

FILED EFFECTIVE

ARTICLES OF INCORPORATION
FOR
STICKNEY-HOLMES CONDOMINIUM OWNERS' ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that PETE B. BREDESON, 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, in duplicate, the following Articles of Incorporation.

ARTICLE 1
NAME

The name of the corporation (hereinafter "Corporation") is Stickney-Holmes Condominium Owners' Association, Inc.

ARTICLE 2
NONPROFIT STATUS

The Corporation is a nonprofit corporation.

ARTICLE 3
DURATION

The duration of the Corporation shall be perpetual.

ARTICLE 4
INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the Corporation shall be 1322 Kathleen Avenue, Suite 2, Coeur d'Alene, Idaho, 83815, and the name of its initial registered agent is Pete B. Bredeson.

ARTICLE 5
PURPOSES AND POWERS

The Corporation is not organized for profit and no part of its gains or earnings shall inure to its members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation, and architectural control of the Stickney-Holmes Condominiums in Kootenai County, Idaho, and to promote the health, safety and welfare of all property owners within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of the Corporation for such purposes, according to that certain Declaration for Stickney-Holmes Condominiums (the "Declaration") recorded or to be recorded with respect to said property in the office of the County Recorder of Kootenai County, Idaho.

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contained in the 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 required by law, the Declaration, or the Bylaws, the Corporation shall have power to:

- (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 corporations organized for the same purposes, or annex additional property to the property managed by the Corporation;
- (h) Litigate, mediate, arbitrate any and/or all corporate rights and obligations specified in law and/or by the Articles and Bylaws of the Corporation and/or the 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 withdrawal 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 which a corporation organized under the Idaho Nonprofit Corporation Act may have and recognize.

ARTICLE 6

LIMITATIONS

No part of the net earnings or the assets of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Corporation shall be for the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time.

ARTICLE 7

MEMBERS AND MEMBERSHIP

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.

2. **Membership.** The Owner of a Condominium Unit, as that phrase is defined in the Declaration, shall automatically, upon becoming an Owner of a Condominium Unit, become a member of the Corporation, and 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. Membership shall be in accordance with these Articles of Incorporation and the Bylaws of the Corporation.

3. **Transferred Membership.** Membership in the Corporation shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of a Condominium Unit in Stickney-Holmes Condominiums, and then only to the new owner. Any attempt to make a prohibited transfer is void. In the event that the owner of any Condominium Unit should fail or refuse to transfer the membership registered in his/her name to the purchaser of his/her Condominium Unit, the Corporation shall have the right and authority to transfer to the purchaser and to record the transfer upon the corporate books; thereupon rendering the old membership outstanding in the name of the uncooperative seller to be null and void.

4. **Classes of Membership.** The Corporation shall have one class of voting membership, each member being entitled to one (1) vote for each Condominium Unit

owned, and if a Condominium Unit is owned by more than one person, each such person shall be a member of the Corporation, but there shall be no more than one (1) vote for each Condominium Unit, multiple owners having joint rights and obligations, all such rights subject and inferior to the rights of Declarant as described in the Declaration, particularly during the Period of Declarant Control, as that phrase is defined in the Declaration. If the Corporation desires to add additional classes of membership, it may do so through the corporate Bylaws. Nothing in these Articles shall prohibit the institution of such additional classes.

5. Voting Requirements. Except where otherwise expressly provided in the Declaration, these Articles of Incorporation or the Bylaws, any action by the Corporation which must have the approval of the Corporation's membership before being undertaken shall require the vote or written assent of a majority of the total voting power of the Corporation as that term is defined in Idaho Code § 30-3-12(31).

6. Limitation of Payment to Dissenting Member. Membership in the Corporation is appurtenant to and cannot be segregated from ownership of a Condominium Unit within the jurisdiction of the Corporation. Upon dissolution of the Corporation, a dissenting member shall not be entitled to any return of any contribution or other interest in the Corporation.

ARTICLE 8

BOARD OF DIRECTORS

The affairs of the Corporation shall initially be managed by a Board of three (3) directors, but may be converted to a larger number in accordance with the Bylaws. The number of directors may be increased by amendment of the Bylaws of the Corporation. The names and addresses of the initial directors of the Corporation until the election of their successors, are:

<u>NAME</u>	<u>ADDRESS</u>
James H. Stickney	5733 S. Lakeside Drive Harrison, Idaho 83833-9621
Beverly A. Stickney	5733 S. Lakeside Drive Harrison, Idaho 83833-9621
Pamela J. Stickney	2217 S. Carmine Street Spokane Valley, WA 99037

ARTICLE 9
DISTRIBUTION ON DISSOLUTION

Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the Corporation, distribute all of the assets of the Corporation consistent with the purposes of the Corporation. Any such assets not so distributed shall be distributed by the district court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations, as such court shall determine to be consistent with the purposes of the Corporation.

ARTICLE 10
INCORPORATORS

The name and address of the incorporator is:

NAME

ADDRESS

Pete B. Bredeson

1322 W. Kathleen Avenue
Coeur d'Alene, Idaho 83815

ARTICLE 11
AMENDMENT OF ARTICLES

These Articles shall be amended only by the vote or written assent of members representing at least a majority of the total voting power of the Corporation; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under said clause or provision, subject to the Period of Declarant Control described above.

ARTICLE 12
BYLAWS

Provisions for the regulation of the internal affairs of the Corporation shall be set forth in the Bylaws.

For the purposes of forming the Corporation, the undersigned, the incorporators of the Corporation, have executed these Articles of Incorporation on the 5th day of May, 2006.


Pete B. Bredeson

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