

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

KING'S PINES ESTATES I HOMEOWNERS' ASSOCIATION, INC.

File number C 108155

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of KING'S PINES ESTATES I HOMEOWNERS' ASSOCIATION, INC. duly signed pursuant to the provisions of the Idaho Nonprofit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: October 31, 1994



Pete T. Cenarrusa
SECRETARY OF STATE

By *Jonny Harold*

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IDaho SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF

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SECRETARY OF STATE

KING'S PINES ESTATES I HOMEOWNERS' ASSOCIATION, INC.

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation for such corporation.

1. NAME

The name of the corporation shall be KING'S PINES ESTATES I HOMEOWNERS' ASSOCIATION, INC.

2. NONPROFIT STATUS

This corporation is a nonprofit corporation.

3. DURATION

The duration of this corporation shall be perpetual.

4. PURPOSE AND POWERS

The purposes for which the corporation is organized are to provide for the acquisition, construction, management, maintenance, preservation and care of real and personal property held by the corporation or commonly held by the members of the corporation and located within King's Pines Estates I subdivision, a residential subdivision in McCall, Valley County, Idaho (the "Development"); to engage in all such activities as are incidental or conducive to the attainment of the objectives of the corporation and any other activities which are permitted to be done by a nonprofit corporation under any laws that may now or hereafter be applicable or available to this corporation; and to otherwise act and be operated as a "homeowners association" as defined in Section 528 of the Internal Revenue Code of 1954, as amended. Without limiting the foregoing, it is expressly provided hereby that:

4.1. The corporation shall exercise all of the powers and privileges and perform all of the duties and obligations of the corporation as set forth in the Declaration of Covenants, Conditions and Restrictions applicable to the Development and recorded or to be recorded in the Office of the Valley County Recorder, as the same may be amended from time to time as therein provided (hereinafter "Declaration"), said Declaration being incorporated herein as if set out at length.

4.2. The corporation shall fix, levy, collect and enforce payment by any lawful means, all charges or assessments, periodic or special, authorized to be made under the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the corporation.

4.3. The corporation may 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 corporation.

4.4. The corporation may 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.

4.5. The corporation may 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.

4.6. The corporation may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional property and common area.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and purposes and powers in each clause shall in no wise be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, the corporation 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 corporation.

5. MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the corporation, including contract sellers, (collectively the "Owners") shall be a member of the corporation. Each Owner consents to such membership in the corporation by virtue of being a lot Owner. 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 lot which is subject to assessment by the corporation.

6. VOTING RIGHTS

The authorized number and qualifications of members of the corporation, the different classes of members, if any, the property, voting, and other rights and privileges of members, and their liability for assessments and the method of collection thereof, shall be as set forth in the Bylaws and/or Declaration.

7. PRINCIPAL OFFICE

The initial location and principal office of this corporation is c/o Frank E. Brown, 1636 Timber Circle, Box 704, McCall, Idaho 83638.

8. REGISTERED OFFICE AND AGENT

The address of the initial registered office of this corporation is Box 704, 1636 Timber Circle, McCall, Idaho 83638, and the name of its initial registered agent at such address is Frank E. Brown.

9. DIRECTORS

The number of directors of this corporation shall be fixed by the bylaws and may be increased or decreased from time to time in the manner specified therein, but in no event shall the number of directors be less than three (3). The names and addresses of the persons who shall serve as initial directors until the first meeting of the members and until their successors are elected and qualified, or unless they resign or are removed, are:

Frank E. Brown	1636 Timber Circle P.O. Box 704 McCall, Idaho 83638
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Warren H. Brown	111 West Lake Street McCall, Idaho 83638
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Judy A. Brown	1636 Timber Circle P.O. Box 704 McCall, Idaho 83638
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10. INCORPORATOR

The name and address of the incorporator are as follows:

Frank E. Brown	1636 Timber Circle P.O. Box 704 McCall, Idaho 83638
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11. NONPROFIT LIMITATIONS

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, Directors, Officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Paragraph 4 hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c) (4) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

12. BYLAWS

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws.

13. AMENDMENT OF ARTICLES

These Articles may not be amended without at least two-thirds (2/3) of the membership votes being cast in support of such amendment.

14. DISSOLUTION

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be dedicated to a public body or conveyed to a non-profit organization with similar purposes.

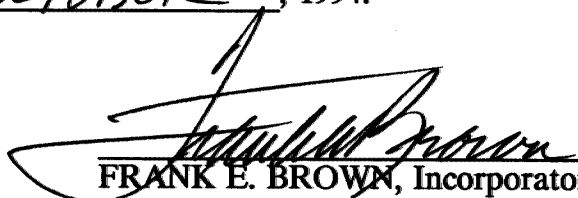
15. DIRECTOR LIABILITY

To the full extent permitted by the Idaho Nonprofit Corporation Act or any other applicable laws as presently or hereafter in effect, no director or officer of the Corporation shall be personally liable to the Corporation or its members for or with respect to any acts or omissions in the performance of his or her duties as a director or officer of the Corporation. No amendment to or repeal of this Paragraph 15 shall apply to or have any effect on the liability or alleged liability of any director or officer of the Corporation for or with respect to any acts or omissions of such director or officer occurring prior to the effective date of such amendment or repeal.

16. INDEMNIFICATION

Each person who is or was or had agreed to become a director, officer, employee or agent of the Corporation (including the heirs, executors, administrators or estate of such person), shall be indemnified by the Corporation to the full extent permitted by the Idaho Nonprofit Corporation Act or any other applicable laws presently or hereafter in effect. Without limiting the generality or effect of the foregoing, the Corporation may enter into one or more agreements with any person which provide for indemnification greater or different than that provided in this Paragraph 16. No amendment to or repeal of this Paragraph 16 shall apply to or have any effect on the right to indemnification permitted or authorized hereunder for or with respect to any acts or omissions of such director, officer, employee or agent occurring prior to the effective date of such amendment or repeal.

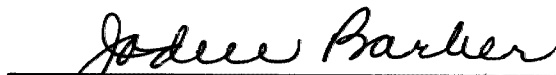
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, the undersigned has executed these Articles of Incorporation in duplicate this 26th day of OCTOBER, 1994.


FRANK E. BROWN, Incorporator

STATE OF IDAHO)
) ss.
County of Valley)

On this 26 day of October, 1994, before me, a Notary Public in and for said State, personally appeared FRANK E. BROWN, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.


Notary Public for Idaho
Residing at McCall, Idaho
My commission expires 11-1-2000