

Division of Corporations and Commercial Code
Hereby certify that the foregoing has been filed
and approved on the 17 day of June 1998
in the office of this Division and hereby issue
Certificate thereof.

Examiner



LORENA P. RIFFO
DIVISION DIRECTOR

Date

6/17/98

ARTICLES OF INCORPORATION

OF

SILVER POINTE HOME OWNER'S ASSOCIATION

RECEIVED
JUN 18 1998

Utah Div. of Corp. Comm. Code

KNOW ALL PERSON BY THESE PRESENTS:

I, the undersigned natural person of the age of eighteen (18) years or more, acting as incorporator of a non-profit corporation under the Utah Non-Profit Corporation and Cooperative Association Act by signing, verifying, and delivering in duplicate to the Division of Corporations and Commercial Code of the State of Utah, hereby adopt the following Articles of Incorporation.

ARTICLE I

Name

The name of the corporation is SILVER POINTE HOME OWNER'S ASSOCIATION.

ARTICLE II

Duration

The period of duration of this corporation is perpetual.

ARTICLE III

Purposes

The purposes for which the corporation is organized are:

(a) The specific and primary purposes are to bring about civic betterment and social improvements by providing for the preservation of the architecture and appearance of a planned housing development subdivision known as SILVER POINTE ("Properties") and by owning, operating and maintaining common area properties and facilities, including water rights under BRIGHAM IRRIGATION COMPANY and an irrigation water distribution system, for use of all residents and the entire Properties, located in Brigham, Box Elder County, State of Utah.

(b) The general purposes and powers are:

(i) To promote the common good, health, safety and general welfare of all of the residents within the Properties.

(ii) To exercise all of the powers and privileges, and to perform all of the duties and obligations of the Association arising from the Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements (the "Declaration") applicable to the properties, as amended, from time to time, and recorded or to be recorded in the office of the Box Elder County Recorder.

(iii) To enforce applicable provisions of SILVER POINTE'S Declaration, Bylaws and Rules and Regulations, and any other instruments, for the management and control of the Properties;

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to fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to contract for and pay all expenses in connection with the maintenance, gardening, utilities, materials, supplies and services relating to the Common area (as defined in the Declaration) and facilities; to employ personnel reasonably necessary for administration and control of the Common Area for architectural control of all of the Properties, including lawyers and accountants, where appropriate; and to pay all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes and special assessments which are or would become a lien on any portion of the Properties.

(iv) To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which a corporation organized under the Utah Non-Profit Corporation and Cooperative Association Act by law may now or hereafter have or exercise; and

(v) To act in the capacity of principal, agent, joint venturer or partner, or otherwise.

The foregoing statement of purposes shall be construed as a statement of both powers and purposes, and powers and purposes in each clause shall not be limited or restricted by reference to or interference from the terms or provisions of any other clause, but shall be broadly construed as independent powers and purposes. The Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association.

ARTICLE III **Non-Profit**

The Association is organized pursuant to the Utah Non-Profit Corporation and Cooperative Association Act as a non-profit corporation.

ARTICLE IV **Principal Office and Agent for Service**

The initial principal office for the transaction of the business of the Association is located in Brigham City, Box Elder County, State of Utah, at the following street address; 144 South 100 West, Post Office 617, Brigham City, UT 84302. The name of the initial registered agent for service of process at said address is Jeffrey S. Packer.

ARTICLE V **Membership in the Corporation and Voting Rights.**

Section 1. Membership. Every Owner of a Lot in the properties shall be a member of the Association. Membership in the Association shall not be assignable, except to the successor in interest of the Owner (including a Mortgagee) and every membership in the Association shall be appurtenant to and may not be separated from the fee ownership of such Lot. Ownership of such Lot shall be the sole qualification from membership in the Association.

Each member shall be issued a Certificate of Membership in the Association. The Certificate of Membership shall include the following:

CERTIFICATE NUMBER
 CLASS OF MEMBERSHIP
 THE NAME OF THE ASSOCIATION
 THE NAME OF THE MEMBER
 RESTRICTION ON TRANSFER
 DATE OF ISSUANCE
 THE LOT(S) TO WHICH THE MEMBERSHIP IS APPURTENANT

There shall be as many Members as there are Owners of Lots in the Properties.

Section 2. Transfer. The Association Membership held by any Owner of a Lot shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Lot, and then only to the purchaser or mortgagee of such Lot. Any attempt to make a prohibited transfer is void and will not be reflected upon the books and records of the Association. A Class A Member who has sold his Lot to a contract purchaser under an agreement to purchase shall be entitled to delegate to such contract purchaser his membership rights in the Association. Such delegation shall be in writing and shall be delivered to the Board of Trustees before such contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Lot until fee title to the Lot sold is transferred. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in his name to the purchaser of such Lot upon transfer of fee title thereto, the Board of Trustees shall have the right to record the transfer upon the books of the Association. The Board of Trustees shall have the right to charge a reasonable Special Assessment against any Owner and his Lot equal to the cost of the Association of effectuating any such transfer of his membership upon the books of the Association.

Section 3. Classes of Voting Membership. The Association shall have two (2) classes of voting membership respecting the Lots, as follows:

Class A. Class "A" Members shall originally be all the Owners of lots in the properties, with the exception of the Declarant, for so long as there exists a Class "B" Membership. Class "A" Members shall be entitled to one (1) vote for each Lot owned. Declarant shall become a Class "A" Member with regard to Lots owned by Declarant upon conversion of Declarant's Class "B" Membership as provided below. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised in accordance with Article IV, Section 2 of the Declaration, and in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Declarant's Membership shall originally be Class "B", and Class "B" membership shall be entitled to three (3) votes for each Lot owned by Declarant. The Class "B" Membership shall cease and be converted to Class "A" Membership on the happening of any of the following events whichever occurs the earliest.

(a) When the total votes outstanding in the Class "A" Membership, inclusive of votes attributable to any property annexed to the Properties, equals the total votes outstanding in the Class "B" Membership; or

(b) Three (3) years from the date of recording the Declaration; or

(c) On the voluntary cancellation of the Class "B" Membership by Declarant.

Section 4. Vote Distribution. Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot ("co-owner") all such co-owners shall be Members and may attend any meetings of the Association, but only one such co-owner shall be entitled to exercise the vote to which the Lot is entitled. Such co-owners may, from time to time, all designate in writing one of their number to vote. Fractional votes shall not be allowed and the Class A vote for each Lot shall be exercised, if at all, as a unit. Where no voting co-owner is designated or if such designation has been revoked, the vote for such Lot shall be exercised as the majority of the co-owners for such Lot mutually agree. Unless the Board of Trustees receives a written objection from a co-owner acting with the consent of his or her co-owners. No vote shall be cast for any Lot where the majority of co-owners, present in person or by proxy and representing such Lot, cannot agree to vote or other action. The non-voting co-owner or co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly held Lot and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or by the Bylaws of the Association, shall be deemed to be binding on all Owners, their successors and assigns. Said voting rights shall be subject to the restrictions and limitations provided in the Declaration and the Articles of Incorporation and Bylaws of the Association.

ARTICLE VI

Trustees

The initial number of Trustees of the Association shall be three (3) and said number may be changed as provided in the Bylaws of the Association, except that in no event may the number of Trustees be less than three (3).

The names and addresses of the persons who are appointed to act as the first Trustees of this corporation and to continue to act as such Trustees until the election and qualification of their successors are as follows:

NAME

Jeffrey S. Packer

Randy O. Deem

ADDRESS

620 Cottonwood Circle
Brigham City, UT 84302

2505 South 500 West
Perry, UT 84302

Kevin W. Packer 1800 South 225 West
Perry, UT 84302

ARTICLE VII
Incorporator

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

NAME	ADDRESS
Jeffrey S. Packer	620 Cottonwood Circle Brigham City, UT 84302

DATED this 17th day of June, 1998.

Jeffrey S. Packer

Jeffrey S. Packer, Incorporator

STATE OF UTAH)
) : ss.
COUNTY BOX ELDER)

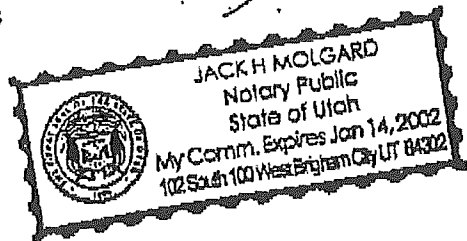
I, Jack H. Molgard, a Notary Public, hereby certify that on the 17th day of June, 1998, personally appeared before me, Jeffrey S. Packer, who being first duly sworn declared that he is the person who signed the foregoing document as incorporator and that the statements contained therein are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date above-stated.

Jack H. Molgard

Notary Public

Residing at: Brigham City, Utah
My Commission Expires: January 14, 2002



ACCEPTANCE OF APPOINTMENT AS REGISTERED AGENT

I, Jeffrey S. Packer, do hereby acknowledge my acceptance of appointment as registered agent for service of process of Silver Pointe Homeowner's Association this 17th day of June, 1998.

Jeffrey S. Packer
Jeffrey S. Packer, Registered Agent

Subscribed and sworn to before me this 17th day of June, 1998.

Jack H. Molgard
Notary Public

Residing at: Brigham City, Utah
My Commission Expires: January 14, 2002

