

# State of Idaho

## Department of State.

### CERTIFICATE OF INCORPORATION OF

PHILLIPPI PLAZA 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 \_\_\_\_\_

PHILLIPPI PLAZA 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 December 31, 19 79.



*Pete T. Cenarrusa*  
SECRETARY OF STATE

\_\_\_\_\_  
Corporation Clerk

FILED

DEC 31 2 43 PM '79

ARTICLES OF INCORPORATION  
SECRETARY OF STATE  
OF

PHILLIPPI PLAZA CONDOMINIUM ASSOCIATION, INC.

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under the laws of the State of Idaho, Idaho Code, Title 30, Chapter 10, and certify as follows:

ARTICLE I

NAME AND ADDRESS

The name of the corporation shall be Phillippi Plaza 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 5453 Franklin Road, Boise, Ada County, Idaho 83705.

ARTICLE II

PURPOSE AND POWERS

1. The Association shall be a non-profit membership corporation and is organized to provide an entity pursuant to the Idaho Condominium Property Act, Idaho Code, Title 55, Chapter 12, for the operation of Phillippi Plaza Condominiums" (hereinafter referred to as the "Subject Property") located at 5453 Franklin Road, Boise, Ada County, Idaho 83705. The specific purposes for which it is formed are to operate, manage, maintain, preserve and control the Common Area within the "Subject Property", to provide for project management, architectural control, use restrictions and maintenance regarding the Units within the Subject Property and to otherwise promote the health, safety and welfare of the community of residents within the above-described Subject Property. Its powers are and shall be consistent with the provisions of the Idaho Condominium Property Act.

2. In furtherance of the foregoing purposes, this Association shall have power to:

(a) exercise all the powers and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Condominium for Phillippi Plaza Condominiums (hereinafter referred to as the "Declaration") recorded or to be recorded by Phillippi Plaza Investors, a limited partnership, (hereinafter referred to as the "Declarant"), in the Office of the Recorder of Ada County, Idaho, including, but not limited to, the operating and maintaining of all Common Areas in the project, maintaining Units in the project, fixing assessments to be levied against Units in the Project, and enforcing any and all covenants, conditions and restrictions applicable to the Subject Property.

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

(c) acquire (by gift, purchase, lease or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate to public use or otherwise dispose of real or personal property in connection with the affairs of the Association; provided that the Association shall not sell any property of the Association having an aggregate fair market value in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year without the assent of the majority of the Members.

(d) have and to exercise any and all the common law and statutory powers of a corporation not for profit organized under the laws of the State of Idaho not in conflict with the terms of these Articles;

(e) to carry on any activity whatsoever, either as principal/agent or partner, which this corporation may deem proper or convenient in connection with any of the foregoing purposes or otherwise, or which may be calculated directly or indirectly to promote the interests of this corporation in the promotion of the common benefit and enjoyment of the community of residents of the Subject Property.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and the purposes and powers stated in each clause shall, except when otherwise expressed, be in no way limited or restricted by any reference to or inference from the terms and provisions of any other clause, but shall be regarded as independent purposes and powers. Notwithstanding any of the above statements of purposes and powers, this corporation shall not engage in activities which themselves are not in furtherance of the purposes set forth in this Article II and nothing contained in the foregoing statement of purposes shall be construed to authorize this corporation to carry on any activities for the profit of its Members or to distribute any gains, profits, or dividends to any of its Members as such.

### ARTICLE III

#### MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Unit within the Subject Property, 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 an obligation. Membership shall be appurtenant to and may not be separated from ownership of any such 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 IV

#### VOTING RIGHTS

Members of the Association, including Declarant, shall be entitled to one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be Members. The vote for such 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 Unit. Said vote shall be cast by the designated "Voting Owner" for that Unit as provided in the Declaration.

## ARTICLE V

### PERPETUAL EXISTENCE

The Association shall have perpetual existence.

## ARTICLE VI

### DIRECTORS

1. The affairs of the Association will be managed by a Board consisting of the number of directors 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. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

2. Until January 1, 1982, all the Directors shall be the designees, and nominees of Declarant, subject nevertheless to the following: When Unit Owners other than Declarant own twenty-five percent (25%) or more of the 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 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 Unit.

Declarant at all times reserves the right to terminate 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 specified actions of the Association or Board as described in an instrument executed by Declarant and recorded in the Office of the Recorder of Ada County, Idaho, be approved by Declarant before they become effective.

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 it 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 selected by Declarant need not be a 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.

3. 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:

Perry M. Di Loreto  
90 West Grove Street, #500

Thomas F. Reiser  
P.O. Box 28

Reno, Nevada 89509

Pebble Beach, California  
93953

David Di Loreto  
90 West Grove Street, #500  
Reno, Nevada 89509

#### ARTICLE VII

##### OFFICERS

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	Perry M. Di Loreto 90 West Grove Street, #500 Reno, Nevada 89509
Vice President	Thomas F. Reiser P.O. Box 28 Pebble Beach, California 93953
Secretary-Treasurer	David Di Loreto 90 West Grove Street, #500 Reno, Nevada 89509

#### ARTICLE VIII

##### 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 when 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 IX

##### 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 the time that the Declaration of Condominium for Phillippi Plaza Condominiums is filed for public record, said first Board of Directors shall have full power to amend, alter or rescind said By-Laws by a majority vote.

## ARTICLE X

### AMENDMENTS

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

1. 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.

2. 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:

(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

(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

(c) Until the first election of the Directors by the Unit Owners entitled to vote, all of the Directors; or

(d) Not less than eighty percent (80%) of the voting power of the Association.

3. Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of Members, nor any changes in Section 2 of Article VI without approval in writing of all Unit Owners and amendment shall be made that is in conflict with the Condominium Property Act or the Declaration.

## ARTICLE XI

### SUBSCRIBERS

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

Perry M. Di Loreto  
90 West Grove Street, #500  
Reno, Nevada 89509

Thomas F. Reiser  
P.O. Box 28  
Pebble Beach, California  
93953

David Di Loreto  
90 West Grove Street, #500  
Reno, Nevada 89509

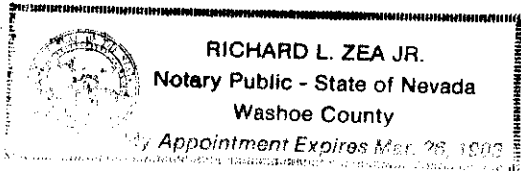
## ARTICLE XII

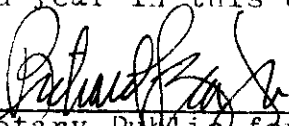
### INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of this corporation is 200 North 3rd Street, Boise, Ada County, Idaho



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



  
Notary Public for \_\_\_\_\_  
Residing at \_\_\_\_\_