, records of Ada County, Idaho, shall be a member of this corporation and shall be entitled to the voting rights set in Article Four (Homeowner's Association) of the Declaration.

Members of this corporation shall not be personally liable for the acts, debts, liabilities, or obligations of the corporation.

ARTICLE SEVEN: BOARD OF DIRECTORS

The affairs of this corporation shall be managed by a Board of Directors.

The number of directors for any given year shall be three (3), who are initially appointed by Boulder Creek Associates, L.L.P. After the initial appointment of directors, directors shall be elected by the members at their annual meeting.

The following persons are appointed to the initial Board of Directors, to serve until their successors are elected as set forth above:

	Name	Address
(a)	Bill Davis	1111 S. Orchard, Ste. 155, Boise, Idaho
(b)	Bert Smith, Jr.	1111 S. Orchard, Ste. 155, Boise, Idaho
(c)	Frank Varriale	1111 S. Orchard, Ste. 155, Boise, Idaho

Directors acting in good faith shall not be personally liable for the general acts, debts, liabilities, or obligations of the corporation.

ARTICLE EIGHT: BY-LAWS

The Board of Directors is authorized to adopt an initial set of 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. These initial by-laws may be amended, added to, or repealed by a majority vote of the members at any annual membership meeting or at any special membership meeting called for such purpose.

ARTICLE NINE: OFFICERS

The officers of this corporation shall be elected by the Board of Directors and shall serve for such terms of office as may be designated by the Board of Directors. The officers of this corporation shall be a president, one or more vice presidents, a secretary, a treasurer, and any other officer or assistant officers as may be elected or appointed by the Board of Directors. One person may hold more than one office. The time and manner of election of officers, and their respective authority and duties, shall be as set forth in the by-laws or as may be determined by resolution of the Board of Directors not inconsistent with the by-laws. Officers acting in good faith shall not be personally liable for the general debts, liabilities, and obligations of the corporation.

ARTICLE TEN: ASSESSMENTS

Assessments may be levied upon members for the purposes specified in the Declaration of Covenants, Conditions, and Restrictions for the Southpoint Subdivision (hereinafter "Declaration"), and the same shall be allocated among the members in the manner set forth in the Declaration. The amount of assessments and 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 Declaration. Unpaid

assessments shall constitute a lien upon the lot in Southpoint Subdivision owned by a member whose assessment is unpaid; and such lien may be enforced by this corporation in a similar manner as provided by law in the State of Idaho for the foreclosure of mortgages upon real property and in conformity with the terms and conditions of the Declaration. All assessments are subordinate to the lien of a first mortgage. The failure to pay the assessments does not constitute a default under an insured first mortgage. Additionally, each member shall also have personal liability for the assessment for his respective lot in accordance with the Declaration.

ARTICLE ELEVEN: AMENDMENT

These Articles of Incorporation may be amended by vote of the owners of two-thirds (2/3) of the members.

ARTICLE TWELVE: DISSOLUTION

This corporation may not be dissolved except upon affirmative vote of two-thirds of the members in a manner specified in the by-laws.

Upon the dissolution or other termination of this corporation, no part of the property of the corporation and no part of the proceeds shall be distributed to or inure to the benefit of any of the directors or officers of the corporation, but rather all such property and proceeds, subject to the discharge of the corporation's valid obligations and to the applicable provisions of Idaho law, shall be dedicated to a public body or conveyed to a nonprofit organization with a similar purpose to those expressly granted to this corporation as the Board of Directors shall determine.

ARTICLE THIRTEEN: REGISTERED AGENT AND OFFICE

The initial registered agent of this corporation is Frank S. Varriale, whose address is 1111 S. Orchard, Ste. 155, Boise, Idaho 83705, and the initial registered office address of the corporation is 1111 S. Orchard, Ste. 155, Boise, Idaho 83705, Boise, Idaho.

ARTICLE FOURTEEN: INCORPORATOR

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

Frank S. Varriale
1111 S. Orchard, Suite 155
Boise, Idaho 83705

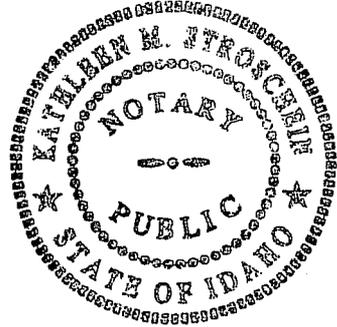
IN WITNESS WHEREOF, the said incorporator has executed these Articles of Incorporation this 10th day of NOVEMBER, 1997.

Frank S. Varriale
Frank S. Varriale

STATE OF IDAHO)
 : ss.
County of Ada)

On this 10th day of November, 1997, before me, the undersigned, a notary public in and for said State, personally appeared Frank S. Varriale, known to me to be the person whose name is subscribed to the within and foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Kathleen M. Stroschein
Notary Public for Idaho
Residing At: Boise
My Commission Expires: 6/15/98