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SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION
OF
STRAWBERRY FIELDS OWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that Steven C. Wetzel, being over the age of eighteen years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts, in duplicate, the following Articles of Incorporation.

ARTICLE I
NAME

The name of the corporation (hereinafter called "the Corporation") is STRAWBERRY FIELDS OWNERS ASSOCIATION, INC.

ARTICLE II
DURATION

The duration of the Corporation shall be perpetual.

ARTICLE III
PURPOSES AND POWERS

The Corporation is not organized for profit and no part of gains or earnings shall inure to its members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operations, administration, maintenance, repair, improvement, preservation, and architectural control of the STRAWBERRY FIELDS SUBDIVISION ("Subdivision") situated in Coeur d'Alene, Idaho. The Corporation will also promote the health, safety and welfare of property owners of the Subdivision and any additions thereto. The additions may be brought within the jurisdiction of the Corporation in accordance with the Declaration of Covenants, Conditions and Restrictions (the "Declaration") for the Subdivision as recorded in the records of Kootenai County, Idaho. All definitions contained in the Declaration shall be applicable to these Articles and the Bylaws of this Corporation.

In furtherance of said purposes, and subject to the approval of members as may be required by law, the Declaration, or the Bylaws, the Corporation shall have power to:

ARTICLES OF INCORPORATION OF
STRAWBERRY FIELDS OWNERS ASSOCIATION, INC.



IDAHO SECRETARY OF STATE
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- (a) Perform all of the duties and obligations of the Corporation as set forth in the Declaration;
- (b) Fix, levy, collect, and enforce assessments and fines as set forth in the Declaration or By-Laws, in a fair and equitable fashion and secure the payment of assessments through liens upon real property as allowed under Idaho law;
- (c) Pay all expenses and obligations incurred by the Corporation in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levied or imposed against the corporation's property;
- (d) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, exchange, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;
- (e) Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) Dedicate, sell, transfer, or grant easements over all or part of any of the corporation's property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members;
- (g) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional property to the Property managed by the corporation;
- (h) Litigate, mediate, arbitrate any and/or all corporate rights and obligations specified in law and/or by the Articles and By-Laws of the Corporation and/or Declaration. This Corporation in addition to other provisions, may provide for the qualification of members, the terms and conditions of admission, the time, mode, conditions and effect of expulsion or withdraw from the restoration of membership, admission fees, charges and assessments; and for reimbursement for services rendered to and expenses incurred on behalf of the Corporation by any member or officer of the Corporation, and such other rules and regulations as are not repugnant to the laws of the State of Idaho; and
- (i) Have and exercise any and all powers, rights, and privileges that a corporation organized under the Idaho Nonprofit Corporation Act law, as it exists now or hereafter.

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ARTICLE IV
MEMBERS AND MEMBERSHIP

1. **Non-Stock Corporation.** Participation in management and ownership of the Corporation shall be by membership only. The Corporation shall issue no stock and shall have no shareholders.

2. **Membership.** The Owner of a Lot in the Subdivision shall automatically, upon becoming an Owner of any portion of the Property located in the Subdivision and the additions thereto ("the Project"), shall become a member of the Corporation. The member shall remain a member thereof until such time as his/her ownership ceases for any reason, at which time his/her membership in the Corporation shall automatically cease or in the event his/her membership is suspended or terminated as provided in the By-Laws and Declaration. Membership shall be in accordance with these Articles of Incorporation and the By-Laws of the Corporation.

3. **Transferred Membership.** Membership in the Corporation shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant in the Subdivision or its additions, and then only to the new owner. Any attempt to make a prohibited transfer is void. In the event the owner of any lot should fail or refuse to transfer the membership registered in his/her name to the purchaser of his/her lot, the Corporation shall have the right and authority to transfer to purchaser and to record the transfer upon the books; thereupon the old membership outstanding in the name of the seller shall be null and void.

4. **Classes of Membership.** The Corporation shall have multiple classes of voting membership established according to the following provisions:

(a) **Class "A" Membership.** Class "A" membership shall be held by each Owner of a Lot in the Subdivision, other than Prairie Falls Development Limited Liability Company ("Declarant"). Each Class "A" member shall be nonvoting member during the Declarant's control period, unless granted vote by the board for a specific membership issue. Upon the end of the Declarant's control period each Class "A" member entitled to one (1) vote for each lot owned on all issues involving membership issues. If a lot is owned by more than one person, each such person shall be a member of the Corporation, but there shall be no more than one (1) vote for each lot, multiple owners have joint rights and obligations.

(b) **Class "B" Membership.** Class "B" membership shall be the membership held by the Declarant (or Declarant's designated successors in interest) as disclosed in the Declaration or amendment thereof as recorded in the records of Kootenai County. Each Class "B" member shall be entitled to one (1) vote for each lot owned (lot shall mean each approved lot or unit, according to the final plat or plats of the property as defined in the Declaration recorded by Kootenai County). Class "B" member shall also be entitled to one (1) vote for the

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portion of the Subdivision approved by the city where the Subdivision is located but not yet platted. The designated successor in interest to the Declarant shall be a successor to the ownership to the entire undeveloped Subdivision as officially designated in writing by the Declarant. The Declarant's control period shall exist until the class B membership no longer exists or upon the conversion of Class B membership to Class A membership or on the thirtieth (30th) anniversary of the recordation of the Declaration of Covenants, Conditions and Restrictions of the Subdivision. ("Declaration"), whichever shall occur first. Class B members shall have the sole right and authority to convert to Class A at Declarant's sole discretion.

(c) Additional Classes of Membership. If the Corporation desires to add additional classes of membership, it may do so through the corporate By-Laws. Nothing in these Articles shall prohibit the institution of additional classes.

5. Voting Requirements. Except where otherwise expressly provided in the Declaration, these Articles of Incorporation or the Bylaws, any action required by the membership of the corporation must have the approval of the voting corporation membership before being undertaken.

6. Limitation of Payment to Dissenting Member. Membership in the Corporation is appurtenant to and cannot be segregated from ownership of a lot within the jurisdiction of the Corporation. Except upon dissolution of the Corporation and only consistent with Bylaws and Articles of the Corporation, a dissenting member shall not be entitled to any return of any contribution or other interest in the Corporation.

ARTICLE V
INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the corporation shall be 1322 W. Kathleen Ave., Suite 2, Coeur d'Alene, Idaho, 83815, and the name of its initial registered agent is: Steven C. Wetzel.

ARTICLE VI
BOARD OF DIRECTORS: INCORPORATORS

The Board of Directors shall manage the affairs of the Corporation. The initial board shall be three (3) Directors, but may be converted to a larger number in accordance with the Bylaws, upon the end of the Declarant's control period. Until the expanded board exists, there is no requirement that the directors be members. After expansion of the board, all must be members of the Corporation. The number of directors may be increased by amendment of the Bylaws of the Corporation.

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The names and addresses of the Board of Directors are:

	<u>NAME</u>	<u>ADDRESS</u>
1.	TIM MUELLER	1400 NORTHWOOD CENTER COURT COEUR D'ALENE, ID 83814
2.	BOB TOMLINSON	1400 NORTHWOOD CENTER COURT COEUR D'ALENE, ID 83814
3.	FRED MEYER	1400 NORTHWOOD CENTER COURT COEUR D'ALENE, ID 83814

**ARTICLE VII
INCORPORATOR**

The names and addresses of the Incorporator of the corporation is:

<u>NAME</u>	<u>ADDRESS</u>
PETE B. BREDESON	1322 W. Kathleen Ave., Suite 2 Coeur d'Alene, Idaho 83815

**ARTICLE VIII
DISSOLUTION**

In the event of dissolution, liquidation, or winding up of the Corporation, none of the property nor any proceeds of the Corporation shall be distributed to or divided among any of the directors of the Corporation or inure to the benefit of any individual. After all liabilities and obligations of the Corporation have been paid and discharged, all remaining property and assets of the Corporation shall be distributed to one or more organizations designated as follows:

1. pursuant to a plan of distribution adopted as provided for under the Idaho Non-profit Corporation Act as it now exists or as amended in the future; or
2. if there is no appropriate plan of distribution, as a court of competent jurisdiction may direct; provided however, that such property shall be distributed only to organizations which shall comply with all of the following conditions:
 - (a) each organization shall be organized under written articles of organization which comply with the requirements of the Internal Revenue Code necessary to qualify the organization as an exempt organization;

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(b) each organization shall be exempt from federal taxes by reason of Section 501, or other applicable sections of the Internal Revenue Code as it now exists or is amended in the future.

(c) contributions to each such organizations shall be deductible by reason of Section 170 of the Internal Revenue Code as it now exists or as amended in the future;

(d) each organization shall be operated exclusively for a recognized exempt purpose, and the manner of operation of each organization shall be in compliance with the requirements to qualify the organization as an exempt organization.

**ARTICLE IX
AMENDMENT OF ARTICLES**

These Articles shall be amended only by the vote or written assent of at least two-thirds (2/3) of a quorum of the voting power the membership.

For the purposes of forming the Corporation, I, the undersigned, constituting the Incorporator of the Corporation, have executed these Articles of Incorporation on the _____ day of October 2004.



PETE B. BREDESON

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ARTICLES OF AMENDMENT OF
STRAWBERRY FIELDS OWNERS ASSOCIATION, INC.

Each amendment consists exclusively of matters which do not require member approval pursuant to section 30-3-90, Idaho Code, and was, therefore, adopted the board of directors.

The undersigned certifies that:

1. The name of the corporation is STRAWBERRY FIELDS OWNERS ASSOCIATION, INC.

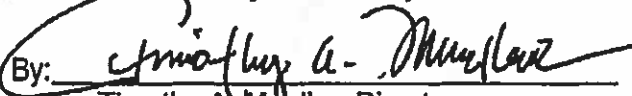
2. Paragraph one of the Articles of Incorporation shall be amended as follows:

KNOW ALL MEN BY THESE PRESENTS that Pete B. Bredeson, being over the age of eighteen years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts, in duplicate, the following Articles of Incorporation.

3. Article IV, No. 4(a) of the Articles of Incorporation shall be amended as follows:

Class "A" Membership. Class "A" membership shall be held by each Owner of a Lot in the Subdivision, other than ~~Hayden Limited Liability Company~~ ^{Hayden LLC, an Idaho limited liability} Company, ("Declarant"). Each Class "A" member shall be nonvoting member during the Declarant's control period, unless granted vote by the board for a specific membership issue. Upon the end of the Declarant's control period each Class "A" member entitled to one (1) vote for each lot owned on all issues involving membership issues. If a lot is owned by more than one person, each such person shall be a member of the Corporation, but there shall be no more than one (1) vote for each lot, multiple owners have voting rights and obligations.

DATED this 2nd day of February 2005.

By: 
Timothy A. Mueller, Director