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**ARTICLES OF INCORPORATION
OF**

CONDOMINIUM OWNERS AT LUNA RIDGE, INC.

An Idaho Nonprofit Corporation

SECRETARY OF STATE
STATE OF IDAHO
I, **SEAN W. GILL**, PERSONS BY THESE PRESENTS: That the undersigned, **COPPER BASIN CONSTRUCTION, INC.**, an Idaho corporation in good standing organized under the laws of the State of Idaho, has this day formed this nonprofit corporation without capital stock pursuant to the Idaho Nonprofit Corporation Act, Title 30, Chapter 3 of the Idaho Code and does with this make, acknowledge and declare the following Articles of Incorporation ("Articles") for such nonprofit corporation.

**ARTICLE I
NAME**

The name of the nonprofit corporation is "**CONDOMINIUM OWNERS AT LUNA RIDGE, INC.**," hereinafter referred to as the "Association."

**ARTICLE II
DEFINITIONS**

Except as otherwise provided herein or as may be required by the context, all terms defined in the Declaration of Condominium of the Condominiums At Luna Ridge, a Condominium Project, a document to be recorded in the official records of Kootenai County, Idaho ("Declaration"), shall have such defined meaning when used in these Articles.

**ARTICLE III
DURATION**

The Association shall exist perpetually or until dissolved pursuant to law.

**ARTICLE IV
PURPOSES**

The Association is organized as a nonprofit corporation pursuant to the Idaho Nonprofit Corporation Act, Title 30 Chapter 3 of the Idaho Code (The "Act") and shall be operated exclusively for the purpose of maintaining, operating and governing the Condominiums At Luna Ridge, a Condominium Project ("Project") which is located in Post Falls, Idaho. The Association is organized and shall be operated to perform the functions and provide the services contemplated in the Declaration. No dividend shall be paid and no part of the net income of the Association, if any, shall be distributed to the members, directors or officers of the Association, except as otherwise provided herein, in the Declaration or under Idaho law.

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RIDGE, INC.

IDAHO SECRETARY OF STATE
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ARTICLE V POWERS

Subject to the purposes declared in Article IV above and any limitations herein expressed, the Association shall have and may exercise each and all of the following powers and privileges:

- (a) The power to do any and all things that the Association is authorized or required to do under the Declaration, as the same may from time to time be amended, including, without limiting the generality of the foregoing, this specific power to fix, levy and collect the charges and assessment provided for in the Declaration;
- (b) The power to purchase, acquire, own, hold, lease, mortgage, sell and dispose of any and all kinds and character of real, personal and mixed property (the foregoing particular enumeration in no sense being used by way of exclusion or limitation) and, while owner of any of the foregoing, to exercise all rights, powers and privileges appertaining thereto; and
- (c) The power to do any and all things that a nonprofit corporation formed under the Act any now or hereafter do under the laws of the State of Idaho.

ARTICLE VI MEMBERSHIP

The members of the Association shall be all of the record owners of Condominiums in the Project, as such owners are shown in the official records of Kootenai County, Idaho. The term "record owner" shall not include any mortgagee, trustee or beneficiary under any mortgage, trust deed, or deed of trust, by which a Condominium or any part thereof is encumbered (unless such mortgagee, trustee or beneficiary has acquired title for other than security purposes by means of judicial or non judicial action, including, without limitation, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure), but it shall include persons or entities as contract vendee purchasing a Condominium under a real estate contract. If record ownership of a Condominium in the Project is jointly held, the membership appertaining to such Condominium shall also be jointly held. Each membership in the Association shall be appurtenant to and shall not be separated from the Condominium to which it relates. No person or entity other than an Owner of a Condominium in the Project may be a member of the Association.

ARTICLE VII MEMBERSHIP CERTIFICATES

The Association may issue certificates of membership, but such certificates shall not be necessary to evidence membership in the Association or the Commercial Section. Membership in

the Association shall begin immediately and automatically upon becoming a record owner of the condominium to which such membership appertains and shall cease immediately and automatically upon an Owner ceasing to be a record owner of such condominium.

ARTICLE VIII ORGANIZATION

The corporation is to be organized upon a non-stock certificate membership basis. Such memberships shall be non-redeemable, non-transferrable and non-dividend bearing. There shall be two (2) classes of membership, as follows:

Class A: Class A members shall be all owners of condominiums within Project, with the exception of the Developer (Copper Basin Construction, Inc.), and shall be entitled to one (1) vote for each condominium owned.

Class B: Class B members shall be the Developer (Copper Basin Construction, Inc.). Upon the first sale of a Condominium to an owner, the Developer shall thereupon be entitled to ten (10) votes for each Condominium owned by the Developer. This Class B membership shall cease and be converted to Class A membership when Developer no longer owns any units.

The qualifications and dues for membership shall be specified in the Bylaws of the corporation.

ARTICLE IX ASSESSMENTS

Members of the Association shall be subject to assessments by the Association from time to time in accordance with the provisions of the Declaration and shall be liable to the Association for payment of such assessments. Members shall not be individually or personally liable for the debts or obligations of the Association. However, the foregoing in no way relieves the members of their personal liability for the assessments as such assessments are assessed from time to time against their individual Condominiums.

ARTICLE X BYLAWS, RULES AND REGULATIONS

The Board of Directors may, in accordance with the Condominium Act and the Declaration, adopt, amend, repeal and enforce Bylaws and reasonable rules and regulations governing the operation of the Association and the operation and use of the Residential Units, the General Common Area, the Residential Common Area, and the Limited Residential Common Area, as those terms are defined in the Declaration, to the extent that the same are not inconsistent with these Articles or the Declaration. With respect to any inconsistency among the Declaration, Articles and Bylaws, the Declaration shall have priority over the Articles and Bylaws, and the Articles shall have

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priority over the Bylaws.

**ARTICLE XI
DISTRIBUTION UPON DISSOLUTION**

Upon dissolution of the Association, the assets of the Association shall be distributed in accordance with all applicable laws and the Declaration in a manner approved by the members.

**ARTICLE XII
INITIAL DIRECTORS**

The following individuals shall serve as the initial directors of the Association until their successors are duly elected and qualified:

STEVE WHITE	Copper Basin Construction, Inc. 580 Capstone Court Hayden, ID 83835
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GREGORY GERVAIS	Copper Basin Construction, Inc. 580 Capstone Court Hayden, ID 83835
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LISA DUNHAM	Copper Basin Construction, Inc. 580 Capstone Court Hayden, ID 83835
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**ARTICLE XIII
INITIAL REGISTERED AGENT AND ADDRESS**

The street address of the Association's initial registered office and the name of its initial registered agent at that office are as follows:

Paul W. Daugharty	110 E. Wallace Avenue Coeur d'Alene, ID 83814
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**ARTICLE XIV
INCORPORATOR**

The name and address of the incorporators of the Association are as follow:

**Copper Basin Construction, Inc.
580 Capstone Court, Hayden, Idaho 83835**

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ARTICLE XV
AMENDMENTS

Except as otherwise provided by law or by the Declaration, these Articles may be amended by not less than fifty-one percent (51%) of the Total Votes in the Association.

Dated this 24 day of August, 2006.

INCORPORATOR:

COPPER BASIN CONSTRUCTION, INC.

STEVE WHITE, President

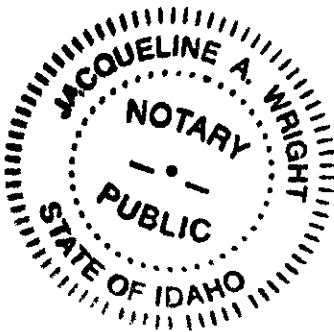
STATE OF IDAHO)

ss.

County of Kootenai)

On this 24 day of August, 2006, before me, the undersigned Notary Public in and for said state, personally appeared STEVE WHITE, being first duly sworn upon oath, known or identified to me to be the President of Copper Basin Construction, Inc., and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



Jacqueline A. Wright
Notary Public for Idaho
Residing at Coeur d'Alene
My commission expires: 5-22-07

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