



CERTIFICATE OF INCORPORATION  
OF

CANTERBURY COVE HOME OWNERS ASSOCIATION, INC.

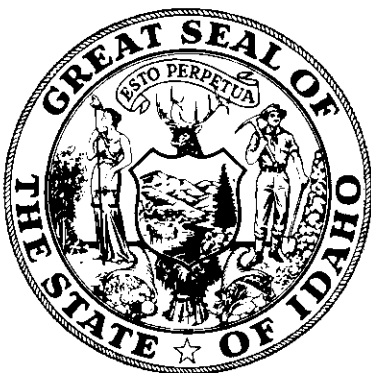
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of \_\_\_\_\_

CANTERBURY COVE HOME OWNERS 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 \_\_\_\_\_ April 20 \_\_\_\_\_, 19 84 .



SECRETARY OF STATE

\_\_\_\_\_  
Corporation Clerk

ARTICLES OF INCORPORATION  
OF  
CANTERBURY COVE HOME OWNERS ASSOCIATION, INC.

The undersigned, acting as incorporators of a Corporation under the Idaho NonProfit Corporation Act, adopts the following Articles of Incorporation for such Corporation:

I.

The name of the Corporation is CANTERBURY COVE HOME OWNERS ASSOCIATION, INC.

II.

This Corporation is a NonProfit Corporation.

III.

The period of existence of this Corporation shall be perpetual.

IV.

The purpose for which the Corporation is formed is to provide for the administration, maintenance, preservation, and architectural control of the residential lots and common area within the certain real property known as CANTERBURY COVE.

V.

The location and street address of the registered office of the Corporation in the State of Idaho is 2210 Avondale Lane, Hayden Lake, Idaho 83835. The name of the registered agent at that address is: Craig Sternberg.

VI.

The number of directors constituting the initial Board of Directors shall be three.

VII.

Every person or entity who is a record owner of a lot which is subject by the covenants to assessment by the Corporation shall be a member of the Corporation. 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 from any lot which is subject to assessment by the Corporation.

VIII.

The Corporation shall be bound by the terms and conditions of the Declaration of Establishment of Conditions, Covenants and Restrictions for CANTERBURY COVE to be recorded in the office of the county recorder of Kootenai County Idaho.

IX.

Neither the directors nor the officers or members of the Corporation shall be personally liable for the debts, liabilities or obligations of the Corporation.

X.

The Corporation shall have two classes of voting membership:

CLASS A. Class members shall be all owners of a lot with the exception of Declarant as defined in the Declaration and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for such lots shall be exercised they among themselves determine but in no event shall more than one (1) vote be cast with respect to that lot.

CLASS B. Class B members shall be the Declarant and shall be entitled to two (2) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership upon the happening of any of the following events, which 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) Four (4) years from the date of completion of the overall development.

XI.

So long as there are two classes of members, these Articles may be amended only by the vote or written assent of seventy-five percent (75%) of the voting power of each class of members. At such time as the Class B membership shall cease and be converted to Class A membership. Amendments to these Articles shall be enacted by requiring the vote or written assent of:

- 1. Seventy-five percent (75%) of the members of the Corporation; and

2. Seventy-five percent (75%) of the votes of members other than Declarant.

XII.

This Corporation is intended to qualify as a Homeowners' Association under the applicable provisions of the Internal Revenue Code and of the Idaho Code. This Corporation is one which does not contemplate pecuniary gain or profit to the members thereof and is organized solely for non-profit purposes. In no event shall the net earnings, income or assets of this Corporation be distributed to or inure to the benefit of, any member, director or officer of this Corporation or other private individual, either directly or indirectly, except on winding up and dissolution. Upon winding up and dissolution of this Corporation, after paying or adequately providing for the debts and obligations of the Corporation, the remaining assets may be distributed to the members as provided in the Bylaws. Notwithstanding the foregoing, without the approval of ONE HUNDRED PERCENT (100%) of the members, so long as there is any common area for which this Corporation is obligated to provide management, maintenance, preservation for control:

a) The Corporation or any person or entity acting on its behalf shall not:

- 1) Transfer all or substantially all of its assets; and
- 2) To file a Certificate of Dissolution; and

b) No Court shall enter an Order declaring the Corporation duly wound up and dissolved.

XIII.

The name of the incorporator is:

CRAIG STERNBERG

and the street address of the incorporator is:

2210 Avondale Lane  
Hayden Lake, Idaho 83835

XIV.

The names and addresses of the members of the initial Board of Directors are as follows:

LEE STERNBERG  
2210 Avondale Lane  
Hayden Lake, Idaho 83835

CRAIG STERNBERG  
2210 Avondale Lane  
Hayden Lake, Idaho 83835

MICHAEL J. NEWELL  
1010 Ironwood Drive  
Coeur d'Alene, Idaho 83814

IN WITNESS WHEREOF, I have hereunto set my hand and seal  
this 16 day of April, 1984.

  
\_\_\_\_\_  
INCORPORATOR

STATE OF IDAHO            )  
                                  ) ss.  
County of Kootenai        )

On this 16 day of April, 1984, before me, the  
undersigned, personally appeared CRAIG STERNBERG, known to me  
to be the person whose name is subscribed to the within  
instrument and acknowledged to me that he executed the same.

  
\_\_\_\_\_  
NOTARY PUBLIC FOR IDAHO  
RESIDING AT: Coeur d'Alene