

State of Idaho

Department of State

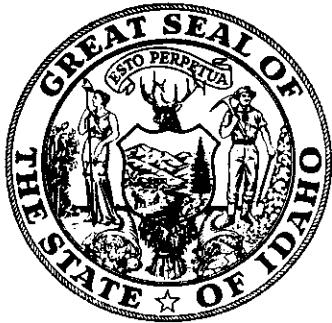
CERTIFICATE OF AMENDMENT OF

HILLCREST PLACE ASSOCIATION, INC.

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 HILLCREST PLACE ASSOCIATION, INC. duly signed and verified 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 27, 1994



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sally T. Clark*

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SEC. OF STATE

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION OF
HILLCREST PLACE ASSOCIATION, INC.

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THE UNDERSIGNED, being the duly elected and acting President and Secretary, respectively, of HILLCREST PLACE ASSOCIATION, INC., an Idaho nonprofit corporation, do hereby certify that the following Resolution amending the Articles of Incorporation of said corporation was adopted at a special meeting of the membership duly held on May 3, 1994.

"RESOLVED, that the Articles of Incorporation of HILLCREST PLACE ASSOCIATION, INC. are hereby amended as follows:

Amendment No. 1

Subparagraph (e) of Article IV of the Articles of Incorporation is hereby amended to read as follows:

(e) To borrow money, with the consent of such majority of the membership as shall be set forth in the By-Laws.

Amendment No. 2

Article V of the Articles of Incorporation is hereby amended to read as follows:

V

There are forty-six (46) dwelling units constructed and now existing within Hillcrest Place. Every person who becomes a record owner of a fee or undivided fee interest in any of said 46 dwelling units shall be a member of the association under such regulations as the By-Laws may prescribe. Persons or entities who hold an interest merely as security for the performance of an obligation shall not be members of the association. Membership shall be appurtenant to and may not be separated from ownership of a dwelling unit and in the event of conveyance of the fee interest in a dwelling unit membership in the association shall automatically transfer to the new record owner. Evidence of title to a dwelling unit shall constitute evidence of membership in the association, and no certificate of membership shall be issued or required.

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Amendment No. 3

Article VI of the Articles of Incorporation is hereby amended to read as follows:

VI

Although all persons owning an undivided fee interest in a dwelling unit are members of the association, only one vote may be cast at membership meetings with respect to each dwelling unit, so that the maximum number of votes that may be cast at any membership meeting shall be forty-six (46). The manner of casting the vote with respect to a dwelling unit when two or more persons co-own the fee interest shall be as set forth in the By-Laws.

Amendment No. 4

Article VII of the Articles of Incorporation is hereby amended to read as follows:

VII

The affairs of this association shall be managed by a board of directors, each of whom must be a member of the association. Each Director shall be elected for a term of three years. The total number of members of the Board of Directors shall be determined by the membership from time to time at its Annual Meeting, but the number of Directors must be at least three (3) and no more than seven (7). In order to provide continuity of management of the Association's affairs, the number of Directors that may be elected at each Annual Meeting of the membership shall be "staggered" in such manner that the number of Directors elected at each Annual Meeting is approximately one-third (1/3) of the total number of members of the Board of Directors. Unless hereafter changed by vote of the membership, the number of Directors shall be five (5), and the number of members of the Board of Directors elected each year shall be in accordance with the following sequence: Two (2) members one year; Two (2) members the following year; and One (1) member the following year.

Amendment No. 5

Article VIII of the Articles of Incorporation is hereby amended to read as follows:

VIII

The association may be dissolved with the assent given in writing and signed by members entitled to cast not less than thirty-five (35) votes at membership meetings. Upon dissolution of the association, other than incident to a merger or consolidation, whatever assets the association may own shall be liquidated and the net proceeds divided into forty-six (46) shares. One of such shares shall be paid over to the owner or owners of each dwelling unit within Hillcrest Place.

Amendment No. 6

Article IX of the Articles of Incorporation is hereby amended to read as follows:

IX

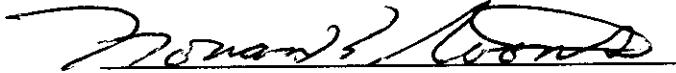
Amendment of these Articles of Incorporation shall require the assent of members entitled to cast not less than thirty-one (31) votes at membership meetings.

Amendment No. 7

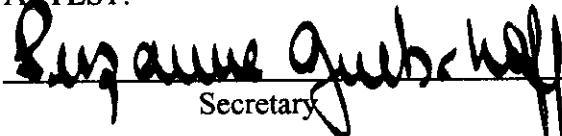
Articles XI and XII of the Articles of Incorporation are hereby revoked."

The undersigned further certify that as of the date of said special meeting of the membership, the number of memberships was Forty-Six (46), each of which was entitled to cast one vote on the foregoing amendment. Thirty-Two (32) memberships were present in person or by proxy, being more than two-thirds of the memberships entitled to cast votes, and cast a unanimous vote in favor of the amendment.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands on the
23 day of May, 1994.


President

ATTEST:


Secretary

STATE OF IDAHO)
)ss.
COUNTY OF ADA)

I, MICHAEL R. HILL, a Notary Public in and for the State of Idaho, do hereby certify that on the 23rd day of May, 1994, personally appeared before me NORMAN K. TOMBES, who, being by me first duly sworn, declared that he is the duly elected and acting President of HILLCREST PLACE ASSOCIATION, INC., an Idaho nonprofit corporation, that he signed the foregoing Articles of Amendment to the Articles of Incorporation as President of the Corporation, and that the statements contained therein are true.

Notary Public for Idaho

Residing at: EAGLE, ID.

Comm. Expires: 03/18/1998