

CERTIFICATE OF INCORPORATION
OF

KARCHER MALL MERCHANT'S ASSOCIATION, INC.

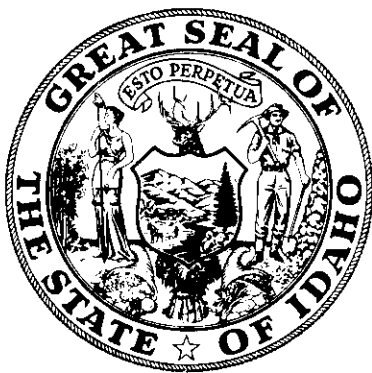
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

KARCHER MALL MERCHANT'S 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 May 11, 19 83



Pete T. Cenarrusa

SECRETARY OF STATE

Corporation Clerk

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ARTICLES OF INCORPORATION
SECRETARY OF STATE OF SECRETARY OF STATE

KARCHER MALL MERCHANT'S ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, incorporators, being citizens of the United States and being of full age do this day voluntarily associate ourselves together for the purpose of forming a non-profit corporation pursuant to the Idaho Non-Profit Corporation Act and do hereby adopt for the following Articles of Incorporation:

ARTICLE I

The name of this corporation shall be Karcher Mall Merchant's Association, Inc.

ARTICLE II

The existence of this corporation shall be perpetual.

ARTICLE III

The purposes for which this corporation is formed are the following:

(a) To perform those activities directed to the improvement of business conditions, to enhance the business reputation of Karcher Mall, Nampa, Idaho, and to stimulate the commercial activity of Karcher Mall, Nampa, Idaho.

(b) The promotion of better business methods and uniform trade practices in the Karcher Mall, Nampa, Idaho.

(c) The development of friendly cooperation among the retail merchants of Karcher Mall, Nampa, Idaho.

(d) To promote the commercial and civic welfare of the community through support and aid of all civic enterprises of Nampa and Caldwell, Idaho.

(e) This Association is not organized for profit, it is being intended that it shall operate on a non-profit basis, and consistent therewith no part of the net earnings of the corporation shall inure to the benefit of any private member or individual; provided, however, that in the event of the liquidation or dissolution of the Association, whether voluntary or involuntary, the members shall be entitled to a distribution and division of its remaining property or its proceeds, and to the balance of all money and other property received by the corporation from any source after the payment of all debts and obligations of the Association.

(f) The Association shall have all of the common law and statutory powers now or hereafter granted by the State of Idaho to a corporation which are not in conflict with these articles, including all powers reasonably necessary to implement

its purpose of improving the business conditions of the Karcher Mall, Nampa, Idaho, including, but not limited to:

1. To make and collect assessments against the members of the Association to defray expenses.
2. To use the proceeds of the assessments in the exercise of its powers and duties.
3. To make and amend regulations respecting the operation of the Association.
4. To do everything necessary, proper, advisable or convenient for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herein set forth, either alone or associated with others, and incidental or pertinent to or connected with its business or powers provided the same be not inconsistent with the State of Idaho.

ARTICLE IV

The Association shall have four (4) classes of members. The designation of such classes and qualifications of the members of such classes shall be as follows:

(a) Retail Members: A retail member is any person or firm maintaining primarily a retail place of business within the limits of the Karcher Mall Shopping Center.

(b) Owner Member: The owner or owners of the Center shall be a special member of the Association and its designated representative shall have all the rights of a retail member.

(c) Professional-Service Member: A person or firm not primarily engaged in the retail business within the limits of Karcher Mall Shopping Center.

(d) Affiliate Member: An affiliate member is a person or firm who has been admitted to the association upon the recommendation of the Board of Directors. Such members shall have a voice at meetings of the association, but shall not be permitted to vote, and shall be excused from attendance at any meeting or portion thereof, when said meeting shall be deemed to be in "board session". Dues assessments for an affiliate member will be set by the Board of Directors at the time of application.

The voting power of each member in the association shall be unequal and will be based on the amount of dues each member is assessed annually. Each member is entitled to one vote per each \$100.00 contributed to the Association subject to the following:

(a) The member must be in good standing, and therefore, not under suspension or expelled.

(b) All members are entitled to at least one (1) vote except for affiliate members which shall have not voting rights.

(c) Partial votes will be counted. Example: a \$350.00 annual contribution equals 3.5 votes. All property

rights of members shall be determined by a pro-rata formula based on the amount each member has contributed to the Association during the then current fiscal year.

The following shall be the only manner in which membership rights shall be suspended or terminated:

(a) For Cause. The Board of Directors may by affirmative vote of two-thirds (2/3) of the entire Board at a regular meeting of the Board, (1) Suspend the privileges of membership for a stated period or, (2) Expel from the membership any member for cause shown after a meeting of the Board of Directors where the member may be present and protest the proposed expulsion.

(b) Non-Payment of Dues or Assessments. The Board of Directors shall suspend at the next regular Board meeting any member who shall be in default in the payment of dues or assessments for the period fixed in the By-Laws.

(c) Ineligibility. The Board of Directors shall at the next regular Board meeting remove from the membership roles the name of any member who may become ineligible for membership by virtue of termination of tenancy in the Karcher Mall Shopping Center. Such termination of tenancy and membership shall not relieve such former member so terminating of the obligation to pay any dues, assessments or other charges theretofore accrued or unpaid.

ARTICLE V

The amount of annual assessment for members of the Association shall be determined as follows: Provided, however, that the requirements of this section shall be limited and subordinate to any Merchants' Association clause in any Tenant's Lease for the Karcher Mall Shopping Center.

(a) Retail and Professional Service Members. Each Retail and Professional Service Member's annual assessment shall be in the amount of 25 Cents (25¢) per square foot or as may be established by the Association's By-Laws of the total gross leasable area of each Retail Member's demised premises as defined in their Lease for Karcher Mall, provided, however, that the minimum annual assessment shall be \$250.00

(b) Owner Member. The Owner' Member's annual assessment shall be \$11,250.00 so long as the annual assessment of the J. C. Penney Company, Inc., totals \$10,500.00. In no event, however, shall Owner's assessment be less than that of the largest contribution to the Association.

(c) Affiliate Members. Dues assessment for an Affiliate Member shall be set by the Board of Directors at the time of Application.

Assessments for the security program shall be based on a general scale according to the member's gross leasable area, as defined in their Lease at Karcher Mall. In no event shall a member's assessment be less than \$120.00 per year or more than \$1,440.00 per year, unless otherwise specified in said member's Lease Agreement or the Association's By-Laws.

Dues and Assessments of the member shall be paid in the following manner:

(a) Members shall be billed quarterly on the first day of December, March, June and September of each fiscal year. A member shall have the privilege of paying monthly, without penalty, provided a written statement evidencing such intention is filed with the Secretary prior to the date of such billing.

(b) New Members shall be billed on the basis of a pro-ration for the remained of the fiscal year from the first day of the month in which such membership is approved by the Board of Directors in accordance with the By-Laws.

Billings, as rendered, shall be due for payment on or before thirty days (30) after the date of billing. Bills remaining unpaid after thirty (3) days from the date of billing thereof, shall be subject to an interest charge of one percent (1%) on the unpaid balance for every month, or fraction of a month, such bill remains unpaid.

When a member of any class shall be in arrears in the payment of its dues or assessments for a period of ninety (90) days, he shall be notified, in writing, mailed by ordinary mail to the member's last known address as shown by the records of the Association, that unless the arrearage is paid within twenty (20) days thereafter, said member shall automatically be suspended from the Association and any office or offices and committee or committees he shall then be occupying or a member of. Upon suspension, a member shall automatically lose its voting rights until said member has been reinstated as provided herein. The member, in default, shall pay the Association's reasonable legal fees plus court costs incurred in any action to collect the delinquent assessments.

When a member of any class, after he has been notified that he has been suspended for non payment, has failed to cure said suspension within an additional ninety (90) day period, he shall again be notified, this time by certified mail, that unless he cures his default within ten (10) days thereafter, said member shall be subject to expulsion from the Association by a two-thirds (2/3) vote of the Board of Directors. If said member is expelled, then the Board of Directors shall immediately notify the Owner member in writing.

Reinstatement of any member shall be only upon payment in full of the unpaid amount due and the interest thereon, owed to the Association. Such suspension of a member shall not invalidate any assessments of the said member, which shall continue, until paid in full with interest.

ARTICLE VI

The address of the initial registered office of the corporation is Karcher Mall, Nampa, Idaho 83651 and the name of the corporation's initial registered agent is Kelly Amos, Karcher Mall Merchant's Association, / at 1119 N. 14th Boise, ID 83702 .
Inc.

ARTICLE VII

The meetings of the members of this corporation shall be held within the territorial boundaries of Canyon County, State of Idaho.

ARTICLE VIII

The number of the directors of the corporation shall be at least nine and the names and addresses of the initial Board of Directors and the incorporators are as follows:

Joyce Knapp
1024 Skye Drive
Nampa, ID 83651

Donna Watson
1885 W. Victory Road
Meridian, ID 83642

Russ Rapp
1411 Darrah Drive
Meridian, ID 83642

Scott Cockerham
527 W. Roosevelt
Nampa, ID 83651

Les Dunlap
611 Fletcher Drive
Nampa, ID 83651

Roger Davenport
2702 College Avenue
Caldwell, ID 83605

Dan Harper
3221 Chickory Way
Boise, ID 83706

Sturmer White
3519 Rose Briar Lane
Nampa, ID 83651

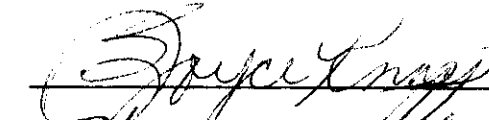
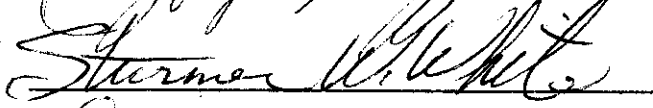
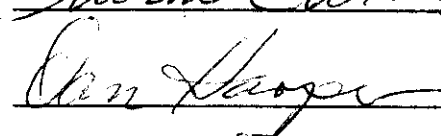
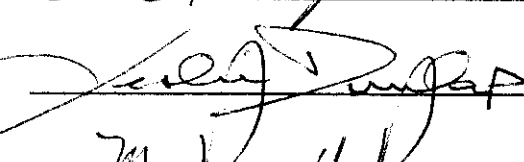
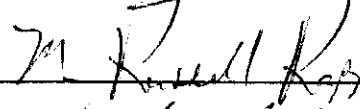

Cheryl Wear
Route 7 Box 7210A
Nampa, ID 83651

These initial directors shall serve until the first election of Directors.

ARTICLE IX

Any amendment to these Articles of Incorporation may be made in the manner as set forth in the Idaho Non-Profit Corporation Act.

IN WITNESS WHEREOF, We, the incorporators of the corporation, have hereunto set our hands and seals to this instrument, this 28th day of April, 1983.

Cheryl L. Wlear
Donna Watson
Roger Davenport

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Joyce Knapp known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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.

Ueda Thompson
Notary Public for Idaho
Residing at Blackfoot, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Sturmer W. White known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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.

Ueda Thompson
Notary Public for Idaho
Residing at Blackfoot, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Dan Harper known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Leslie Dunlap known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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.

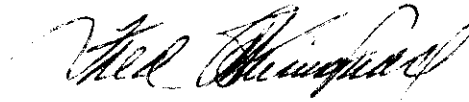


Notary Public for Idaho
Residing at Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared M. Russell Rapp known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 28th day of April, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Scott Cockerham known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 3rd day of May, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Cheryl L. Wear known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 3rd day of May, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Donna Watson known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Idaho, Idaho

STATE OF IDAHO)
) ss.
County of Canyon)

ON THIS 3rd day of May, 1983, before me, the undersigned, a Notary Public in and for said State, personally appeared Roger Davenport known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (s)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 Caldwell, Idaho