



CERTIFICATE OF INCORPORATION
OF

SHILO RANCH ESTATES WATER & ROAD ASSOCIATION, INC.

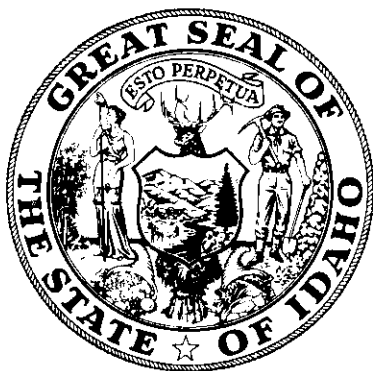
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

SHILO RANCH ESTATES WATER & ROAD 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 June 28, 1962.



Pete T. Cenarrusa

SECRETARY OF STATE

Corporation Clerk

RECEIVED

ARTICLES OF INCORPORATION JUN 28 PM 4 11

OF

SHILO RANCH ESTATES WATER & ROAD ASSOCIATION, INC.

SECRETARY OF

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, EARL LIVINGSTON and FAY LIVINGSTON, each being a natural person of full age, a resident of Boise County, State of Idaho, and a citizen of the United States of America, do voluntarily and do hereby associate ourselves together for the purpose of forming a corporation under the laws of the State of Idaho, and we do hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation shall be SHILO RANCH ESTATES WATER & ROAD ASSOCIATION, INC.

ARTICLE II

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

ARTICLE III

This corporation shall be a nonprofit, membership corporation.

ARTICLE IV

The location of the registered office of this corporation shall be in Garden Valley, Boise County, State of Idaho, and the mailing address of the registered office

of this corporation shall be Star Route, Garden Valley, Idaho 83622. The name of its registered agent at such address is Earl Livingston.

ARTICLE V

The nature of the business and the objects and purposes of this corporation shall be:

1. To associate its members together for their mutual benefit and, to that end, to provide for and maintain a central water system and road system for its members. This corporation will construct, or cause to be constructed, maintain and operate a central water system for members of this corporation and will construct, or cause to be constructed, and will maintain access roads for members of this corporation who are owners of real property within the boundaries of the property described on Exhibit "A" attached hereto and by reference made a part hereof.

2. To own or lease, operate and develop any property necessary to accomplish the purposes of this corporation, to borrow for the use and needs of the corporation, to pledge and/or mortgage real, personal and tangible property of the corporation as security therefor in any manner permitted by law.

3. To do any and all things that may be instant or conducive to the aforesaid objects of any of them and exercise the usual powers of corporate bodies.

4. To appoint such officers and agents as the business of the corporation shall require and to allow them suitable compensation.

5. To make by-laws not inconsistent with these Articles, the laws of the United States or the laws of the State of Idaho, which by-laws shall be for the regulation and government of the corporation and shall provide for the means of the certification and transfer of the certificates of membership in this corporation.

6. To tax, levy, collect and enforce payment by any lawful means, to be made to its members, all charges or assessments, annual or special, required for the construction, upkeep, maintenance and operation of such water and road systems and as may be provided in the By-Laws of this corporation.

7. To levy assessments on the members of the corporation for any necessary repairs or improvements to the water and road systems should the rates and charges for operation and maintenance be inadequate to pay for such repairs and improvements and by any method as provided in the By-Laws of this corporation.

8. To exercise all the powers and privileges and perform all the duties and obligations of the corporation as set forth in that certain Declaration of Covenants (hereinafter called "the Declaration") applicable to the property, and as the same may be amended from time to time

as herein provided. Said Declaration is incorporated herein as if set out at length and shall be recorded in the office of the County Recorder of Boise County, Idaho.

9. To have and to 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.

ARTICLE VI

Members shall be entitled to receive a certificate of membership, which certificate shall state the number of votes that member is entitled to cast as a member of the corporation. The voting power and property rights of each member shall be equal.

No person or entity other than an owner of real property situated within the aforescribed real property may be a member of the corporation. A member shall not assign or transfer his membership certificate except in connection with the transfer or sale of said member's real property.

ARTICLE VII

Each member shall be liable for the payment of assessments and for the payment and discharge of the liabilities of the corporation as provided in the By-Laws of the corporation.

ARTICLE VIII

The Articles of Incorporation of this corporation may be altered or amended at any regular or special meeting of the corporation called for that purpose by the affirmative vote of two-thirds of the members present at such meeting.

ARTICLE IX

The business affairs of the corporation shall be managed and controlled by a Board of Directors consisting of not less than three nor more than five members, as may be set out by the By-Laws, except that the initial Board shall consist of two directors until such time as the first lot is sold. The initial Directors shall be:

Earl Livingston

Fay Livingston

Address

Star Route
Garden Valley, Idaho 83622

Star Route
Garden Valley, Idaho 83622

ARTICLE X

The corporation cannot be dissolved unless the water and road system operated and maintained by the corporation has been permanently abandoned or if, for other reasons, it is no longer necessary that the system be maintained by the Association.

ARTICLE XI

The names and post office addresses of the incorporators are as follows:

Earl Livingston

Star Route
Garden Valley, Idaho 83622

Fay Livingston

Star Route
Garden Valley, Idaho 83622

IN WITNESS WHEREOF, We have hereunto set out hands
this 1st day of June, 1982

Earl Livingston
Earl Livingston

Fay Livingston
Fay Livingston