



Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

ALPINE VILLA HOMEOWNERS ASSOCIATION

was filed in the office of the Secretary of State on the 11th day of January A.D., One Thousand Nine Hundred seventy-four and will be duly recorded on ~~film~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **Perpetual Existence** from the date hereof, with its registered office in this State located at Ketchum, Idaho in the County of Blaine

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 11th day of January, A.D., 79 .

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

ARTICLES OF INCORPORATION

OF

ALPINE VILLA HOMEOWNERS ASSOCIATION

In compliance with the requirements of Idaho Code Chapter 15, Title 55 (Condominium Property Act), and Idaho Code Section 30-117A, (Non-Profit Corporations), the undersigned, all of whom are residents of Idaho, 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 ALPINE VILLA HOMEOWNERS ASSOCIATION, hereafter called the "Association."

ARTICLE II.

The principal office of the Association is located at 3rd and River Streets, Ketchum, Idaho, 83340.

ARTICLE III.

Alpine Villa Development Co. Inc., whose address is P. O. Box 1158, Sun Valley, Idaho 83353, is the initial agent of this Association.

ARTICLE IV.

PURPOSE & POWERS 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 residence Lots and Common Area within that certain tract of property described as: See Exhibit A. and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(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 Blaine County Recorder and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments 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 with the assent of two-thirds (2/3) of members except the declarant mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) 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. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of members except the declarant, 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, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of members except the declarant;

(g) 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 Idaho by law may now or hereafter have or exercise.

ARTICLE V.

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 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 Lot which is subject to assessment by the Association.

ARTICLE VI.

VOTING RIGHTS

Association members shall have voting rights in proportion to their ownership interest in the common area.

ARTICLE VII.

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of 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 addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>Name</u>	<u>Address</u>
JAMES CLAY	Ketchum, Idaho
ROBERT KORB III	Ketchum, Idaho
JOANN HOPKINS	Ketchum, Idaho

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 sufficient directors for a term of three years to fill all vacancies.

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 members except the declarant. 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.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 31st day of DECEMBER, 1973.

ALPINE VILLA HOMEOWNERS ASSOCIATION

Incorporators:

James M. Day

Robert K. Kohn

James Haykins

ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss.
County of Blaine)

On this 31st day of December, 1973, before me,
a Notary Public in and for said State, personally appeared
JAMES CLAY, ROBERT KORB III, and JOANN HOPKINS, known to me
to be the persons whose names are subscribed to the within
instrument, and acknowledged to me that they 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.

Thomas B. Culpin
NOTARY PUBLIC for Idaho
Residing at Ketchum, Id.
Commission expires 9.5.77

EXHIBIT A

W $\frac{1}{2}$ Block 81, Original Ketchum Townsite,
Blaine County, Idaho, excepting the
following parcel:

Commencing, as Point of Beginning, from the
Northwest corner of said W $\frac{1}{2}$ Block 81;

Thence N 45°17' E 65.00 feet;
thence S 44°43' E 122.00 feet;
thence S 45°17' W 65.00 feet;
thence N 44°43' W 122.00 feet to the
Point of Beginning

CONDOMINIUM DECLARATION

THIS DECLARATION, made on the date hereinafter set forth by ALPINE VILLA DEVELOPMENT CO. INC., hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Village of Ketchum, County of Blaine, State of Idaho, which is more particularly described as:

See Exhibit A attached.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to the non-profit corporation, Alpine Villa Homeowners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows: That property designated as Lot 28 on Alpine Villa Townhouses Subdivision plat.

Section 5. "Lot" shall mean and refer to any plot of land or condominium unit shown upon any recorded map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Alpine Villa Development, Inc., its successors and assigns.

ARTICLE II.

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment.

Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by the owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate 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. No such dedication or transfer shall be effective unless an

instrument signed by two-thirds (2/3) of the members except the declarant agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Parking Rights. Ownership of each lot shall entitle the owner or owners thereof to the use of not more than one and one-half automobile parking space, which shall be as near and convenient to said lot as reasonably possible, together with the right of ingress and egress in and upon said parking area.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The voting rights of a member of the Association shall be determined by the owner member's percentage interest in the Common Area of the project as defined in Section 55-1503 of the Idaho Code; therefore, the voting rights of each member owner will not in all cases be equal. Exhibit B, attached hereto, sets forth the percentage interest of each member in the common area.

ARTICLE IV.

TAXES AND ASSESSMENTS

Section 1. Each Owner shall execute such instruments and take such actions as may reasonably be specified by the Association to obtain separate real property tax assessments of the interest of each Owner in each lot. If any taxes or special district or other assessments may, in the opinion of

term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of members except the declarant.

Section 5. Easements for Encroachments. If any part of the Common Area encroaches or shall hereinafter encroach upon a Lot or condominium unit, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Lot or condominium unit encroaches or shall hereafter encroach upon the Common Area, or upon an adjoining lot or condominium unit, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Area or the Lots or condominium units. Encroachments being caused by but not limited to settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 19 day of December, 1973.

ALPINE VILLA DEVELOPMENT CO. INC.

DECLARANT:

By James Clay
James Clay

CORPORATE ACKNOWLEDGEMENT

STATE OF IDAHO)
) ss.
County of Blaine)

On this 19 day of December, 1973, before me,
a Notary Public in and for said State, personally appeared
JAMES CLAY, President of ALPINE VILLA DEVELOPMENT CO. INC.,
known to me to be the person who executed the instrument on
behalf of the Corporation that executed the instrument and
acknowledged to me that such Corporation 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.



Robert M. [Signature]
NOTARY PUBLIC for Idaho
Residing at Ketchum Idaho
Commission expires Jan 15, 1977

EXHIBIT A

W $\frac{1}{2}$ Block 81, Original Ketchum Townsite,
Blaine County, Idaho, excepting the
following parcel:

Commencing, as Point of Beginning, from the
Northwest corner of said W $\frac{1}{2}$ Block 81;

Thence N 45°17' E 65.00 feet;
thence S 44°43' E 122.00 feet;
thence S 45°17' W 65.00 feet;
thence N 44°43' W 122.00 feet to the
Point of Beginning

EXHIBIT "B"

<u>Unit No.</u>	<u>Square Ft. Lot Size</u>	<u>Vote</u>	<u>Shares of Common Area</u>	<u>Percentage of Ownership Interest in the Common Area</u>
1	630	1.45	145	4.00773
2	490	1.13	113	3.12327
3	490	1.13	113	3.12327
4	490	1.13	113	3.12327
5	490	1.13	113	3.12327
6	490	1.13	113	3.12327
7	490	1.13	113	3.12327
8	490	1.13	113	3.12327
9	490	1.13	113	3.12327
10	490	1.13	113	3.12327
11	490	1.13	113	3.12327
12	490	1.13	113	3.12327
13	490	1.13	113	3.12327
14	490	1.13	113	3.12327
15	490	1.13	113	3.12327
16	490	1.13	113	3.12327
17	490	1.13	113	3.12327
18	475	1.09	109	3.01271
19	784	1.80	180	4.97512
20	435	1.00	100	2.76395
21	448	1.03	103	2.84687
22	448	1.03	103	2.84687
23	448	1.03	103	2.84687
24	602	1.38	138	3.81426
25	1360	3.13	313	8.65119
26	1121	2.58	258	7.13101
27	1121	2.58	<u>258</u>	<u>7.13101</u>
TOTAL SHARES				3,618 100.00%

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CONSENT OF HOLDER OF SECURITY INTEREST

The undersigned DALE TILLAY and MARY LOU TILLAY, husband and wife, holders of a security interest in the property described in the foregoing declaration of the ALPINE VILLA HOMEOWNERS ASSOCIATION, certify that they consent to the recordation of said Declaration, and such other instruments pursuant to the Declaration as are provided for in the Condominium Property Act of the State of Idaho.

DATED: This 3rd day of August, 1973.

Dale Tillay
DALE TILLAY

STATE OF WASHINGTON) Power of Mary Lou Tillay
) Attorney-in-Fact MARY LOU TILLAY
) ss: DALE TILLAY
County of _____)

On this 3rd day of August, 1973, before me, a Notary Public for the State of Idaho, personally appeared DALE TILLAY and MARY LOU TILLAY, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they 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.

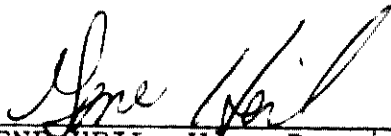
Samuel J. Strubel
NOTARY PUBLIC for Washington
Residing at: Walla Walla
Commission expires: 10/25/73

CONSENT OF HOLDER OF SECURITY INTEREST

The undersigned, FIRST SECURITY BANK OF IDAHO, N.A. as holder of a security interest in the property described in the foregoing declaration of the ALPINE VILLA HOMEOWNERS ASSOCIATION, filed by the record owner, ALPINE VILLA DEVELOPMENT CO. INC., certify that it consents to the recordation of said Condominium Declaration, and such other instruments pursuant to the Declaration as are provided for in the Condominium Property act of the State of Idaho.

DATED: This 4th day of January, 1974.


FIRST SECURITY BANK OF IDAHO, N.A.

By 
GENE HEIL, Vice President

STATE OF IDAHO)
) ss.
County of Ada)

On this 4th day of January, 1974, before me, a Notary Public for the State of Idaho, personally appeared GENE HEIL, known to me to be the Vice President of the First Security Bank of Idaho, the corporation that executed the above instrument and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day and year first above written.


NOTARY PUBLIC for Idaho
Residing at Boise, Idaho
Commission expires 7/10/76

Association, nevertheless be a lien on the project or any part thereof, the Association shall pay the same and assess the same to the Owner or Owners responsible therefor. Each Owner shall pay the taxes or assessments assessed against his Lot, or interest therein, or his interest in the Common Area or any part of any or all of the foregoing. Each Owner shall pay all taxes, rates, impositions and assessments levied against the Project or any part of the Common Area in proportion to his interest in the Common Area, such payment to be made to the Association at least thirty (30) days prior to the delinquency of such tax or assessment. Each such unpaid tax or assessment shall bear interest at the rate of eight and one-half (8-1/2) per cent per annum from and after the time the same becomes payable by each Owner and shall be secured by a lien on such Lot in favor of the Association upon recordation of a Notice of Assessment signed by the Association setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the record owner of the Lot and a description of the Lot.

ARTICLE V.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant,

for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (1) annual assessments or charges, and
 - (2) special assessments for capital improvements,
- such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and

reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessment. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, and of the homes situated upon the Properties.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Seven Hundred Twenty Dollars (\$720.00) per each developed Lot. Lots owned by the Declarant shall not be assessed until sold. However, Declarant shall pay its proportionate share of taxes and insurance on Lots not purchased.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of members except the declarant who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements
And Building Exterior Maintenance.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members except the declarant who are voting in person or by proxy at a meeting duly called for this purpose.

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

The cost of such maintenance or repairs shall be assessed as a special assessment, and in addition to the annual assessments provided in paragraph 3 above.

Section 5. Notice and Quorum for Any Action Authorized
Under Sections 3 and 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days

following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments Due Dates.

The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessment: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight and one-half (8-1/2%) per cent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI.

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VII.

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a