

State of Idaho

Department of State

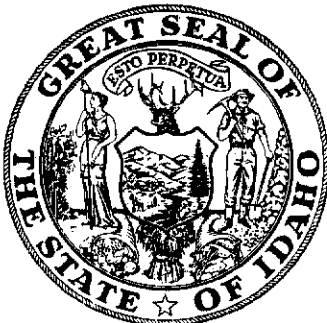
CERTIFICATE OF INCORPORATION OF

HAVEN COVE #5 SUBDIVISION HOME OWNERS' ASSOCIATION, INC.
File number C 116296

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 HAVEN COVE #5 SUBDIVISION HOME OWNERS' 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: September 3, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sari Smock*

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ARTICLES OF INCORPORATION
OF

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HAVEN COVE #5 SUBDIVISION HOME OWNERS' ASSOCIATION, INC.
IDaho SECRETARY OF STATE

In compliance with the requirements of the laws of Idaho relating to non-profit corporations and acts amendatory and supplemental thereto, including particularly Section 30-301, Idaho Code, the undersigned natural persons, each of whom are of full age and residents of the United States, in order to form a non-profit corporation for the purposes hereinafter stated, do hereby as incorporators, adopt the following Articles of Incorporation and certify:

ARTICLE I: NAME

The name of the Association is HAVEN COVE #5 SUBDIVISION HOME OWNERS' ASSOCIATION, INC., hereinafter called the "Association."

ARTICLE II: PRINCIPAL OFFICE

The principal office of the Association is located at 3350 Americana Terrace, Suite 200, Boise, Idaho 83706.

ARTICLE III: PURPOSE AND POWERS OF THE ASSOCIATION

The purpose of this Association shall be to own, provide for maintenance, preservation and control of the Common Areas as defined by the Declarations of the Haven Cove #5 Subdivision to Ada County, Idaho, and any additions thereto as may hereafter be brought within the jurisdiction of this Association by annexation as provided in the Declarations referred to below, and any areas to be maintained adjacent to the Subdivision along any street or road, and 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 for Haven Cove #5 Subdivision, hereafter called the "Declarations" applicable to the property and recorded or to be recorded in the office of the County Recorder of Ada County, Idaho as Instrument No. _____, and as the same may be amended from time to time as therein provided, said Declarations being incorporated herein as if set forth at length.

b. fix, levy, collect and enforce payment of any lawful means, all charges or assessments pursuant to the terms of the Declarations; 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, sell, hold, improve, build upon, operate, maintain, convey, 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, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to those restrictions contained in the Declaration and any amendments thereto;

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 agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the owners, subject to those restrictions contained in the Declarations and any amendments thereto;

f. participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property for the same purposes or annex additional residential property and Common Area, subject to those restrictions contained in the Declarations and any amendments thereto;

g. have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of State of Idaho by law now or hereafter have or exercise; and

h. fix, levy, collect and enforce payment by any lawful means, all charges or assessments, annual or special, required to be made for the operation and maintenance of all common area.

ARTICLE IV: MEMBERSHIPS

Every person or entity who is a record owner (including contract sellers) of a fee or undivided fee interest in any or unit with improvements thereon located within said property shall, by virtue of such ownership, be a member of the Association. When more than one person holds such interest in any or unit, all such persons shall be members. 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 such Unit subject to assessment by the Association.

Such ownership shall be the sole qualification for membership, and shall automatically terminated and lapse when such ownership in said property shall terminate or be transferred. The Association shall maintain a membership list and may require written proof of any member's Unit ownership interest.

Holders of non-possessory security interests shall not be entitled to vote that interest. Interest held by an administrator, personal representative, guardian, conservator, or trustee in bankruptcy may be voted by him, either in person or by proxy, without a transfer of interest into his name.

ARTICLE V: VOTING RIGHTS

All owners defined in these Articles shall be members entitled to vote. Each owner shall be entitled to one vote for each Unit or several Units. Any owners which have fractional interest may divide their interest as their actual ownership interest appears, or multiple owners of one Unit may designate one representative to cast the entire one whole vote for that Unit. In no event shall more than one vote be cast with respect to any Unit. Voting by proxy shall be permitted; provided, proxies shall not be valid for a period in excess of eleven (11) months from their dated of execution, except the Proxies to the Incorporators, those proxy shall not terminate until seventy-five percent (75%) of the units are sold by Interwest Development, Inc. or five (5) years passes from the date of incorporation which ever comes first. The Proxy of any member shall automatically terminate if the grantor of the proxy ceases to be a owner of a Unit.

During the period in which Interwest Development, Inc. still owns more than ten percent (10%) of the lots, all members designate the Incorporators to these Articles as their irrevocable proxy holder. Each owner by purchasing a lot designated the Incorporators as their proxy holder to vote at all meetings and agrees as a condition of ownership to sign written proxies upon demand by the Incorporators.

ARTICLE VI: BOARD OF DIRECTORS AND OFFICERS

The affairs of the Association shall be managed by a Board of at least three (3) Directors, who need not be owners of the Association, at meeting duly held pursuant to the By-Laws and at which a quorum is present or by proxy. A quorum shall consist of a majority of the Directors. The Board by majority vote, may remove an officer of the Association.

Initial Board of Directors

A. Leon Blaser, President	3350 Americana Terrace # 200, Boise, ID 83706
Bruce W. Blaser, Secretary	3350 Americana Terrace #200, Boise, ID 83706
Glen F. Blaser, Treasure	P.O. Box 3023, Boise, ID 83703

At the first regular meeting the owners 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 owners shall elect one director for a term of three years. Vacancies during the terms shall be filled by the remaining directors.

The officers of the Association shall be two, President and a Secretary-Treasurer, elected by the owners. Each lot or dwelling may have no more than one officer elected from its owners.

ARTICLE VII: DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the owners. Upon dissolution of the Association, other than indecent 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 the 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. No part of the assets of such dissolution shall inure to the benefit of any owner.

ARTICLE VIII: DURATION

The Association shall exist perpetually

ARTICLE IX: INCORPORATION

The names, and post office addresses of each of the Incorporators:

<u>Name</u>	<u>Address</u>
Bruce W. Blaser	3350 Americana Terrace #200, Boise, ID 83706
Glen F. Blaser	P.O. Box 3023, Boise, ID 83703
A. Leon Blaser	3350 Americana Terrace # 200, Boise, ID 83706

ARTICLE X: INITIAL REGISTERED AGENT

A. LEON BLASER, whose address is 3350 Americana Terrace, Boise, Idaho 83706 is hereby appointed the initial registered agent of this corporation.

ARTICLE XI: AMENDMENTS

A vote of two-thirds (2/3) of the Owners shall be necessary to amend any Articles or By-Laws of this Association.

ARTICLE XII: LIMITATIONS ON CHANGES

Any annexation of additional properties, merges and consolidations, mortgaging of Common Area, dissolution and amendment of the Articles or By-Laws, requires prior approval of Housing and Urban Development or the Veterans Administration as long as Interwest Development, Inc. owns more than twenty-five percent (25%) interest in the Association.

A. Leon Blaser
A. Leon Blaser

Glen F. Blaser
Glen F. Blaser

Bruce W. Blaser

On this 20th day of August, 1996, before me, SPERRY M. KELLEY, a Notary Public in and for said state, personally appeared A. Leon Blaser, Glen F. Blaser and Bruce W. Blaser, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

Notary Public for Idaho
Residing at Boise
My commission Expires

