

# State of Idaho

## Department of State

### CERTIFICATE OF INCORPORATION OF

FIRCREST CONDOMINIUM 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 FIRCREST CONDOMINIUM 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: August 19, 1992



*Pete T. Cenarrusa*  
SECRETARY OF STATE

By *Valerie Flint*

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P MC CALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

TABLE OF CONTENTS  
ARTICLES OF INCORPORATION  
OF

FIRCREST CONDOMINIUM ASSOCIATION, INC.

\* \* \* \* \*

AUG 19 8 42 AM '92  
SECRETARY OF STATE  
STATE OF IDAHO

<u>ARTICLE I. - NAME AND ADDRESS:</u>	Page 1.
<u>ARTICLE II. - DEFINITIONS:</u>	Page 1.
<u>ARTICLE III. - PURPOSES AND OBJECTIVES:</u>	Page 2.
<u>ARTICLE IV. - EXISTENCE:</u>	Page 5.
<u>ARTICLE V. - PRINCIPAL PLACE OF BUSINESS:</u>	Page 5.
<u>ARTICLE VI. - PURPOSE:</u>	Page 6.
<u>ARTICLE VII. - MEMBERSHIP:</u>	Page 6.
<u>ARTICLE VIII. - VOTING RIGHTS:</u>	Page 6.
<u>ARTICLE IX. - DIRECTORS:</u>	Page 7.
<u>ARTICLE X. - OFFICERS:</u>	Page 8.
<u>ARTICLE XI. - LIABILITY OF MEMBERS:</u>	Page 9.
<u>ARTICLE XII. - INDEMNIFICATION:</u>	Page 9.
<u>ARTICLE XIII. - BY-LAWS:</u>	Page 9.
<u>ARTICLE XIV. - AMENDMENTS:</u>	Page 10.
<u>ARTICLE XV. - EXEMPTION:</u>	Page 11.
<u>ARTICLE XVI. - CONFLICT OF PROVISIONS:</u>	Page 11.
<u>ARTICLE XVII. - SUBSCRIBERS:</u>	Page 12.

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX AP McCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

ARTICLES OF INCORPORATION  
OF  
FIRCREST CONDOMINIUM ASSOCIATION, INC.

\* \* \* \* \*

KNOW ALL MEN BY THESE PRESENTS: that we, the undersigned, being natural persons of age and citizens of the United States, in order to form a corporation pursuant to Chapter 3, Title 30, Idaho Code, which corporation shall be a non-profit cooperative association, for the purposes hereinafter stated, under and pursuant to the provisions of Chapter 3, Title 30, Idaho Code, and the general corporation Laws of the State of Idaho, except where they may be in conflict with the above-referred to Sections, and all the acts amendatory thereof and supplemental thereto, do hereby certify as follows:

ARTICLE I.

NAME AND ADDRESS:

The name of the corporation shall be Fircrest Condominium Association, Inc. For convenience, the corporation shall be referred to in this instrument as the "Association". The business address of the association shall be Suite 9, Yacht Club Building, 203 East Lake Street, Post Office Box AP, McCall, Idaho 83638

ARTICLE II.

DEFINITIONS:

For purposes of these Articles, the following words and terms shall be accorded definitions as follows:

Section 2.01.

"Articles"

These Articles of Incorporation of the Association which have been filed in the office of the Secretary of State of the State of Idaho.

Section 2.02.

"Association"

This non-profit corporation, or any successor thereof, formed for the purpose of administering the Declaration of

FRANK T. ELAM  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 40 McCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 2.

"Fircrest Condominium", and assuming the duties and obligations set forth therein.

Section 2.03.

"Development"

The project to be carried out by grantors, (or that process) resulting in the improvement of the project, including landscaping, construction of roadways, utility services, construction of dwelling lots and condominium units, facilities to be used in connection with the project and other improvements.

Section 2.04.

"Owner"

The record owner, whether one or more persons or entities, of a fee simple title to any real property or interest in a condominium unit in the project, including contract sellers; provided, however, that prior to any conveyance of any part or portion of an area subject to the Declaration of "Fircrest Condominium", the owner of such area shall be the Grantors.

Section 2.05.

"Rules and Regulations"

Those rules and regulations promulgated by the Association Board relating to governing conduct upon and use of the property of the Association owners/members and Association properties, the imposition of fines and forfeitures for violation of Association rules and regulations, and procedural matters for use in the conduct of the business of the Association.

ARTICLE III.

PURPOSES AND OBJECTIVES:

The purposes and objectives for which this corporation is formed are:

Section 3.01

To provide an entity whose members shall be all the owners of those lots and condominium units located in that parcel of real property in Valley County, Idaho, commonly known and referred to as "Fircrest Condominium".

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P MCCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 3.

Section 3.02

To satisfy those duties and requirements set forth in that certain Declaration of Covenants Conditions and Restrictions for "Fircrest Condominium".

Section 3.03

To be an administrative, managerial, rule making and enforcement body for the project;

Section 3.04

To provide for maintenance, utilities, gardening and other services benefiting the Association; to employ personnel and contractors necessary for operation of the project;

Section 3.05

To purchase materials and supplies required for the Association;

Section 3.06

To do such other acts and perform such other functions as may be required for government, maintenance, preservation and architectural control of the project described above in accordance with the Declaration of "Fircrest Condominium" and applicable Law;

Section 3.07

To maintain fire, casualty, liability, workmen's compensation and other insurance, and if required, for a fidelity bond or bonds;

Section 3.08

To act in the capacity of principal, agent, joint venture, or partner, or otherwise;

Section 3.09

To assess, levy, collect and enforce payment by any lawful means, of all assessments deemed necessary and convenient by the board of directors of this corporation and pursuant to the terms of the Declaration of "Fircrest Condominium", and to levy, collect and enforce payment by any lawful means of all

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 40 MCCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 4.

assessments certified, in accordance with the provisions therefore contained in the By-Laws. Assessments may be secured by a lien upon real property to which membership rights are appurtenant, in the manner prescribed in the By-Laws;

Section 3.10

To perform any and all acts which are necessary and proper for or incidental to the carrying out of the duties, either express or implied, accorded to the Association under the terms of the Declaration of "Fircrest Condominium", and these Articles, the By-Laws of this corporation, and the laws of the State of Idaho.

Section 3.11

To buy, sell, acquire, hold, own, dispose of, convey, mortgage, pledge, lease, assign, transfer, trade and deal in and with all kinds of personal property, franchises, privileges, rights, goods, wares and merchandise of every kind, nature and description;

Section 3.12

To borrow money, to draw, make, accept, endorse, transfer, assign, execute and issue bonds, debentures, promissory notes, and other evidences of indebtedness, and for the purpose of securing any of its obligations or contracts to convey, transfer, assign, deliver, mortgage and/or pledge all or any part of the property or assets, real or personal, at any time owned or held by this corporation, upon such terms and conditions as the Board shall authorize, and as may be permitted by laws subject to the provisions of the Declaration of "Fircrest Condominium".

Section 3.13

To have one or more offices to carry on all or any part of its operations and business, and to do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein named, or which shall at any time appear conducive or expedient for the protection or benefit of the Association, and which now or hereafter may be authorized by law, and this to the same extent and as fully as natural persons might or could do, as principals, agents, contractors, trustees, or otherwise, and either alone or in connection with any person, firm, association, or corporation.

Section 3.14

To have and to exercise any and all powers and privileges now or hereafter conferred by the Laws of the State of Idaho upon corporations formed under the general corporation laws of said State so long as they are not in conflict with Title 30, Chapter 10, Idaho Code, or under any act amendatory thereof or supplemental thereto or substituted therefor.

#### Section 3.15

To promulgate Association Rules and Regulations for the regulation, control, management and government of the project, all in accordance with the provisions of the Declaration of "Fircrest Condominium".

#### Section 3.16

To procure and employ a professional manager for the purpose of assuming and carrying out the general management duties of the Association and to delegate sufficient powers and duties to said manager to efficiently and competently carry out his duties subject to the ultimate control of the Board.

The foregoing sections are to be construed both as objectives and powers; and it is hereby expressly provided that enumeration herein of specific objectives and powers shall not be held to limit or restrict in any manner the general powers of the corporation; provided, however, that nothing contained herein shall be deemed to authorize or permit the corporation to carry on any business or to exercise any power or to do any act which a corporation formed under the act hereinbefore referred to, or any amendment thereof or supplement thereto, or substitute therefor, may not at the time lawfully carry on or do. It is the intention that the purposes, objectives and powers specified in each of the Sections 3.01 to 3.21 inclusive, of these Articles of Incorporation shall except as otherwise expressly provided, in no wise be limited or restricted by reference to, or inference from, the terms of any other section, clause or paragraph of these Articles of Incorporation.

#### ARTICLE IV.

##### EXISTENCE:

The corporation is to have perpetual existence.

#### ARTICLE V.

##### PRINCIPAL PLACE OF BUSINESS:

FRANK T. ELAM  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P MCCALL IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 40 McCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 6.

The location and post office address of the registered office and principal place of business of the corporation is Suite 9, Yacht Club Building, 203 East Lake Street, McCall, Idaho. The registered agent of the corporation in the State of Idaho is James Campbell, with an address of Post Office Box 1978, McCall, Idaho 83638.

ARTICLE VI.

PURPOSE:

This Association shall be deemed a domestic corporation to serve as a management body and to administer the project, pursuant to the provisions of the Declaration of the "Fircrest Condominium".

ARTICLE VII.

MEMBERSHIP:

Every person or entity who is a record owner of a fee or undivided fee interest in any lot or an interest in a condominium unit within the project, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold any such interest merely as security for the performance of any obligations. Membership shall be appurtenant to and may not be separated from ownership of any such lot or condominium unit. Membership in the Association shall be evidenced by a Certificate of Membership issued in the form and manner provided for in the By-Laws of the Association.

ARTICLE VIII.

VOTING RIGHTS:

Members of the Association, including Declarant, shall be entitled to one (1) vote for each lot or condominium unit owned. When more than one person holds an interest in any lot or condominium unit, all such persons shall be members. The vote for such lot or condominium unit shall be exercised as they among themselves determine. Fractional votes shall not be allowed, and in no event shall more than one (1) vote be cast with respect to any lot or condominium unit. Said vote shall be cast by the designated "voting owner" for that lot or condominium unit as provided herein. In the event that joint owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question.



**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P MCCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 7.

If any owner casts a vote representing a certain lot or condominium unit, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other owners of the same lot or condominium unit.

ARTICLE IX.

DIRECTORS:

Section 9.01

The affairs of the Association will be managed by a Board of Directors, consisting of the incorporators until units have been sold and thereafter the number of Directors shall be determined by the By-Laws, but not less than three (3) Directors. Directors of the Association shall be elected at the Annual meeting of the members in the manner determined by the By-Laws. Director vacancies shall be filled in the manner provided by the By-Laws.

Section 9.02

Until the 31 day of December, 1993, all the Directors shall be the designees, and nominees of Declarant, subject nevertheless to the following; when lot or condominium unit owners, other than the Declarant, own Twenty-five percent (25%) or more of the lots and condominium units, the voting owners other than Declarant shall be entitled to elect not less than One-third (1/3) of the members of the Board of Directors. The remaining members of the Board of Directors shall be elected by Declarant. When sales by Declarant have been closed on Seventy-five percent (75%) of the lots and condominium units, voting owners other than Declarant shall be entitled to elect not less than a majority of the members of the Board of Directors. Notwithstanding anything to the contrary, Declarant shall be entitled to elect not less than One (1) member of the Board of Directors so long as Declarant holds for sale in the ordinary course of business any lot or condominium unit.

Section 9.03

Declarant at all times reserves the right to relinquish control of the Association at any time, notwithstanding the foregoing. In the event that Declarant does so terminate control of the Association, Declarant may require that until the 31st day of December, 1993, specified actions of the Association or Board as described in an instrument executed by Declarant and recorded in the office of the Recorder of Valley County, Idaho, be approved by Declarant before they become effective.

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P McCall, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 8.

Section 9.04

Whenever Declarant shall be entitled to designate and select any person or persons to serve on the Board of Directors of the Association, the manner in which such person or persons shall be designated shall be as provided in the By-Laws of the Association, and Declarant shall have the right to remove any person or persons selected by them to act and serve on said Board of Directors, and to replace such person or persons with any person or persons to act and serve in place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. A Director designated and selected by Declarant need not be a lot or condominium unit owner. Any representative of Declarant serving on the Board of Directors shall not be required to disqualify himself upon any vote or other matters between Declarant and the Association where Declarant may have a pecuniary or other interest.

Section 9.05

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, are as follows:

Name:

Address:

James Campbell

Post Office Box 1978  
McCall, Idaho 83638

Jeanne Campbell

Post Office Box 1978  
McCall, Idaho 83638

ARTICLE X.

The affairs of the Association shall be administered by the officers designated in the By-Laws. The officers shall be elected by the Board of Directors at its first meeting following the Annual Meeting of the members of the Association and 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:

President: James Campbell  
Secretary: Jeanne Campbell  
Treasurer: Jeanne Campbell

ARTICLE XI.

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST., SUITE 9  
P.O. BOX 4P MCCALL, IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

LIABILITY OF MEMBERS:

Members shall be individually liable for the assessments of the Association assessed and levied upon their lot, or condominium unit, whether for fines, penalties, recovery of costs, or regular, special or limited assessments. Members shall be responsible for the payment of all real property taxes which are a lien upon said member's individual lots or condominium units and only the member's pro-rata share of real property taxes levied on the Association property, and the member shall be responsible for payment of his pro-portionate share of real property taxes levied on the common area.

Further, each member shall be liable for all damage to the Association property caused by such member, their agents, guests, employees and invitees.

No members of this corporation shall be personally liable for the debts, liabilities, or obligations of the corporation, except as above set forth.

ARTICLE XII.

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 or imposed upon him in connection with any proceeding or any settlement of 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, whether or not he is a Director or officer at the time such expenses are incurred, except whether the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duty; provided, that in the event of a settlement, the indemnification shall apply only when the Board of Directors approves such a settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled.

ARTICLE XIII.

BY-LAWS:

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the By-Laws. Provided, that prior to

**FRANK T. ELAM**  
ATTORNEY AND COUNSELOR AT LAW  
203 E. LAKE ST. SUITE 9  
P.O. BOX 4P MC CALL IDAHO 83638  
PHONE (208) 634-2200 FAX (208) 634-2201

Articles

Fircrest Condominium

Page 10.

the time any unit has been sold, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

ARTICLE XIV.

AMENDMENTS:

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

Section 14.01

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

Section 14.02

A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the voting owners. Voting owners not present in person may express their approval by proxy executed in the customary corporate manner, provided such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, approval of the amendment must be either by:

Section 14.02(a)

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 voting power of the Association; or

Section 14.02(b)

If the proposed change to the Articles of Incorporation has received unanimous approval of the Board of Directors, a majority vote of the voting owners; or

Section 14.02(c)

Until the first election of the Directors by the lot or condominium unit owners entitled to vote, all of the Directors; or

Section 14.02(d)

Not less than Eighty percent (80%) of the voting

power of the Association.

Section 14.03

Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members, nor changes in Section 5 of Article 9 without approval in writing of all lot and condominium unit owners and no amendment shall be made that is in conflict with the Declarations.

ARTICLE XV.

EXEMPTION:

This Association is a corporation intended to be classified as a "Home Owners Association" which, pursuant to Section 528 (a) of the Internal Revenue Code of 1954, as amended, is considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes. Further, this Association is an organization which is a Residential Real Estate Management Association organized and operated to provide for the acquisitions, construction, management, maintenance and care of Association property, where 60% or more of the gross income of this Association for any taxable year shall consist solely of amounts received as membership dues, fees or assessments from owners of residential lots or condominium units in the case of lot management and from owners of residences or residential lots in the case of residential real estate management. Further, 90% or more of the expenditures of this Association for any taxable year shall be expenditures for the acquisition, construction, management, maintenance and care of Association property.

Further, no part of the net earnings of this Association shall inure to the benefit of any member or individual.

All provisions of these Articles of Incorporation of the Association shall be interpreted in accordance with the provisions of Section 528(c) of the Internal Revenue Code of 1954, as amended, and in case of conflict between that or other applicable Sections, any provision within these Articles so in conflict will either be interpreted to be consistent with that provision of the Internal Revenue Code or shall be determined null and void and of no force and effect.

ARTICLE XVI.

CONFLICT OF PROVISIONS:

The provisions contained in these Articles of Incorporation of the Association are subject and subservient to the terms and provisions of the Declaration of the "Fircrest Condominium", and in any conflict between the terms and provisions of these documents, the terms and provisions of the Declarations shall prevail.

ARTICLE XVII.

SUBSCRIBERS:

The names and addresses of the subscribers to these Articles of Incorporation are as follows:

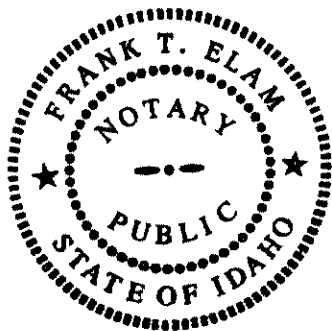
*James Campbell*  
James Campbell  
Post Office Box 1978  
McCall, Idaho 83638

*Jeanne Campbell*  
Jeanne Campbell  
Post Office Box 1978  
McCall, Idaho 83638

State of Idaho, )  
(ss.  
County of Valley )

On this 18th day of August, 1992, before me, the undersigned, a Notary Public in and for said state, personally appeared James Campbell and Jeanne Campbell, known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same, and they were persons over the age of twenty-one years and citizens of the United States of America.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



*Frank T. Elam*  
Notary Public for Idaho  
Residing at McCall, Idaho.  
My Commission expires 04/22/97