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State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

RIVER RUN PHASE 3-C LOCAL 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 RIVER RUN PHASE 3-C LOCAL 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: March 16, 1992



Pete T. Cenarrusa

SECRETARY OF STATE

By

Sheryl Dennis

Mar 16 4 47 PM '92
SECRETARY OF STATE

ARTICLES OF INCORPORATION

OF

RIVER RUN PHASE 3-C LOCAL ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, for the purpose of forming a nonprofit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be RIVER RUN PHASE 3-C LOCAL ASSOCIATION, INC., hereinafter referred to as "Phase 3-C Association."

ARTICLE II

TERM

The period of existence and duration of the life of this corporation shall be perpetual.

ARTICLE III

NONPROFIT

This corporation shall be a nonprofit, membership corporation.

ARTICLE IV

REGISTERED AGENT

The location and street address of the initial registered office of this corporation shall be 277 North Sixth Street, Suite 200, Boise, Idaho 83702, and LEO EDWARD MILLER is hereby appointed the initial registered agent of the Phase 3-C Association.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is forced are to provide for certain regulations of use of, and architectural control of, the Building Lots located in River Run (Phase 3-C), which is a portion of the Property covered by the Declaration of Covenants, Conditions and Restrictions for River

Run, recorded in the Office of the County Recorder, Ada County, Idaho as Instrument No. 7941486 ("River Run Declaration"), as supplemented by the Phase 3-C Supplement to the Declaration of Covenants, Conditions and Restrictions of River Run, recorded in the Office of the County Recorder, Ada County, Idaho as Instrument No. 8625831 ("Phase 3-C Supplement"); to provide for the maintenance and preservation of the Local Common Area, if any, owned by the Phase 3-C Association; to elect Delegates to the River Run Homeowners Association, Inc., an Idaho nonprofit corporation, and the River Run Recreation Association No. 1, Inc., an Idaho nonprofit corporation; to establish a Local Architectural Committee and a Phase 3-C Local Homeowners Association; to maintain the exterior portion of the Building Structures in River Run Phase 3-C; to provide for maintenance and repair of certain Landscaped Areas; to provide property insurance for the Building Structures located in River Run (Phase 3-C); 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 the Phase 3-C Association for this purpose to:

(A) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Phase 3-C Association as set forth in the River Run Declaration and the Phase 3-C Supplement, as either may be amended from time to time as therein provided, said River Run Declaration and Phase 3-C Supplement 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 River Run Declaration and the Phase 3-C Supplement; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Phase 3-C Association, including all licenses, taxes or governmental charges levied or imposed against the Local Common Area by the Phase 3-C 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 Phase 3-C Association;

(D) Borrow money, and with the assent of two-thirds (2/3) of each class of Member, 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 Local Common Area to any public agency, authority, or utility for such purposes and such conditions as may be agreed to by the Members or set forth in the River Run Declaration and/or the Phase 3-C Supplement. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds

(2/3) of each class of Members, agreeing to such dedication, sale or transfer and otherwise conforms to the limitations imposed by the River Run Declaration and the Phase 3-C Supplement;

(F) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Local Common Area, provided that any such merger, consolidation or annexation shall comply with the requirements of the River Run Declaration and the Phase 3-C Supplement;

(G) Have and exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Law of the State of Idaho by law may now or hereafter have or exercise, subject only to limitations contained in the By-Laws and the River Run Declaration, Phase 3-C Supplement, and the amendments and supplements thereto.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record Owner of a fee of undivided fee interest in any Building Lot subject to the Phase 3-C Supplement, including contract sellers, shall be a Member of the Phase 3-C 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 Building Lot which is subject to the Phase 3-C Supplement.

ARTICLE VII

VOTING RIGHTS

The Phase 3-C Association shall have two (2) classes of voting membership:

Class A. Class A Members shall be all Owners of Building Lots which are subject to the Phase 3-C Supplement, with the exception of Grantor, and shall be entitled to one (1) vote for each Building Lot owned. When more than one person or entity holds an interest in any Building Lot, all such persons shall be Members, but in no event shall more than one vote be cast with respect to any Building Lot.

Class B. The Class B Member shall be the Grantor. Upon the first sale of the Building Lot, which is subject to the Phase 3-C Supplement, to an Owner, Grantor shall be entitled to three (3) votes for each Building Lot owned by Grantor which is subject to the Phase 3-C Supplement. The Class B membership upon the happening of either of the following events, whichever occurs earlier: (i) when the total votes

outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, provided that the Class B membership shall not be converted to Class A membership before the expiration of two (2) years from the date that the first Building Lot is sold to an Owner; or (ii) ten (10) years from the first sale to an Owner; of a Building Lot which is subject to the Phase 3-C Supplement.

ARTICLE VIII

MEMBERSHIP CERTIFICATES

Members shall be entitled to receive a Certificate of Membership. There shall be one (1) membership in the Phase 3-C Association for each Building Lot subject to the Phase 3-C Supplement. Members of the Phase 3-C Association must be and remain Owners of Building Lots subject to the Phase 3-C Supplement and the Phase 3-C Association shall include as Members all Owners of Building Lots subject to the Phase 3-C Supplement.

ARTICLE IX

BOARD OF DIRECTORS

The affairs of this corporation shall be managed by a Board of three (3) directors, who need not be Members of the Phase 3-C Association. The number of directors may be changed by amendment of the By-Laws of the corporation. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

Ron Graves President	975 River Run Drive Boise, Idaho 83706
Jim Crawford Vice President	975 River Run Drive Boise, Idaho 83706
Vicki Helming Secretary	975 River Run Drive Boise, Idaho 83706

ARTICLE X

ASSESSMENTS

Each Member shall be liable for the payment of Assessments provided for in the River Run Declaration and the Phase 3-C Supplement and for the payment and discharge of the liabilities of the Phase 3-C Association as provided for in the River Run Declaration and the Phase 3-C Supplement and as set forth in the By-Laws of the Phase 3-C Association.

ARTICLE XI

BY-LAWS

The By-Laws of this corporation may be altered, amended or new By-Laws adopted by any regular or any special meeting of the corporation called for that purpose by the affirmative vote of two-thirds (2/3) of each class of membership.

For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the corporation and the Members for the payment of Assessments, the By-Laws may incorporate by reference the provisions of the River Run Declaration and the Phase 3-C Supplement.

ARTICLE XII

DISSOLUTION

Subject to the provisions as to mortgage protection contained in the River Run Declaration and the Phase 3-C Supplement, the Phase 3-C Association may be dissolved with the assent given in writing and signed by all Members (or upon the affirmative vote of Members holding three-fourths (3/4) of the voting power of each class of Members at a duly constituted meeting of the Members). Upon dissolution of the Phase 3-C Association, other than incident to a merger or consolidation, the assets of the Phase 3-C Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Phase 3-C Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLES XIII

AMENDMENTS

Amendment of these Articles shall require the assent of not less than three-fourths percent (3/4%) of each class of Members, and when required by the Declaration, the consent of holders of first mortgages on property unit(s) who have requested the Association in writing to provide them notice of proposed action which affects their interests. No amendment which is inconsistent with the provisions of the River Run Declaration or the Phase 3-C Supplement shall be valid.

ARTICLES XIV

FHA/VA APPROVAL

As long as there is a Class B membership, the following actions may require the prior approval of the Federal Housing

Administration (FHA), the Veterans Administration (VA) and such other agencies as are specified in the River Run Declaration: annexation of additional properties, mergers and consolidations, mortgaging of Local Common Area, dedication of Local Common Area, dissolution and amendment of these Articles, and such other matters as are specified in the River Run Declaration.

ARTICLE XV

MEANING OF TERMS

All terms appearing herein initially capitalized shall have the same meanings as are applied to such terms in the River Run Declaration and the Phase 3-C Supplement, which terms include, without limitation: "Articles", "Board", "Building Lot", "By-Laws", "Common Area", "Delegate", "Grantor", "Local Association", "Local Common Area", "Member", "Property", "Property Covered", and "Owner".

ARTICLE XVI

Leo Edward Miller whose street address is 277 North Sixth Street, Suite 200, Boise, Idaho 83702, shall be the incorporator of the corporation.

IN WITNESS WHEREOF, I have set my hand and seal this 5th day of January, 1991.



Leo Edward Miller