

## FILED EFFECTIVE

2006 AUG -4 PM 4:00

### ARTICLES OF INCORPORATION OF

SECRETARY OF STATE  
STATE OF IDAHO

### CEDAR CHALET CONDOMINIUM OWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that Kevin P. Holt, being over the age of eighteen years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts the following Articles of Incorporation.

#### ARTICLE 1 NAME

The name of the corporation (hereinafter called "the Corporation") is CEDAR CHALET CONDOMINIUM OWNERS ASSOCIATION, INC.

#### ARTICLE 2 DURATION

The duration of the Corporation shall be perpetual.

#### ARTICLE 3 PURPOSES AND POWERS

The Corporation is not organized for profit and no part of gains or earnings shall inure to its members.

The specific primary purposes for which it is formed are to provide for the management, administration, maintenance, repair, improvement, preservation, and architectural control of the CEDAR CHALET CONDOMINIUMS, situated in Coeur d'Alene, Kootenai County, Idaho.

The Corporation will also promote the health, safety and welfare of owners of the Condominiums and any additions thereto. The Condominiums may be brought within the jurisdiction of the Corporation in accordance with the Condominium Declaration for the Condominiums (the "Declaration"). All definitions contained in the Condominium Declaration shall be applicable to these Articles and the Bylaws of this Corporation.

In furtherance of said purposes, and subject to the approval of members as may be required by law, the Declaration, or the Bylaws, the Corporation shall have power to:

IDAHO SECRETARY OF STATE (w)  
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- (a) Perform all of the duties and obligations of the Corporation as set forth in the Declaration;
- (b) Fix, levy, collect, and enforce assessments and fines as set forth in the Declaration or Bylaws, in a fair and equitable fashion and secure the payment of assessments through liens upon real property as allowed under Idaho law;
- (c) Pay all expenses and obligations incurred by the Corporation in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levied or imposed against the Corporation's property;
- (d) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, exchange, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;
- (e) Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (f) Dedicate, sell, transfer, or grant easements over all or part of any of the Corporation's property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members;
- (g) Participate in mergers and consolidations with other nonprofit associations or corporations organized for the same purposes, or annex additional property to the Property managed by the Corporation;
- (h) Litigate, mediate, or arbitrate any and/or all corporate rights and obligations specified in law and/or by the Articles and Bylaws of the Corporation and/or Declaration. This Corporation in addition to other provisions, may provide for the qualification of members, the terms and conditions of admission, the time, mode, conditions and effect of expulsion or withdraw from the restoration of membership, admission fees, charges and assessments; and for reimbursement for services rendered to and expenses incurred on behalf of the Corporation by any member or officer of the Corporation, and such other rules and regulations as are not repugnant to the laws of the State of Idaho; and
- (i) Have and exercise any and all powers, rights, and privileges that a corporation organized under the Idaho Nonprofit Corporation Act, as it exists now or hereafter.

## ARTICLE 4 MEMBERS AND MEMBERSHIP

4.1. Non-Stock Corporation. Participation in management and ownership of the Corporation shall be by membership only. The Corporation shall issue no stock and shall have no shareholders.

4.2. Membership. The Owner of a Condominium shall automatically, upon becoming an Owner of any Condominium located in the Cedar Chalet Condominium Project ("the Project"), shall become a member of the Corporation. The member shall remain a member thereof until such time as his/her ownership ceases for any reason, at which time his/her membership in the Corporation shall automatically cease or in the event his/her membership is suspended or terminated as provided in the Bylaws and Declaration. Membership shall be in accordance with these Articles of Incorporation and the By-Laws of the Corporation.

4.3. Transferred Membership. Membership in the Corporation shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Condominium to which it is appurtenant in the Project, and then only to the new owner. Any attempt to make a prohibited transfer is void. In the event the owner of any Condominium should fail or refuse to transfer the membership registered in his/her name to the purchaser of his/her Condominium, the Corporation shall have the right and authority to transfer to purchaser and to record the transfer upon the books; thereupon the old membership outstanding in the name of the seller shall be null and void.

4.4. Classes of Membership. The Corporation may have multiple classes of voting membership as established according to the Bylaws.

4.5. Voting Requirements. Except where otherwise expressly provided in the Declaration, these Articles of Incorporation or the Bylaws, any action required by the membership of the Corporation must have the required approval for such action as set forth in the Bylaws.

4.6. Limitation of Payment to Dissenting Member. Membership in the Corporation is appurtenant to and cannot be segregated from ownership of a Condominium within the jurisdiction of the Corporation. Except upon dissolution of the Corporation and only consistent with the Bylaws and Articles of the Corporation, a dissenting member shall not be entitled to any return of any contribution or other interest in the Corporation.

**ARTICLE 5**  
**BOARD OF DIRECTORS: INCORPORATORS**

The Board of Directors shall manage the affairs of the Corporation. The initial board shall be three (3) Directors, but may be converted to a larger number in accordance with the Bylaws, upon the end of the Declarant's Control Period. Until the expanded board exists, there is no requirement that the directors be members. After expansion of the board, all must be members of the Corporation. The number of directors may be increased by amendment of the Bylaws of the Corporation.

The names and addresses of the Board of Directors are:

|    | <u>NAME</u>       | <u>ADDRESS</u>                               |
|----|-------------------|--|
| 1. | Mark-Erik DiBiase | 742 E. Southroad Ct<br>Hayden, ID 83835      |
| 2. | Marco DiBiase     | 4983 Appian Way<br>Berrien Springs, MI 49103 |
| 3. | Mike Threadgill   | 1410 Lincoln Way<br>Coeur d'Alene, ID 83814  |

**ARTICLE 6**  
**INCORPORATOR**

The name and address of the incorporator of the corporation is:

| <u>NAME</u>   | <u>ADDRESS</u>   |
|---------------|--|
| KEVIN P. HOLT | 1322 W. Kathleen Ave., Suite 2<br>Coeur d'Alene, Idaho 83815 |

**ARTICLE 7**  
**REGISTERED AGENT/OFFICE**

The name of the initial registered agent is Kevin P. Holt. The street address of the initial registered office is 1322 Kathleen Ave., Suite 2, Coeur d'Alene, Idaho, 83815.

**ARTICLE 8**  
**INITIAL MAILING ADDRESS OF CORPORATION**

The mailing address of the Corporation is: 742 E. Southwood Ct., Hayden, Idaho 83835.

**ARTICLE 8**  
**DISSOLUTION**

In the event of dissolution, liquidation, or winding up of the Corporation, none of the property nor any proceeds of the Corporation shall be distributed to or divided among any of the directors of the Corporation or inure to the benefit of any individual. After all liabilities and obligations of the Corporation have been paid and discharged, all remaining property and assets of the Corporation shall be distributed to one or more organizations designated as follows:

1. pursuant to a plan of distribution adopted as provided for under the Idaho Non-profit Corporation Act as it now exists or as amended in the future; or

2. If there is no appropriate plan of distribution, as a court of competent jurisdiction may direct; provided however, that such property shall be distributed only to organizations which shall comply with all of the following conditions:

(a) each organization shall be organized under written articles of organization which comply with the requirements of the Internal Revenue Code necessary to qualify the organization as an exempt organization;

(b) each organization shall be exempt from federal taxes by reason of Section 501, or other applicable sections of the Internal Revenue Code as it now exists or is amended in the future.

(c) contributions to each such organizations shall be deductible by reason of Section 170 of the Internal Revenue Code as it now exists or as amended in the future;

(d) each organization shall be operated exclusively for a recognized exempt purpose, and the manner of operation of each organization shall be in compliance with the requirements to qualify the organization as an exempt organization.

**ARTICLE 7**  
**AMENDMENT OF ARTICLES**

These Articles shall be amended only by the vote or written assent of at least two-thirds (2/3) of a quorum of the voting power the membership.

For the purposes of forming the Corporation, I, the undersigned, constituting the Incorporator of the Corporation, have executed these Articles of Incorporation on the 4th day of August, 2006.

  
Kevin P. Holt

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