

## Department of State.

### CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

CONDO DEL SOL ASSOCIATION, INC.

was filed in the office of the Secretary of State on the 29th day of January A. D. One Thousand Nine Hundred Seventy-Nine and will be /is duly recorded on ~~File No.~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103 and Sections 30-1001 to 30-1005, inclusive, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for perpetual existence from the date hereof, with its registered office in this State located at Sandpoint, in the County of Bonner. and as such are subject to the rights, privileges and limitations granted to Non-Profit Cooperative Associations as provided in Chapter 10, Title 30, Idaho Code.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this 29th day of January A.D., 19 79 .

*Pete T. Cenarrusa*  
Secretary of State.

RECEIVED  
79 JAN 29 AM 8:59  
SECRETARY OF  
STATE

RECEIVED  
79 JAN 18 AM 8:38  
SECRETARY OF  
STATE

ARTICLES OF INCORPORATION  
OF  
CONDO DEL SOL ASSOCIATION, INC.

The undersigned hereby associate themselves for the purpose of forming a corporation not for profit, and certify as follows:

ARTICLE ONE

NAME

The name of the corporation shall be CONDO DEL SOL ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE TWO

PURPOSE

The purpose for which the Association is organized is to provide an entity in the form of a corporation pursuant to the Condominium Property Act established by the State of Idaho, being the laws of 1965, Chapter 225, Idaho Code §55-1501 et. seq., for the operation of Condo Del Sol, a condominium located in the County of Bonner, State of Idaho.

The Association shall make no distributions of income to its members, directors, or officers.

The principal place of business for the Association is 301 Iberian Way, Sandpoint, Idaho 83864 and the registered agent at this address is Robert A. Cox.

Law Offices of  
STEVEN L. HERNDON  
Riverside Building, Suite 5  
204 E. Superior — P.O. Box 1326  
Sandpoint, Idaho 83864  
Telephone: (208) 263-2108

### ARTICLE THREE

#### POWERS

The powers of the Association shall include and be governed by the following provisions:

The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms of these Articles.

The Association shall have all of the powers and duties set forth in the Condominium Act except as limited by these Articles and the Declaration of Condominium, hereinafter called the "Declaration", and all of the powers and duties reasonably necessary to operate the condominium as set forth in the Declaration and as it may be amended from time to time, including, but not limited to the following:

- a) To make and collect assessments against members to defray the costs, expenses, and losses of the condominium.
- b) To use the proceeds of assessments in the exercise of its powers and duties.
- c) To maintain, repair, replace, and operate the condominium property.
- d) To purchase insurance upon the condominium property and insurance for the protection of the Association and its members.
- e) To reconstruct improvements after casualty and to further improve the property.
- f) To make and amend reasonable regulations respecting the use of the property and the condominium.

- g) To approve or disapprove the transfer, mortgage, and ownership of apartments as may be provided by the Declaration and the Bylaws.
- h) To enforce by legal means the provisions of the Condominium Acts, the Declaration, these Articles, the Bylaws of the Association, and the regulations for the use of the condominium property.
- i) To contract for the management of the condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Declaration to have approval of the Board of Directors or the membership of the Association.
- j) To contract for the management or operation of portions of the common elements susceptible to separate management or operation, and to lease such portions.
- k) To employ personnel to perform the services required for proper operation of the condominium.

The Association shall not have the power to purchase an apartment of the condominium. This provision shall not be changed without unanimous approval of the members.

All funds and the titles of all properties acquired by the Association and the proceeds thereof shall be held in trust for the members in accordance with the provisions of the Declaration, these Articles, the Bylaws.

The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration and the Bylaws.

## ARTICLE FOUR

### MEMBERS

Members of the Association shall consist of all of the record owners of apartments.

Change of membership in the Association shall be established by the recording in the public records of Bonner County, Idaho, of a deed or other instrument establishing a record title to a unit in the condominium and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his apartment.

The members of the Association shall have unequal voting rights as determined by the percentage of ownership interest in the common area which has been allocated to each unit pursuant to the provisions of the Act, the Declaration and the Bylaws. The manner of exercising voting rights shall be determined by the Bylaws of the Association.

## ARTICLE FIVE

### DIRECTORS

The affairs of the Association will be managed by a Board consisting of the number of Directors as shall be determined by the Bylaws, but not less than three (3) Directors, and in the absence of such determination it shall consist of three (3) Directors.

Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified or until removed pursuant to the Bylaws are as follows:

C. E. CROCKER  
505 Mineral Avenue  
Libby, Montana 59923

ROYAL F. SHIELDS, SR.  
301 Iberian Way  
Sandpoint, Idaho 83864

ROSS HALL  
301 Iberian Way  
Sandpoint, Idaho 83864

GLEN OWEN  
620 S. Hayes  
Moscow, Idaho 83843

MORRIS C. FORRY  
W. 1705 Marc Drive  
Spokane, Washington 99218

ROD URQUHART  
E. 2007 55th  
Spokane, Washington 99203

ROGER H. UNDERWOOD  
820 Lincoln Building  
Spokane, Washington 99201

## ARTICLE SIX

### OFFICERS

The affairs of the Association shall be administered by Officers elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, which Officers shall serve at the pleasure of the Board of Directors. The names and addresses of the Officers who shall serve until their successors are designated by the Board of Directors are as follows:

ROGER H. UNDERWOOD, President  
820 Lincoln Building  
Spokane, Washington 99201

GLEN OWEN, Vice President  
620 S. Hayes  
Moscow, Idaho 83843

C. E. CROCKER, Secretary  
505 Mineral Avenue  
Libby, Montana 59923

ROD URQUHART, Treasurer  
E. 2007 55th  
Spokane, Washington 99203

## ARTICLE SEVEN

### INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or Officer of the Association, or any settlement thereof, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to but not exclusive of all other rights to which such Director or Officer may be entitled.

## ARTICLE EIGHT

### BYLAWS

The first Bylaws of the Association shall be adopted by the Board of Directors, and may be altered, amended, or rescinded in the manner provided by the Bylaws.

## ARTICLE NINE

### AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

Notice of the subject matter of proposed amendments shall be included in the notice of any meeting at which a proposed amendment is considered.

A resolution providing a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.

Approval of an amendment must be by not less than seventy-five percent (75%) of the entire membership of the Board of Directors and by not less than seventy-five percent (75%) of the votes of the entire membership of the Association, or by not less than eighty percent (80%) of the votes of a quorum of the entire membership of the Association.

No amendment shall make any change in the qualifications for membership nor the voting rights of the members, nor any change in Section Three of Article Three without approval in writing by all members.

A copy of each amendment shall be certified by the Secretary of State and recorded in the public records of Bonner County, Idaho.



ARTICLE TEN

TERM

The term of the Association shall be the life of the condominium, unless the Association is terminated sooner by unanimous action of its members. The Association shall be terminated by the termination of the condominium in accordance with the provisions of the Declaration.

ARTICLE ELEVEN

SUBSCRIBING MEMBERS

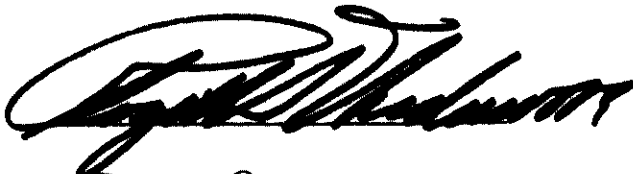
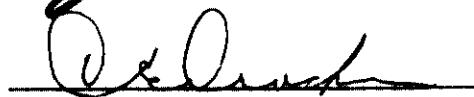
The names and residence of the subscribing members and incorporators are as follows:

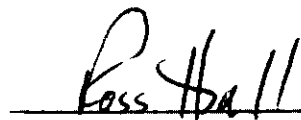
Roger H. Underwood  
820 Lincoln Building  
Spokane, Washington 99201

Ross Hall  
301 Iberian Way  
Sandpoint, Idaho 83864

C. E. Crocker  
505 Mineral Avenue  
Libby, Montana 59923

IN WITNESS WHEREOF the Incorporators have hereto fixed their signatures on December 30, 1978.


  




STATE OF IDAHO )  
 ) ss.  
County of Bonner )

On this 30th day of December, 1978, before me, the undersigned Notary Public in and for said State, personally appeared ROGER H. UNDERWOOD, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.


IN WITNESS WHEREOF I have hereunto set my hand and seal on the date in this certificate first above written.

  
Notary Public - State of Idaho  
Residing at: Sandpoint

STATE OF IDAHO )  
 ) ss.  
County of Bonner )

On this 30th day of December, 1978, before me, the undersigned Notary Public in and for said State, personally appeared ROSS HALL, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.


IN WITNESS WHEREOF I have hereunto set my hand and seal on the date in this certificate first above written.

  
Notary Public - State of Idaho  
Residing at: Sandpoint

STATE OF IDAHO )  
 ) ss.  
County of Bonner )

On this 30th day of December, 1978, before me, the undersigned Notary Public in and for said State, personally appeared C. E. CROCKER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and seal on the date in this certificate first above written.

  
Notary Public - State of Idaho  
Residing at: Sandpoint

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