



CERTIFICATE OF INCORPORATION
OF

COBBLESTONE SQUARE HOMEOWNERS' ASSOCIATION, INC.

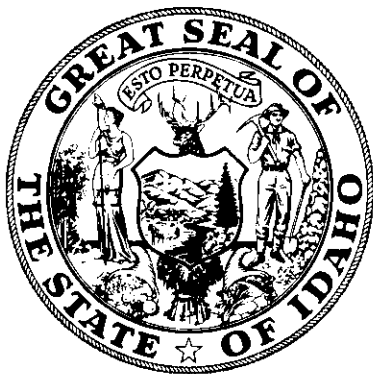
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

COBBLESTONE SQUARE HOMEOWNERS' 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 June 14, 19 85.



SECRETARY OF STATE

Corporation Clerk

ARTICLES OF INCORPORATION

OF

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COBBLESTONE SQUARE HOMEOWNERS' ASSOCIATION, INC.

The undersigned, acting as incorporator of a nonprofit corporation under the requirements of Chapter 3, Title 30, Idaho Code, adopts the following Articles of Incorporation for such nonprofit corporation:

ARTICLE I

The name of the corporation is Cobblestone Square Homeowners' Association, Inc., hereinafter referred to as the "Association".

ARTICLE II

The Association shall be a nonprofit corporation.

ARTICLE III

Period of duration of the Association shall be perpetual.

ARTICLE IV

The following definitions shall apply to these Articles of Incorporation:

(a) "Association" shall mean and refer to Cobblestone Square Homeowners' Association, Inc., its successors and assigns.

(b) "Board" shall mean and refer to the duly elected Board of Directors of the Association.

(c) "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described on Schedule I attached hereto and incorporated by reference as if fully set forth herein.

(d) "Declarant" shall mean and refer to Byron Gingrich, his successors and assigns if such successors or assigns should acquire more than one (1) undeveloped Lot from the Declarant for the purpose of development.

(e) "Development" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

(f) "Lot" shall mean and refer to a portion of the Development designated as a Lot on the Plat, with the exception of the Common Area.

(g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Development, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(h) "Plat" shall mean and refer to that certain plat of Cobblestone Square Subdivision to be recorded in the Canyon County Recorder's office, which plat covers and subdivides all or substantially all of the real property described on Schedule I attached hereto.

ARTICLE V

The purposes and objectives for which the Association is formed are:

(a) To provide for maintenance, preservation and architectural control of the residences, Lots and Common Area situated within that certain real property more particularly described on Schedule I attached to these Articles.

(b) To promote the health, safety and welfare of the residents within the above-described real property and any additions thereto as may hereafter be brought within the jurisdiction of the Association.

(c) To exercise all of the powers and privileges, and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter referred to as the "Declaration", applicable to the above-described real property and recorded, or to be recorded, in the Canyon County Recorder's office, and as amended from time to time as therein provided, said Declaration being incorporated herein by reference as if fully set forth herein.

(d) To 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.

(e) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

(f) To borrow money, and, with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(g) To dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication, sale or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer.

(h) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, or annex additional residential property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members.

(i) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may now or hereafter have or exercise.

ARTICLE VI

The street address of the Association's initial registered office is 700 Parkside Way, Nampa, Idaho 83651, and the name of its initial registered agent at such address is Byron Gingrich.

ARTICLE VII

The principal office of the Association is located at 700 Parkside Way, Nampa, Idaho 83651.

ARTICLE VIII

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE IX

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members; the vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or,

(b) On December 31, 1989.

ARTICLE X

The affairs of the Association will be managed by a board of directors consisting of three (3) directors, who need not be members of the Association.

The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the initial members of the board of directors who shall hold office until their successors are elected and have qualified are:

Byron Gingrich
700 Parkside Way
Nampa, Idaho 83651

Karma Gingrich
700 Parkside Way
Nampa, Idaho 83651

Randall Gingrich
2911 Pascoe Lane
Nampa, Idaho 83651

ARTICLE XI

The Association is intended to be classified as a "homeowners' association" pursuant to Section 528(a) of the Internal Revenue Code of 1954, as amended. As such, it is intended to be exempt from income taxes. The Association is an organization intended to be a residential real estate management association or condominium management association organized and operated to provide for the acquisition, construction, management, maintenance, and care of Association property, where sixty percent (60%) or more of the gross income of the Association for any taxable year shall consist solely of amounts received as membership dues, fees, or assessments from owners of residences or residential lots. Ninety percent (90%) or more of the expenditures of the Association for any taxable year shall be expenditures for the acquisition, construction, management, maintenance, and care of Association property. No part of the net earnings of the Association shall ever inure to the benefit of any member or any other individual or entity. All provisions of these Articles of Incorporation shall be interpreted in accordance with the provisions of Section 528(c) of the Internal Revenue Code of 1954, as amended. In case of conflict between such section and other provisions herein, any provision within these Articles shall be interpreted to be consistent with such section, or shall be of no force and effect.

ARTICLE XII

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE XIII

Amendment of these Articles of Incorporation shall require the assent of seventy-five percent (75%) of the entire membership of the Association. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of common area, dedication of common area, dissolution, and amendment of these Articles.

ARTICLE XIV

The Declaration provides for annexation of additional areas within the Development which areas are referred to in the Declaration as the Phase II Area. In the event such Phase II Area is annexed into the Development, then the Development as referred to herein shall include the areas designated as Phase II Area, and the Plat shall refer to and include not only the Plat specifically described herein, but also the plat applicable to the Phase II Area. No formal or informal acceptance or agreement to such annexation of the Phase II Area shall be required from the Association, and from and after the date of such annexation and the recording of a written statement thereof by the Declarant, such additional areas shall be within the jurisdiction of the Association.

ARTICLE XV

The name and address of each incorporator is:

Byron Gingrich
700 Parkside Way
Nampa, Idaho 83651

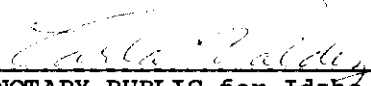
DATED this 13th day of June, 1985.


Byron Gingrich

STATE OF IDAHO)
) ss:
County of Ada)

On this 13th day of June, 1985, before me, the undersigned, a Notary Public in and for said State, personally appeared BYRON GINGRICH, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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 Idaho
Residing at Boise, Idaho

SCHEDULE I

Cobblestone Square Unit 1, a planned unit development, in Canyon County, Idaho, according to the official plat thereof on file in the office of the Recorder for Canyon County, Idaho. Together with all appurtenances thereon or appertaining thereto of every kind and nature.

Unit 1 consists of:

Block 1, Lots 1 and 2.
Block 2, Lot 1.
Block 3, Lot 1.
Block 4, Lots 1 through 23.