

APPROVED by the division of Corporations and Commercial Code of the Utah Department of Commerce

ARTICLES OF INCORPORATION

on the 15th day of May A.D. 1989

OF

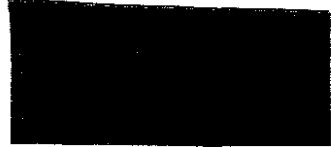
1989 MAY 15 PM 12:03

Corporate Documents Examiner

HARRISBURG ESTATES OWNER'S ASSOCIATION

Fee paid \$ 50.00

(A Utah Non-Profit Corporation)



In compliance with the requirements of Title 16, Chapter 6, Utah Code Annotated, 1953, and any modifications, amendments and additions thereto, the undersigned, all of whom are residents of Utah and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify;

ARTICLE I

The name of the corporation is Harrisburg Estates Owner's Association, hereafter called the "Association".

ARTICLE II

The principal office of the association is located at 4500 West 1700 North, Hurricane, Utah. (Mail: P.O. Box 2146, St. George, Utah 84771-2146)

ARTICLE III

Clifford V. Dunn, whose address is P.O. Box 2318, St. George, Utah 84771-2318, is hereby appointed the initial registered agent of this Association.

*[Handwritten Signature]*  
Clifford V. Dunn

ARTICLE IV

POWERS AND PURPOSES OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the Common Area(s), Limited Common Areas and Clubhouse Common Area within that certain tract of land in Washington County, State of Utah, described as: See Exhibit "B" and to promote the health, safety and welfare of the residents within the property described on Exhibit "B" and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

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a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Washington County Recorder and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as though set forth at length;

b) Fix, levy, collect and enforce payment of any lawful means, all charges or assessment pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

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 Association;

d) Borrow money, and 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 debts incurred;

e) Dedicate, sell or transfer all or any part of the Common Area(s), Limited Common Areas and Clubhouse 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. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area(s), Limited Common Areas and Clubhouse Common Area, provided that any such merger, consolidation or annexation shall have the

assent of two-thirds (2/3) of each class of members;

g) To contract for the management of the property and to delegate to the contractor all the powers and duties[ of the Association except those powers and duties which are specifically required by the Declaration to be approved by the Board of Trustees or the members of the Association.

h) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.

i) To employ personnel to perform the services required for the proper operation of the property.

1) The Association shall have no power to purchase a lot in the project except in connection with its lien foreclosure powers in connection with collection of assessments or fees. This provision cannot be changed without the members' unanimous approval.

2) The titles of all properties and all funds acquired by the Association and the proceeds thereof shall be held in trust for the members according to the provisions of the Declaration, these Articles, and the By-Laws.

3) The powers of the Association shall be subject, and shall be exercised according, to the provisions of the Declaration, these Articles, and the By-Laws.

j) 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 Utah by law may now or hereafter have or exercise.

## ARTICLE V

### MEMBERSHIP

Every person or entity who is a record owner of a fee interest in any Lot which is subject by covenants of record to assessment by the Association, 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 Common Area(s), Limited Common Areas and Clubhouse Common Area Lot which is subject to assessment by the Association.

## ARTICLE VI

### VOTING RIGHTS

The Association shall have two classes of voting membership:

CLASS A. Class A members shall be all Lot Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

CLASS B. The Class B members shall be the Declarant (as defined in the Declaration), and shall be entitled to eight (8) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) The date on which the Declarant notifies the Association in writing that it relinquishes its Class B membership.

## ARTICLE VII

### BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of no less than three (3) directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and address of the persons who are to act in the capacity of directors until the selection of their successors are:

Steve Harer  
11448 Ranier Avenue South  
Seattle, WA 98178

David R. Millard  
Route 1 Box 119  
Filer, Idaho 83328

Dean W. Bitney  
2727 Mountain View Avenue North  
Renton, WA 98056

At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

#### ARTICLE VIII

##### DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the 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 for 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 IX

##### DURATION

The corporation shall exist perpetually.

#### ARTICLE X

##### AMENDMENTS

Amendment of these Articles shall require the assent of 75 percent (75%) of the entire membership.

#### ARTICLE XI

##### FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing













STATE OF Idaho )  
 ) :ss.  
County of Twin Falls )

Personally appeared before me David R. Millard being an incorporator named herein, and executed the foregoing instrument this 5<sup>th</sup> day of May, 1989.

Debra A. Kautrich  
NOTARY PUBLIC

My commission expires:  
3-2-1998

Residing in:  
Twin Falls

STATE OF \_\_\_\_\_ )  
 ) :ss.  
County of \_\_\_\_\_ )

Personally appeared before me Dean W. Bitney being an incorporator named herein, and executed the foregoing instrument this \_\_\_\_ day of \_\_\_\_\_, 1989.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:  
b-4:harrsart.cor042489

Residing in: