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SECRETARY OF STATE
STATE OF IDAHO

**ARTICLES OF INCORPORATION
OF
LUNA RIDGE HOMEOWNERS ASSOCIATION, INC.**

The undersigned, being over the age of eighteen (18) years, and for the purpose of forming a non profit corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts the following Articles of Incorporation:

ARTICLE ONE

The name of the corporation is **LUNA RIDGE HOMEOWNERS ASSOCIATION, INC.** and its existence shall be perpetual.

ARTICLE TWO

The address of the registered office of the corporation in the State of Idaho shall be 110 E. Wallace Ave., Coeur d'Alene, ID 83814, and the name of its registered agent at that address is Paul W. Daugharty.

ARTICLE THREE

The name and mailing address of the incorporator of the corporation is Steve White, PO Box 949, Hayden, Idaho 83835.

ARTICLE FOUR

1. The Corporation is formed for lawful nonprofit purposes and objectives. Stock will not be issued. All corporate assets will be dedicated to exempt purposes; although the Corporation will be authorized to pay reasonable compensation for services rendered, and to enter into business transactions in furtherance of its exempt purpose. The Corporation will not pay dividends, and its assets will not inure to the private profit of any person. If and when the Corporation is dissolved, its assets will be distributed for exempt purposes, or will devolve to a government agency for a public purpose. None of the assets will be distributed to private individuals.

2. The purpose of the Corporation is to provide for the maintenance of the common areas of the Luna Ridge Subdivision, and generally, to manage the subdivision in accordance with the provisions of the Declaration of Covenants, Conditions and Restrictions, (hereinafter "CC&R's"), appurtenant thereto.

ARTICLE FIVE

The Owner of a Parcel shall automatically, upon becoming an Owner, be a Member of the Association, and shall remain a Member thereof until such time as his ownership

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ceases for any reason, at which time his membership in the association shall automatically cease. Membership shall be in accordance with these Articles of Incorporation and the Bylaws of the Association.

Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Parcel to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Parcel shall fail or refuse to transfer the membership registered in his name to the purchaser of his Parcel, the Association shall have the right to record the transfer upon books and thereupon the old membership outstanding in the name of the seller shall be null and void.

The Association shall have two (2) classes of voting membership, as follows:

Class A: Class A members shall be all the owners of lots within Luna Ridge Subdivision, with the exception of the Developer (Copper Basin Construction, Inc.), and each lot owner, with the exception of the Developer (Copper Basin Construction), shall have one (1) vote for each lot owned.

Class B: Class B members shall be the Developer (Copper Basin Construction). Upon the first sale of a lot to an owner, the Developer shall thereupon be entitled to ten (10) votes for each lot owned by the Developer. This Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership.

Except as otherwise provided herein, the qualifications and dues for membership shall be specified in the Bylaws of the corporation.

Membership in the Association is appurtenant to and cannot be segregated from ownership of a Parcel within the jurisdiction of the Association. Except upon dissolution of the Association, a dissenting Member shall not be entitled to any return of any contribution or other interest in the Association.

ARTICLE SIX

The Corporation will not provide life, sickness, accident, and/or similar benefits to members. The organization may seek a federal tax exemption for its own income and will seek a ruling that contributions to the organization are federally tax deductible. If the organization becomes tax exempt in either category, it will perform any act required to retain tax exempt status and will refrain from any activities forbidden by Internal Revenue Code §501(c)(3).

ARTICLE SEVEN

At all times, the organization's investments and investment policy will be consistent with its nonprofit purpose, and income and assets will be generated only to carry out the

nonprofit purpose, not to generate a profit for any person or organization.

ARTICLE EIGHT

1. The number of Directors of this Corporation shall be fixed in the Bylaws and may be changed from time to time by amending the Bylaws.

(a) The first Directors of this Corporation shall be three (3) in number and their addresses are as follows:

<u>Name</u>	<u>Address</u>
Steve White	PO Box 949 Hayden, Idaho 83835
Greg Gervais	PO Box 949 Hayden, Idaho 83835
Lisa Dunham	PO Box 949 Hayden, Idaho 83835

2. The Officers and Directors will not be personally liable for the Corporation's debts and liabilities, and their personal property is exempt from seizure or levy to pay obligations of the Corporation.

3. The powers of the Corporation will include all powers granted by the State of Washington to nonprofit Corporations of the same type.

4. The term of the first Directors shall be until the first annual meeting of the Corporation or until their successors are elected and qualified.

5. The number, terms of office, manner of election, time and place and manner of calling meetings, and the powers and duties of the directors (unless otherwise stated herein) shall be prescribed by the Bylaws.

ARTICLE NINE

The Corporation's Board of Directors will meet at least annually, with additional meetings as called by one (1) or more Directors. The Corporation will hold a general membership meeting at least annually, and special meetings shall be called by demand of the President. No business shall be transacted at such special meeting except as may be stated in the notice of such call and at least two (2) days notice shall be given to the members of such meeting.

ARTICLE TEN

Power to amend the organization's Articles of Incorporation and Bylaws will rest with the Board of Directors and the membership; an amendment can be had by vote of sixty-six and two-thirds percent (66 2/3%) of the members entitled to vote, present and voting at a regular or special meeting. Provided, however, in the event there are no members entitled to vote, then in that event, the Articles of Incorporation may be amended by a majority of the Board of Directors

ARTICLE ELEVEN

The undersigned, being the incorporator hereinbefore named, for the purpose of forming a corporation to do business both within and without the State of Idaho, and in pursuance of the Idaho Nonprofit Corporation Act, does hereby make and file these Articles of Incorporation, and does hereby declare and certify that this is his act and deed and the facts herein stated are true.

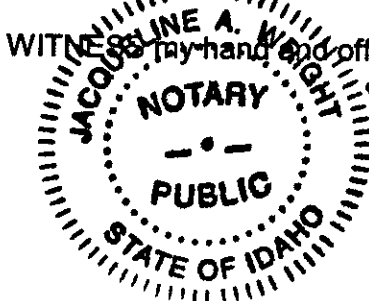
IN WITNESS WHEREOF, these Articles of Incorporation are executed in duplicate on the 16 day of August, 2005.

STEVE WHITE, Incorporator

STATE OF IDAHO)
 ss.
County of Kootenai)

On this 16 day of August, 2006, before me, the undersigned Notary Public in and for said state, personally appeared STEVE WHITE, being first duly sworn under oath, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

WITNESS my hand and official seal.



Notary Public for Idaho

Residing at:

My commission expires: _____