

State of Idaho

Department of State

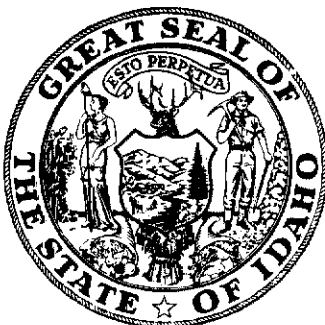
CERTIFICATE OF AMENDMENT OF

RIVER RUN PHASE 5 LOCAL ASSOCIATION INC.
File Number C 97946

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Amendment to the Articles of Incorporation of RIVER RUN PHASE 5 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 Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles of Amendment.

Dated: May 19, 1997



Pete T. Cenarrusa
SECRETARY OF STATE

By *Tonya Herold*

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AMENDED AND RESTATED
ARTICLES OF INCORPORATION

OF

RIVER RUN PHASE 5 LOCAL ASSOCIATION INC.

MAY 19 8 59 AM '97

SECRETARY OF STATE
BOISE, IDAHO

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DATE 05/19/1997

IDAHO SECRETARY OF STATE

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 5 LOCAL ASSOCIATION INC., hereinafter referred to as "Phase 5 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 registered office of this corporation shall be 475 S. Capital Blvd, Suite 300, Boise, Idaho, 83707, and Diane Knipe is hereby appointed the registered agent of the Phase 5 Local 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 formed are to provide for certain regulations of, the use of, and architectural control of, the Building Lots located

in River Run Phase 5, which is a portion of the Property Covered by the Amended and Restated Declaration of Covenants, Conditions and Restrictions for River Run Homeowners Association, Inc., recorded in the Office of the County Recorder, Ada County, Idaho as Instrument No. 96025281 ("River Run Declaration"), as supplemented by the Amended and Restated Phase 5 Supplement to the River Run Declaration recorded in the Office of the County Recorder, Ada County, Idaho as Instrument No. _____ ("Phase 5 Supplement"); to provide for the maintenance and preservation of the Local Common Area, if any, owned by the Phase 5 Association; to elect a Delegate Director to the Board of Directors of the River Run Homeowners Association, Inc., an Idaho nonprofit corporation; to restate the establishment of the Phase 5 Local Homeowners Association; and to promote the health, safety and welfare of the residents within the above-described property. The Phase 5 Association also has the power to:

(A) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Phase 5 Association as set forth in the River Run Declaration and the Phase 5 Supplement, as either may be amended from time to time as therein provided, said River Run Declaration and Phase 5 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 5 Supplement;

(C) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Local Common Areas, provided that any such merger, consolidation or annexation shall comply with the requirements of the River Run Declaration and the Phase 5 Supplement;

(D) 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 Bylaws and the River Run Declaration, the Phase 5 Supplement, and the amendments and supplements thereto.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record Owner of a fee or undivided fee interest in any Building Lot subject to the Phase 5 Supplement, including contract sellers, shall be a Member of the Phase 5 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 5 Supplement.

ARTICLE VII

VOTING RIGHTS

Members are 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.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of this corporation shall be managed by a Board of three (3) directors, who must be Members of the Phase 5 Association. The number of directors may be changed by amendment of the Bylaws of the corporation.

ARTICLE IX

ASSESSMENTS

Each Member shall be liable for the payment of Assessments as provided for in the River Run Declaration, the Phase 5 Supplement, and the Bylaws of the Phase 5 Association.

ARTICLE X

BYLAWS

The Bylaws of this corporation may be altered, amended or new Bylaws adopted at any regular or any special meeting of the Members called for that purpose or by written ballot when accompanied by a copy or summary of the amendment(s), by the affirmative vote of fifty-one percent (51%), or more, of the Membership, and when required by the River Run Declaration, the consent of holders of at least seventy-five percent (75%) of the first mortgages.

For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, and agents of the corporation, the Bylaws may incorporate by reference the provisions of the River Run Declaration and the Phase 5 Supplement.

ARTICLE XI

DISSOLUTION

Subject to the provisions as to mortgage protection contained in the River Run Declaration and the Phase 5 Supplement, the Phase 5 Association may be dissolved with the assent given in writing and signed by all Members or upon the affirmative vote of

three-fourths (3/4) of the Members. Upon dissolution of the Phase 5 Association, other than incident to a merger or consolidation, the assets of the Phase 5 Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Phase 5 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.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the assent of fifty-one percent (51%) of the Membership and when required by the River Run Declaration, the consent of holders of at least seventy-five percent (75%) of the first mortgages. No amendment which is inconsistent with the provisions of the River Run Declaration or the Phase 5 Supplement shall be valid.

ARTICLE XIII

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, these Articles, the Phase 5 Bylaws, and the Phase 5 Supplement, which terms include, without limitation: "Articles", "Board", "Building Lot", "Bylaws", "Common Area", "Delegate Director", "Local Association", "Local Common Area", "Member", "Property", "Property Covered", and "Owner".

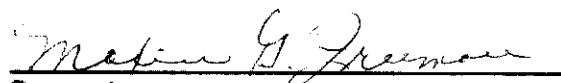
STATEMENT OF ADOPTION

The foregoing Amended and Restated Articles of Incorporation correctly set forth changes to Article IV, Registered Agent; Article V, Purpose and Powers of the Association; Article VII, Voting Rights; Article VIII, Membership Certificates; Article IX, Board of Directors; Article X, Assessments; Article XI, Bylaws; Article XII, Dissolution; Article XIII, Amendments; Article XIV, FHA/VA Approval; Article XVI, Original Incorporator, as heretofore amended, and supersede the original articles of incorporation and all amendments thereto.

Duly adopted on April 30, 1997, by written ballot by the affirmative vote of at least three-fourths (3/4) of the members of the Association. Twenty-seven (27) members were qualified to vote, 20 votes were cast in favor of the restatement and amendments, 2 votes were cast against the restatement and amendments, and 5 votes were not cast.

RIVER RUN PHASE 5 LOCAL ASSOCIATION


President


Secretary