

corporation by filing for record of plats and additional Declaration of Covenants, Conditions and Restrictions referencing this corporation.

C. This corporation shall have all of the powers and authority granted by the Idaho Nonprofit Corporation Act, and all other powers authorized or permitted to nonprofit corporations by the laws of the State of Idaho, as the same may be in effect from time to time.

ARTICLE IV - MEMBERS

A. This corporation shall have members, whose rights, privileges and voting rights shall be as provided in the bylaws so long as not inconsistent with the following:

1. The record title owners of all or any portion of the lots in Callaway Ranch Subdivision in Ada County, Idaho, according to the official plats thereof filed in the office of the County Recorder of Ada County, Idaho, whose Declaration of Covenants, Conditions and Restrictions reference this corporation, shall automatically be members of this corporation, and membership in this corporation shall be appurtenant to ownership of said real property and shall run with the land thereof.
2. At all meetings of members of this corporation, the maximum number of votes which may be cast shall be the total number of lots showing on the plats of said subdivisions then of record in the Office of the Ada County Recorder, less the common area lots. One (1) vote shall be allocated to each of the lots, except for the common area lots. The vote allocated with respect to each lot shall be cast in the manner determined by a majority in interest of the record title owners of such lot. Fractional votes shall not be permitted.

B. There shall be no certificates of membership, and evidence of ownership of record title of all or any portion of said lots according to the Official Records of Ada County, Idaho, shall constitute 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.

C. Meeting of the members shall be held at such places and times as may be provided in the bylaws, and may also be held in any manner prescribed or permitted in the corporation laws of the State of Idaho, as amended from time to time. The presence of members entitled to cast fifty-one (51) percent of the total eligible votes 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 of an Idaho nonprofit corporation. Except in the case of a regular annual held at the place and time provided in the Bylaws, written notice of each membership meeting held at the time and place provided in the bylaws, 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) nor more than fifty (50) days before the date of the meeting; provided, however, the necessity of 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.

ARTICLE V - BOARD OF DIRECTORS

A. The affairs of this corporation shall be managed by a board of directors, who need not be residents of the State of Idaho. The bylaws may required additional qualifications for directors.

B. The number of directors to be elected for any year shall be determined by majority vote of the members at the membership meeting at which directors are elected, but the number of directors shall not be less than three (3) unless the number of members at the time of election of directors shall be less than three (3), in which event the number of directors shall be the same as the number of members of the corporation.

C. The initial Board of Directors of the corporation, who shall serve until the first annual election of directors, shall consist of the following persons, whose names and addresses are as set forth below:

Charles L. Ward	435 E. Columbia Meridian, ID 83642
Lola M. Ward	435 E. Columbia Meridian, ID 83642
Larry Laraway	6901 Emerald, Suite 207 Boise, ID 83706

ARTICLE VI - 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 designed 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 officers or assistant officers as may be elected or appointed by the board of directors. Except for the office of president, more than one office may be held by one person. The time and manner of election of officers, and their respective authorities and duties, shall be as set forth in the bylaws, or as may be determined by resolution of the board of directors not inconsistent with the bylaws.

ARTICLE VII - BYLAWS

The board of directors is authorized to adopt, amend and repeal bylaws of the corporation, and to provide in such bylaws for any matter which may be lawfully governed by the

bylaws of a nonprofit corporation under the laws of the State of Idaho. All provisions of the bylaws 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 any special membership meeting called for such purpose.

ARTICLE VII - DURATION

The duration of this corporation shall be perpetual.

ARTICLE IX - DISSOLUTION

A. This corporation may not be dissolved without the permission of the Ada County Highway District. 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.

B. In the event of dissolution of the corporation, all of its property and assets, after payment of all debts and liabilities, shall be distributed to the members as of the date of dissolution, pro rata in proportion to the number of votes each member was entitled to cast at membership meeting as of the date of dissolution; provided, however, each such member receiving any part of the assets of this corporation upon dissolution shall execute and acknowledge an instrument in writing, and shall cause such instrument to be recorded in the office of the County Recorder of Ada County, Idaho, providing that such member, jointly and severally with all other members of the corporation receiving any portion of its assets upon dissolution, assumes and agrees to perform all of the duties and obligations of the "Association," as described in the Declaration of Covenants, Conditions and Restrictions for the said subdivisions. Such agreement must by its terms be binding upon such member and the member's personal representatives, successors and assigns. If, however, a successor entity shall have been formed, or shall otherwise exist, for the purpose of receiving the assets of this corporation upon dissolution, and such assets are actually distributed to such entity, and such successor entity further agrees by written instrument recorded in the Office of the County Recorder of Ada County, Idaho, to assume and perform all of the said duties of the "Association" as described in the Declaration of Covenants, Conditions and Restrictions for said subdivisions, then the net assets of this corporation upon dissolution may be distributed to such successor entity and the members of this corporation shall not be required to individually assume and perform the said duties of the "Association."

ARTICLE X - ASSESSMENTS

Assessments may be levied upon members for the purposes specified in the bylaws, and the same shall be allocated among the members in the manner set forth in the bylaws. 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 bylaws. Unpaid assessments shall constitute a lien

upon any portion of the lots in said subdivisions owned by a member whose assessment is unpaid, and such lien upon any portion of the lots of said subdivisions owned by a member whose assessment is unpaid, and such lien may be enforced 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 subordinate to the lien of the first mortgage. The failure to pay the assessments does not constitute a default under an insured first mortgage.

ARTICLE XI - AMENDMENT


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

ARTICLE XII - INCORPORATORS

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

Charles L. Ward	435 E. Columbia Meridian, ID 83642
Lola M. Ward	435 E. Columbia Meridian, ID 83642
Larry Laraway	6901 Emerald, Suite 207 Boise, ID 83704

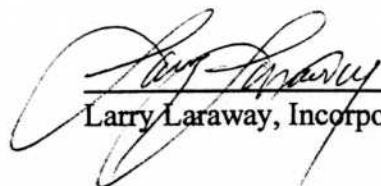
IN WITNESS WHEREOF, the said incorporator has hereunto set his hand this 10 day of September, 2001.



Charles L. Ward, Incorporator



Lola M. Ward, Incorporator



Larry Laraway, Incorporator

