

AMENDED ARTICLES OF INCORPORATION  
OF  
SILVERWOOD OWNERS ASSOCIATION, INC.

ARTICLE I

NAME

The name of the corporation shall be SILVERWOOD OWNERS ASSOCIATION, INC. hereinafter referred to as "Association."

ARTICLE II

TERM

The period of existence and duration of the life of this corporation shall be perpetual.

ARTICLE III

NON-PROFIT

This corporation shall be a non-profit, membership corporation.

ARTICLE IV

REGISTERED AGENT

The location and street address of the initial registered office of this corporation shall be 2433 Can-Ada Road, Melba,,Idaho 83641, and Greg Johnson is hereby appointed the initial registered agent of the Association.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is

transfer, dedicate for public use, to convey licenses, easement and rights of way, or otherwise dispose of real or personal property, including water rights, in connection with the affairs of the Association under the limitations imposed by the Master Declaration;

(D) Borrow money, and with the assent of Delegates representing two-thirds (2/3) of votes of all members, mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(E) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members or set forth in the Master Declaration.

(F) Participate in mergers and consolidations with other non-profit 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;

(G) To promulgate by majority vote of the Board rules and regulations governing conduct upon and use of Common Area under the jurisdiction and control of the Association, to impose fines and forfeitures for violation of Association rules and regulations, and establish procedures for use in the conduct of business of the Association.

(H) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-profit Corporation Law of the State of Idaho may by law now or hereafter have or exercise, subject only to limitations contained in the By-Laws and the Master Declaration and the amendments and supplements thereto.

THE FOREGOING ARTICLE V HAS BEEN AMENDED.

ARTICLE VI

MEMBERSHIP

A. Every person or entity who is a record Owner of a fee or undivided fee interest in any Building Lot or other Property Unit which is subject to or may become subject to the Master Declaration, including contract sellers, shall be a Member of the Association. 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 Tract, Building Lot or other Property Unit which is subject to or may become subject to the Master Declaration.

B. In recognition that the Incorporator (including his heirs, successors and assigns) intends to develop other contiguous properties presently owned by Incorporator as part of the overall Silverwood Subdivision, at such time as said properties are platted, filed of record and amendment and/or supplement to the Master Declaration has been filed of record, said additionally platted properties shall be deemed subject to these Articles and

the By-Laws of the corporation. With respect to the development and platting of said other properties, those other tracts of land contiguous to Silverwood Subdivision, in order to become subject to the Articles and By-Laws of the corporation, the properties subsequently platted must be also identified as Silverwood Subdivision, with the number of the particular phase of the subdivision being so noted.

THE FOREGOING ARTICLE VI HAS BEEN AMENDED.

ARTICLE VII

VOTING RIGHTS

The Association shall have two classes of voting membership:

(A) Class A. The Class A Members shall be all Owners of Building Lots within Silverwood Subdivision No. 1, with the exception of the Grantor, and shall be entitled to one vote for each Building Lot Owned. When more than one person holds an interest in any Building Lot, all such personnel shall be Members, but in no event shall more than one vote be cast with respect to any Building Lot. The Grantor shall become a Class A Member when the Class B membership ceases as described below.

(B) Class B. The Class B Member shall be the Grantor. Upon the first sale of a Building Lot to an Owner in the Subdivision, Grantor shall be entitled to five (5) votes for each Building Lot owned by Grantor in the Subdivision.

The Class B membership shall cease and be converted to Class A membership when the total cumulative vote exercisable in the Class A membership for the Subdivision equals or exceeds the

total vote exercisable in the Class B membership or on January 1, 2006, whichever shall first occur.

THE FOREGOING ARTICLE VII HAS BEEN AMENDED.

ARTICLE VIII

MEMBERSHIP REQUIREMENT

Members of the Association must be and remain Owners of Building Lots or other Property Units within the Property subject to the Master Declaration, and the Association shall include as Members all Owners.

ARTICLE IX

BOARD OF DIRECTORS

Board of Directors and Officers. The affairs of the Association shall be conducted and managed by the Board of three (3) Directors ("Board") and such officers as the Directors may elect or appoint, in accordance with the Articles and By-Laws, as the same may be amended from time to time. The initial Board of Directors of the Association shall be appointed by the incorporators or their successors and shall hold office until the first annual meeting, at which time a new Board of Directors shall be elected in accordance with the provisions set forth in the By-Laws. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Greg Johnson, President

Paul B. Merrill, Vice President

Heidi Johnson, Secretary

Each of the directors has an address of P.O. Box 344, Meridian, Idaho 83680.

#### ARTICLE X

##### ASSESSMENTS

Each Member shall be liable for the payment of Assessments provided for in the Master Declaration and for the payment and discharge of the liabilities of the Association as provided for in the Master Declaration and as set forth in the By-Laws of the Association.

#### ARTICLE XI

##### BY-LAWS

The By-Laws of this corporation may be altered, amended, or new By-Laws adopted by any regular or any special meeting of the Association called for that purpose by the affirmative votes of Delegates representing two-thirds (2/3) of the votes of all members.

For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the Association, and the Members for the payment of Assessments, the By-Laws may incorporate by reference the provisions of the Master Declaration.

#### ARTICLE XII

##### DISSOLUTION

Dissolution of this corporation shall be accomplished by unanimous written consent of the members pursuant to I.C. 30-1-92(g) or by action required pursuant to I.C. 30-1-84. Upon

dissolution of the Master Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

#### ARTICLE XIII

##### AMENDMENTS

Amendment of these Articles shall require the assent of Delegates representing not less than two-thirds (2/3) of the votes of all Members, and when required by the Master Declaration, the consent of first mortgagees on Property Unit(s) who have requested the Association in writing to provide them notice of proposed action which affects their interests. No amendment which is inconsistent with the provisions of the Master Declaration shall be valid.

#### ARTICLE XIV

##### FHLMC/GNMA/FNMA APPROVAL

The following actions and such other actions as are specified in the Master Declaration may require the prior approval as specified in the Master Declaration, of the Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA) and the Federal National Mortgage Association (FNMA) and such other agencies as may be specified in the Master Declaration: annexation of additional properties, mergers and

consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these Articles, and such other matters as are specified in the Master Declaration.

#### ARTICLE XV

##### MEANING OF TERMS - DEFINITIONS

"Articles" shall mean the Articles of Incorporation of an Association or other organizational or charter documents of an Association.

"Assessments" shall mean those payments required of Owners, or Association Members including Regular, Special and Limited Assessments of the Association as further defined in the Master Declaration or By-Laws.

"Association" shall mean the Homeowners Association.

"Association Rules" shall mean those rules and regulations promulgated by the Association governing conduct upon and use of the Property under the jurisdiction or control of the Association, the imposition of fines and forfeitures for violation of Association Rules and Regulations, and procedural matters for use in the conduct of business of the Association.

"Beneficiary" shall mean a mortgagee under a mortgage or beneficiary under a deed of trust, as the case may be, and/or the assignees of such mortgage, beneficiary or holder, which mortgage or deed of trust encumbers parcels of real property on the Property.

"Board" shall mean the Board of Directors or other governing board or individual, if applicable, of the Association.



"Building Lot" shall mean one or more lots within a Tract as specified or shown on any Plat upon which Improvements may be constructed. The term "Building Lot" shall include patio homes and single family residential lots, but shall not include Common Areas.

"Bylaws" shall mean Bylaws of the Association.

"Common Area" shall mean any and all parcels of Common Area, and shall include, without limitation, all such parcels that are from time to time designated as private streets or drives, common open space, common landscaped areas, and Waterways. Such Common Areas shall include without limitation Lot 1, Block 3 Silverwood Subdivision No. 1, Boise, Ada County, Idaho; together with that 15 foot permanent public utilities, drainage and landscape berm easement, which said easement is within the south 15 feet of Lots 1, 2 and 3 of Block 1, Lots 1 through 9 of Block 2, Silverwood Subdivision No. 1, Boise, Ada County, Idaho.

"Grantor" shall mean Gem Park II Partnership, an Idaho limited partnership, or its successor in interest, or any person or entity to whom the rights under this Master Declaration are expressly transferred by Gem Park II Partnership or its successor.

"Institutional Holder" shall mean a mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state law, any corporation or insurance company, or any federal or state agency.

"Limited Assessment" shall mean a charge against a particular Owner and his Building Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action

performed pursuant to the provisions of this Master Declaration, including interest thereon as provided in this Master Declaration.

"Master Declaration" shall mean the Master Declaration of Covenants, Conditions, Restrictions and Easements for Silverwood Subdivision.

"Member" shall mean each person or entity holding a membership in the Association.

"Mortgagee" shall mean beneficiaries under mortgages or trust deeds.

"Owner" shall mean the person or other legal entity, including Grantor, holding fee simple interest of record to a Building Lot which is a part of the Property, and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation.

"Person" shall mean any individual, partnership, corporation or other legal entity.

"Regular Assessment" shall mean the portion of the cost of maintaining, improving, repairing, managing and operating the Common Areas and Recreation Areas and all Improvements located thereon, and the other costs of an Association which, is to be levied against the Property of and paid by each Owner to the Master Association, pursuant to the terms hereof.

"Special Assessment" shall mean the portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments which are

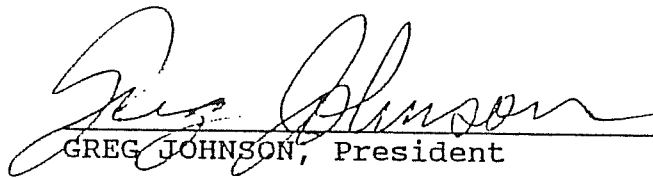
authorized and to be paid by each Owner to the Master Association, pursuant to the provisions of this Master Declaration.

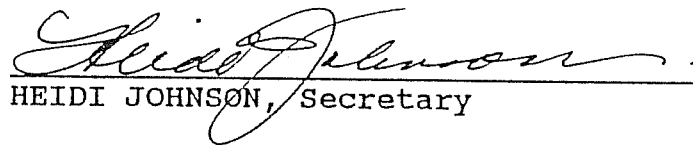
THE FOREGOING ARTICLE XV HAS BEEN AMENDED.

ARTICLE XVI

GREG JOHNSON, whose street address is 2433 Can-Ada Road, Melba, Idaho 83641, shall be the incorporator of the corporation.

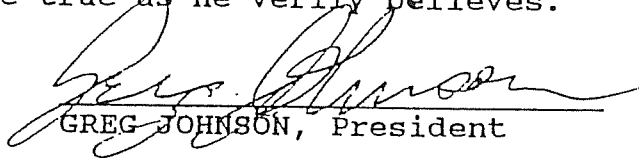
The Amended Articles of Incorporation have been adopted and executed on this \_\_\_\_\_ day of \_\_\_\_\_, 1993.

  
\_\_\_\_\_  
GREG JOHNSON, President


  
\_\_\_\_\_  
HEIDI JOHNSON, Secretary

STATE OF IDAHO            )  
                                  )    ss.  
County of Ada            )

GREG JOHNSON, having been first duly sworn, deposes and says: He is the President of SILVERWOOD OWNERS ASSOCIATION, INC., and has been authorized by the Board to execute these Amended Articles of Incorporation and has executed the same; that the statements therein contained are true as he verily believes.

  
\_\_\_\_\_  
GREG JOHNSON, President

SUBSCRIBED and SWORN to before me this 21st day of July, 1993.

  
\_\_\_\_\_  
Notary Public for Idaho  
Residing at: Birds, ID  
My Comm. Exp.: 8-23-97