



Department of State.

CERTIFICATE OF INCORPORATION

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, and legal custodian of the corporation records of the State of Idaho, do hereby certify that the original of the articles of incorporation of

THE PROSPECTOR CONDOMINIUM I OWNERS' ASSOCIATION, INC.

was filed in the office of the Secretary of State on the **third** day of **May** A.D., One Thousand Nine Hundred **seventy-three** and ~~will be~~ ~~fully~~ recorded on ~~Film~~ ~~Non~~ microfilm of Record of Domestic Corporations, of the State of Idaho, and that the said articles contain the statement of facts required by Section 30-103, Idaho Code.

I FURTHER CERTIFY, That the persons executing the articles and their associates and successors are hereby constituted a corporation, by the name hereinbefore stated, for **Perpetual Existence** from the date hereof, with its registered office in this State located at **Ketchum, Idaho** in the County of **Blaine**

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State. Done at Boise City, the Capital of Idaho, this **third** day of **May**, A.D., 19 **73**.

Pete T. Cenarrusa
Secretary of State.

Corporation Clerk.

ARTICLES OF INCORPORATION

THE PROSPECTOR CONDOMINIUM I OWNERS' ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, each being a natural person of full age and a citizen of the United States of America, have voluntarily and do hereby associate ourselves together for the purpose of forming a corporation under the laws of the State of Idaho, Idaho Code, Title 30, Chapter 1, Section 117A. We do hereby certify, declare and adopt the following Articles of Incorporation.

ARTICLE I

The name of the corporation is: THE PROSPECTOR CONDOMINIUM I OWNERS' ASSOCIATION, INC.

ARTICLE II

The period of existence and the duration of the life of this corporation shall be perpetual.

ARTICLE III

This corporation shall be a non-profit membership corporation.

ARTICLE IV

The location and post office address of the registered office of this corporation shall be the City of Ketchum, Blaine County, Idaho 83340.

ARTICLE V

This corporation is formed to be a Management Body as permitted by the provisions of the Idaho Condominium Property Act, Idaho Code, Title 55, Chapter 15, and its powers are and shall be consistent with the provisions of this Act.

ARTICLE VI

1. The nature of the business and the object and purpose of this corporation shall be as follows:

(a) This corporation (hereinafter referred to as the Association) shall be the "Management Body" as defined in Section 55-1503, Idaho Code, and as provided for in the terms and conditions of that certain Condominium Declaration for The Prospector Condominium I (hereinafter referred to as the "Declaration") to be executed by Provident Federal Savings and Loan Association, a corporation, and JAMES DOYLE ENTERPRISES, INC., an Idaho corporation, which delegates and authorizes this Association to exercise certain functions as the Management Body. The Declaration shall be recorded in the office of the County Recorder of Blaine County, State of Idaho, together with a certified copy of these Articles of Incorporation appended thereto.

(b) The Management Body shall have the power to have, exercise and enforce all rights and privileges, and to assume, incur, perform, carry out and discharge all duties, obligations and responsibilities of a Management Body as provided for in the Idaho Condominium Property Act and in the Declaration, as such Declaration is originally executed or, if amended, as amended. The Management Body shall have the power to adopt and enforce rules and regulations covering the use of any condominium project or any area or units thereof, to levy and collect the annual and special assessments and charges against the condominiums and the members thereof and in general to assume and perform all the functions to be assumed and performed by the Management Body as provided for in the Declaration. It shall have the power to transfer, assign or delegate such duties, obligations or responsibilities to other persons or entities as permitted or provided for in the Idaho Condominium Property Act, the Declaration, or in an agreement executed by the Association with respect thereto. The Management Body shall actively foster, promote, and advance the interest of owners of condominium units within the condominium project.

2. In addition to the foregoing, where not inconsistent with either the Idaho Condominium Property Act (Chapter 15, Title 55, Idaho Code) or Title 30, Idaho Code, the corporation shall have the following powers:

(a) The authority set forth in Title 30 of the Idaho Code relating to the organization and conduct of general business corporations.

(b) To buy, sell, acquire, hold or mortgage or enter into security agreements, pledge, lease, assign, transfer, trade and deal in and with all kinds of personal property, goods, wares and merchandise of every kind, nature and description.

(c) To buy, sell, lease, let, mortgage, exchange or otherwise acquire or dispose of lands, lots, houses, buildings and real property, hereditaments and appurtenances of all kinds and wheresoever situated, and of any interest and rights therein, to the same extent as natural persons might or could do, and without limit as to amount.

(d) To borrow money, to draw, make, accept, enforce, transfer and execute promissory notes, debentures and other evidences of indebtedness, and for the purpose of securing any of its obligations or contracts, to convey, transfer, assign, deliver, mortgage and/or pledge all or any part of the property or assets, real or personal, at any time owned or held by this corporation.

(e) To have one or more offices to carry on all or any part of its operations and business, and to do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the purposes, or the attainment of any one or more of the objects herein named, or which shall at any time appear conducive or expedient for the protection or benefit of the Association, and which now or hereafter may

be authorized by law, and this to the same extent and as fully as natural persons might or could do, as principals, agents, contractors, trustees or otherwise, and either alone or in connection with any firm, person, association or corporation.

(f) The foregoing clauses are to be construed both as objects and powers. As hereby expressly provided, an enumeration herein of the objects, powers and purposes shall not be held to restrict in any manner the general powers of the Association. The Association shall have the power to do all acts that are necessary and convenient to obtain the objects and purposes herein set forth to the same extent and as fully as any natural person could or might do, within the framework of the Idaho Condominium Property Act, these Articles of Incorporation, and the general corporation laws of the State of Idaho.

ARTICLE VII

1. Each member shall be entitled to receive a certificate of membership, which certificate shall state the number of votes he is entitled to cast as a member of the Association.

2. There shall be one membership in the Association for each condominium in The Prospector Condominium I, as established in the Declaration; the total number of memberships shall be not more than sixty (60). The members of the Association must be and remain owners of condominiums within the Project set forth in the Declaration to be recorded in Blaine County, State of Idaho, and the Association shall include all owners of condominiums within the project. If title to a condominium is held by more than one person, the membership relating to that condominium shall be shared by all such persons in the same proportionate interest and the same type of tenancy in which the title to the condominium is held.

3. No person or entity other than an owner may be a member of the Association. A member shall not assign or transfer his membership certificate except in connection with the transfer or sale of a condominium. Every person or entity who is an owner of any condominium unit included in any condominium project for which the Association has been or may be designated as a Management Body shall be required to be a member of the Association and remain a member so long as such person or entity shall retain the ownership of a condominium unit. Membership in the Association is declared to be appurtenant to the title of the condominium unit upon which such membership is based and automatically shall pass with the sale or transfer of the title of the unit. Members shall not have pre-emptive rights to purchase other memberships in the Association or other condominium units in the Project.

4. The voting rights of a member of the Association shall be determined by the owner member's percentage interest in the "common area" of the condominium Project described in the Declaration, as the term "common area" is defined in Section 55-1503 of the Idaho Code; therefore, the voting rights of each member owner will not in all cases be equal. The

Declaration, or an exhibit attached thereto, shall set forth the percentage interest of each member in the "common area" which interest depends upon the number and type of condominium units. The voting rights and interests of new members shall be determined in the same way as such percentage interests and rights are determined for old members.

5. The total number of votes that attach to membership certificates to be exercised by the members of the Association from and after the date of the incorporation. Each member shall be entitled to vote the same percentage of the votes as he is given percentage in the "common area."

ARTICLE VIII

Each member shall be liable for the payment of assessments provided for in the Declaration and for the payment and discharge of the liabilities of the Association as provided for in the Declaration, the Idaho Condominium Property Act (Title 55, Chapter 15) and as set forth in the By-Laws of the Association.

ARTICLE IX

The By-Laws of this Association may be altered, amended or new By-Laws adopted by any regular or any special meeting of the Association called for that purpose by the affirmative vote of two-thirds (2/3) of the members present at such meeting.

ARTICLE X

For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the Association and the members thereof, including the liability of the members for the payment of assessments, the By-Laws may incorporate by reference the provisions of the Declaration recorded in Blaine County, State of Idaho, provided that a true and correct copy of such Declaration is attached to and made a part of the By-Laws of the Association.

ARTICLE XI

The business and affairs of the Association shall be managed and controlled by a Board of Directors. The original Board of Directors shall be three (3); however, the By-Laws of the Association may provide for an increase or decrease in their number, provided that the number of directors shall not be greater than nine or less than three.

ARTICLE XII

The names and post office addresses of the incorporators and membership of each are as follows:

<u>Name</u>	<u>Address</u>	<u>Membership</u>
Janice Moore	Box 23, Twin Falls, ID	1
Sandra Freeman	Box 23, Twin Falls, ID	1
Greer Budge	Box 23, Twin Falls, ID	1

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 2nd day of May, 1973.

Janice Moore
JANICE MOORE

Sandra Freeman
SANDRA FREEMAN

Greer Budge
GREER BUDGE

STATE OF IDAHO,)
)ss.
County of Blaine.)

On this 2nd day of May, 1973, before me, the undersigned, a Notary Public in and for said State, personally appeared JANICE MOORE, SANDRA FREEMAN and GREER BUDGE, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation, and acknowledged to me that they 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.

Margaret E. Lenebold
Notary Public for Idaho
Residing at Twin Falls, Idaho

SUPPLEMENTAL DECLARATION OF PROTECTIVE COVENANTS

THE PROSPECTOR CONDOMINIUM I

THIS SUPPLEMENTAL DECLARATION is made this _____ day of _____, 1973, by PROVIDENT FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation, and JAMES DOYLE ENTERPRISES, INC., an Idaho corporation, (the Grantor).

I. GENERAL

1.1 Master Declaration. This is a Supplemental Declaration as contemplated by that certain Master Declaration of Protective Covenants, The Prospector Residential Area, dated the _____ day of _____, 1973, and recorded the _____ day of _____, 1973, in the records of Blaine County, Idaho, as Instrument No. _____ (herein called the "Master Declaration").

1.2 Property Affected. Grantor, as owner of all of the hereinafter described property, hereby declares for itself, its successors and assigns that all of the hereinafter described property shall be subject to the covenants, restrictions, conditions and provisions contained in the Master Declaration, except as otherwise specified in this Supplemental Declaration, and shall be subject to the conditional covenants, restrictions and conditions contained in this Supplemental Declaration:

Beginning at a stone monument marking Corner No. 6 of the Homestead Entry Survey No. 292, as filed for record in the office of the Blaine County Recorder, Hailey, Idaho, also said point being the REAL POINT OF BEGINNING:

Thence North 44°00'00" East 170.99 feet along the Northwesterly boundary of the said Homestead Entry Survey No. 292 to a stone monument marking Corner No. 5 of the said Homestead Entry Survey No. 292;

Thence North 90°00'00" East 230.00 feet along the Northerly boundary of the said Homestead Entry Survey No. 292 to a point on the approximate center line of Warm Springs Creek;

Thence South 8°00'00" West 220.00 feet along the said approximate center line of Warm Springs Creek to a point;

Thence South 0°00'00" West 146.97 feet along the said approximate center line of Warm Springs Creek to a point;

Thence leaving the said approximate center line of Warm Springs Creek North 73°28'00" East 34.68 feet to an iron pin;

Thence South 1°07'00" West 146.06 feet to a point;

Thence South 42°43'00" East 304.32 feet to a point on the Southeasterly boundary of the said Homestead Entry Survey No. 292;

Thence South 44°57'50" West 454.39 feet along the said Southeasterly boundary of the Homestead Entry Survey No. 292;

Thence North 63°33'10" West 146.01 feet to a point;

Thence South 29°11'03" West 80.60 feet to a point;

Thence South 45°56'03" West 69.10 feet to a point;

Thence South 36°56'57" East 212.20 feet to a point;

Thence North 88°23'57" West 27.91 feet to an iron pin;

Thence North 36°33'57" West 205.80 feet to a point on the said approximate center line of Warm Springs Creek;

Thence South 35°00'40" East 122.49 feet along the said approximate center line of Warm Springs Creek to a point;

Thence North 16°00'00" East 170.00 feet along the said approximate center line of Warm Springs Creek to a point;

Thence North 48°00'00" East 165.00 feet along the said approximate center line of Warm Springs Creek to a point;

Thence leaving the said approximate center line of Warm Springs Creek North 45°00'00" West 66.94 feet to a point;

Thence North 45°00'00" East 39.75 feet to a point;

Thence North 45°00'00" West 80.00 feet to a point;

Thence South 45°00'00" West 240.00 feet to a point;

Thence North 45°00'00" West 79.34 feet to a point;

Thence North 89°43'57" West 20.00 feet to a point on the Westerly boundary of the said Homestead Entry Survey No. 292,

which is also the Easterly boundary of Warm Springs Village Subdivision, Second Addition Revised, as filed for record in the office of the Blaine County Recorder, Hailey, Idaho;

Thence North 0°16'03" East 676.07 feet along the said Westerly boundary of Homestead Entry Survey No. 292 and the said Easterly boundary of Warm Springs Village Subdivision, Second Addition Revised to a point marking Corner No. 7 of said Homestead Entry Survey No. 292;

Thence South 46°09'53" East 128.13 feet along the Northeasterly boundary of the said Homestead Entry Survey No. 292 to the point of beginning, comprising 9.22 acres, more or less.

II. PARTICULAR RESTRICTIONS

2.1 Multiple Unit Tract. The property subject to this Supplemental Declaration is a multiple unit tract.

2.2 Total Development: The property covered by this Supplemental Declaration is part of a total development which includes Tracts A, B and C, as described in Exhibit "A", attached hereto and made a part hereof. Located on Tract A is a lodge building which includes meeting rooms, bars, restaurants and administrative facilities. There will be constructed thereon and on Tract C additional condominium units and possibly a convention center. All tracts when completed shall be operated as a single complex. All of the common areas therein, including, for example, the swimming pool, recreation building, and tennis courts, shall be used for the common good. All dwelling unit owners in each tract shall have equal access to the common area, including the right to ingress and egress across the roads in each tract. Each of the dwelling units owned by the Grantor shall be treated in all respects as other dwelling units. This provision shall apply to dwelling units in Tracts A and C as they are built and completed. All dwelling unit owners in Tracts A, B and C shall have access to the common areas and they shall at all times be used for the benefit of the entire complex, including the lodge and convention center. The common areas shall be made available for owners, tenants and guests of the entire complex at all times. The common area, except for the lodge, which shall be maintained by the Grantor, shall be maintained by the Association pursuant to paragraph 4.6 of the Master Declaration. Grantors agree to provide to the extent available from the existing well and water system domestic water to all dwelling units at a reasonable charge per month which is agreed at this time to be \$4.00 per month. The charge for water shall be adjusted from time to time to reflect increases in cost of maintenance or operation of the water system. In no event shall grantors be required to provide water at less than its actual cost. The obligation of Grantor Provident Federal Savings and Loan Association to supply water shall terminate at the time it conveys the lodge to James Doyle Enterprises, Inc., its successors, assigns, or substitute or subsequent grantee.

IN WITNESS WHEREOF, the Grantor has executed this Supplemental Declaration the day and year first above written.

PROVIDENT FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation,

By _____
President

JAMES DOYLE ENTERPRISES, INC.,
an Idaho corporation,

BY [Signature]
President

STATE OF IDAHO,)
) ss.
County of _____.)

On this _____ day of _____, 1973, before me, the undersigned, a Notary Public for Idaho, personally appeared _____, known to me to be the President of PROVIDENT FEDERAL SAVINGS AND LOAN ASSOCIATION, the corporation that executed this instrument, and acknowledged to me that such corporation 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: _____

STATE OF IDAHO,)
) ss.
County of Ada .)

On this 30th day of April, 1973, before me, the undersigned, a Notary Public for Idaho, personally appeared James W. Deenle, known to me to be the President of JAMES DOYLE ENTERPRISES, INC., the corporation that executed this instrument, and acknowledged to me that such corporation 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.

[Signature]

Notary Public for Idaho
Residing at: Boise

DECLARATION OF CONDOMINIUM OWNERSHIP

THE PROSPECTOR CONDOMINIUM I

PROVIDENT FEDERAL SAVINGS & LOAN ASSOCIATION, a corporation, and JAMES DOYLE ENTERPRISES, INC., an Idaho corporation, hereinafter referred to as "Sponsor," do hereby declare:

1. Submission of Property. The Sponsor hereby submits the land hereinafter described, which is Tract B as referred to in that certain Master Declaration of Protective Covenants, dated the ____ day of _____, 1973, and filed as Instrument No. _____ in the Records of Blaine County, State of Idaho, together with the building and improvements thereon erected by the Sponsor, in fee simple absolute, (hereinafter called the "Property"), to the provisions of Title 55, Chapter 15, Idaho Code, (hereinafter called the "Act"), intending hereby to establish a condominium project (hereinafter called the "Project") subject to the terms of the Act:

Beginning at a stone monument marking Corner No. 6 of the Homestead Entry Survey No. 292, as filed for record in the office of the Blaine County Recorder, Hailey, Idaho, also said point being the REAL POINT OF BEGINNING:

Thence North 44°00'00" East 170.99 feet along the Northwesterly boundary of the said Homestead Entry Survey No. 292 to a stone monument marking Corner No. 5 of the said Homestead Entry Survey No. 292;

Thence North 90°00'00" East 230.00 feet along the Northerly boundary of the said Homestead Entry Survey No. 292 to a point on the approximate center line of Warm Springs Creek;

Thence South 8°00'00" West 220.00 feet along the said approximate center line of Warm Springs Creek to a point;

Thence South 0°00'00" West 146.97 feet along the said approximate center line of Warm Springs Creek to a point;

Thence leaving the said approximate center line of Warm Springs Creek North 73°28'00" East 34.68 feet to an iron pin;

Thence South 1°07'00" West 146.06 feet to a point;

Thence South 42°43'00" East 304.32 feet to a point on the Southeasterly boundary of the said Homestead Entry Survey No. 292;

Thence South 44°57'50" West 454.39 feet
along the said Southeasterly boundary of
the Homestead Entry Survey No. 292;

Thence North 63°33'10" West 146.01 feet
to a point;

Thence South 29°11'03" West 80.60 feet
to a point;

Thence South 45°56'03" West 69.10 feet
to a point;

Thence South 36°56'57" East 212.20 feet
to a point;

Thence North 88°23'57" West 27.91 feet
to an iron pin;

Thence North 36°33'57" West 205.80 feet
to a point on the said approximate center
line of Warm Springs Creek;

Thence South 35°00'40" East 122.49 feet
along the said approximate center line
of Warm Springs Creek to a point;

Thence North 16°00'00" East 170.00 feet
along the said approximate center line
of Warm Springs Creek to a point;

Thence North 48°00'00" East 165.00 feet
along the said approximate center line
of Warm Springs Creek to a point;

Thence leaving the said approximate center
line of Warm Springs Creek North 45°00'00"
West 66.94 feet to a point;

Thence North 45°00'00" East 39.75 feet
to a point;

Thence North 45°00'00" West 80.00 feet
to a point;

Thence South 45°00'00" West 240.00 feet
to a point;

Thence North 45°00'00" West 79.34 feet
to a point;

Thence North 89°43'57" West 20.00 feet
to a point on the Westerly boundary of
the said Homestead Entry Survey No. 292,
which is also the Easterly boundary of
Warm Springs Village Subdivision, Second
Addition Revised, as filed for record in
the office of the Blaine County Recorder,
Hailey, Idaho;

Thence North 0°16'03" East 676.07 feet along the said Westerly boundary of Homestead Entry Survey No. 292 and the said Easterly boundary of Warm Springs Village Subdivision, Second Addition Revised to a point marking Corner No. 7 of said Homestead Entry Survey No. 292;

Thence South 46°09'53" East 128.13 feet along the Northeasterly boundary of the said Homestead Entry Survey No. 292 to the point of beginning, comprising 9.22 acres, more or less.

2. The Area and Location of Land. The land has an area of approximately 9.22 acres and is situated upon an acreage owned by the Sponsor which is located in the Warm Springs area of the City of Ketchum, Idaho. The Project will have the name of The Prospector Condominium I and will be located by the plat recorded at the Blaine County Recorder's Office.

3. Buildings. There are ten buildings, each containing six units. They include a one bedroom unit, two styles of two bedroom units, and three and four bedroom units.

4. Name of the Project. The Project shall be known as The Prospector Condominium I.

5. Units. Annexed hereto and made a part hereof as Schedule "A" is a list of all units in the buildings, their unit designation, locations, approximate areas, number of rooms, and the percentage of interest of each unit in the common element.

6. Dimensions of Units. Each unit consists of the area measured horizontally from the unit side of the dry wallboard of the exterior wall of the building to the unit side of the dry wallboard of the walls and partitions separating such unit from corridors, stairs, and other mechanical equipment spaces and where walls and partitions containing boards and dry wallboard separate such unit from other units, to the side of the dry wallboard of such walls and partitions facing such unit, and where such wallboard partitions separate such unit from other units, to the center line of the wall of such dry wallboard partitions facing such unit; vertically each unit consists of the space between the top of the sub-floor and the underside of the ceiling which is constructed of sheetrock.

7. Use of Units. Each of the units shall be used as a residence only.

8A. Common Elements. The common elements consist of the entire property, including all parts of the building other than the units, and including, without limitation, the following:

- (a) The land on which the building is erected;
- (b) All foundations, columns, girders, beams and supports;

(c) All exterior walls and roofs of the building not including the portions thereof on the unit side of the dry wallboard of such walls; all walls and partitions separating units from corridors, stairs, and mechanical equipment spaces, other than the portions thereof between the unit side of such walls and partitions and the dry wallboard of such walls and partitions separating units and containing dry wallboard; the portions of the dry wallboard partitions separating units between the center lines of the dry wallboard on each side of such partitions; all sub-floors and sub-ceilings;

(d) All central and appurtenant installations for service such as power, light, telephone, gas, hot and cold water, heat, and incinerating (including all pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in units) and all other mechanical equipment spaces;

(e) All sewer pipes;

(f) Sufficient storage for general housekeeping;

(g) All streets, sidewalks, paths, Jacuzzi pools, together with all heating and de-icing equipment used in connection therewith.

8B. Adjacent Facilities. The property submitted herewith is Tract B of a total development which includes Tracts A and C in addition. Located upon Tract A is a lodge building which includes meeting rooms, bars, restaurants and administrative facilities. There will be constructed thereon and on Tract C additional condominium units and possibly a convention center. All tracts when completed shall be operated as a single complex. All of the common areas therein, including, for example, the swimming pool, recreation building, and tennis courts, shall be used for the common good. All unit owners in each tract shall have equal access to the common area, including the right to ingress and egress across the roads in each tract. Each of the units owned by the Sponsor shall be treated in all respects as other condominium units. This provision shall apply to units in Tracts A and C as they are built and completed. All unit owners in Tracts A, B & C shall have access to the common areas and they shall at all times be used for the benefit of the entire complex, including the lodge and convention center. The common areas shall be made available for owners and guests of the entire complex at all times. The common area, except for the lodge, which shall be maintained by the Sponsor, shall be maintained by all unit owners as each Project is platted pursuant to the Master Declaration and the paragraph 1 of Article V of the By-Laws. Grantors agree to provide to the extent available from the existing well and water system domestic water to all dwelling units at a reasonable charge per month which is agreed at this time to be \$4.00 per month. The charge for water shall be adjusted from time to time to reflect increases in cost of maintenance or operation of the water system. In no event shall grantors be required to provide water at less than its actual cost. The obligation of Grantor Provident Federal Savings and Loan Association to supply water shall terminate at the time it conveys the lodge to James Doyle Enterprises, Inc., its successors, assigns, or substitute or subsequent grantee.

9. Determination of Percentages in Common Elements. The percentage of interest of the respective units in the common elements, as specified in Exhibit A, have been determined

upon the basis of the proportion which the fair value of each unit bears to the fair value of the total property.

10. Encroachments. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of the buildings, or if any such encroachment shall occur hereafter as a result of settling or shifting of the buildings, a valid easement for the encroachment and for the maintenance of the same so long as the building stands, shall exist. In the event the buildings, the unit, any adjoining unit, or any adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments or parts of the common elements upon any unit or of any unit upon any other unit or upon any portion of the common elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the buildings shall stand.

11. Pipes, Ducts, Cables, Wires, Conduits, Public Utility Lines and Other Common Elements Located Inside of Units. Each unit owner shall have an easement in common with the owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common elements serving such other units and located in such unit. The Board of Directors shall have a right of access to each unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the common elements contained therein or elsewhere in the buildings.

12. Power of Attorney to Board of Directors. Each unit owner shall grant to the persons who shall from time to time constitute the Board of Directors an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any unit whose owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, and to convey, sell, lease, mortgage, vote the votes appurtenant thereto or otherwise deal with any such unit so acquired or to sublease any unit so leased by the Board of Directors.

13. Acquisition of Units by Board of Managers. In the event any unit owner shall surrender his unit, together with (i) the undivided interest in the common elements appurtenant thereto; (ii) the interest of such unit owner in any other units acquired by the Board of Directors or its designee on behalf of the unit owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the Project (hereinafter collectively called the "Appurtenant Interests"), or in the event the Board of Directors shall purchase from any unit owner who has elected to sell the same, a unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VII of the By-Laws,

or in the event the Board of Directors shall purchase at a foreclosure or other judicial sale, a unit, together with the Appurtenant Interests, title to any such unit, together with the Appurtenant Interests, shall be held by the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, in proportion to their respective common interests. **The lease covering any unit leased by the Board of Directors, or its designee, corporate or otherwise, shall be held by the Board of Directors, or its designee, on behalf of all unit owners, in proportion to their respective common interests.**

14. Consent of Owners Required for Acquisition.

Except in the case of the Board of Directors purchasing a unit at a foreclosure sale for failure to pay common charges pursuant to paragraph 13 of this Declaration, the Board shall not purchase a unit or accept a unit surrendered without the consent of two-thirds of the unit owners, excluding those owned by the Sponsor.

15. Units Subject to Declaration, By-Laws and Rules and Regulations. All present and future owners, tenants and occupants of units shall be subject to, and shall comply with the provisions of the Master Declaration, this Declaration, the By-Laws and Articles of Incorporation and the Rules and Regulations, as they may be amended from time to time. The Articles of Incorporation of the Association are attached hereto as Exhibit "A" and hereby made a part of this Declaration. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and Articles of Incorporation, the Master Declaration and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

16. Amendment of Declaration. This Declaration may be amended by a vote of at least 66 2/3% of the voting power of the owners in the Project cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws; provided, however, that any such amendment shall have been approved in writing by all mortgagees who are holders of mortgages comprising first liens upon said units. No such amendment shall be effective until recorded in the office of the Recorder of the County of Blaine, Hailey, Idaho.

17. Invalidity. The invalidity of any provisions of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

18. Waiver. No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason

of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

19. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

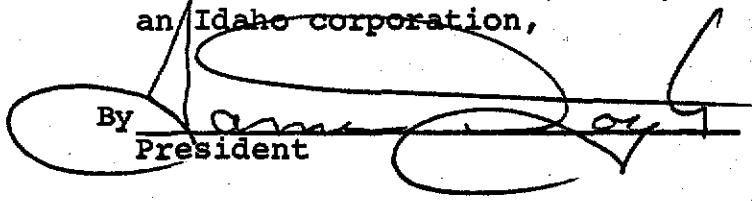
20. Gender. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, The Sponsor has hereunto caused this Declaration to be executed this _____ day of _____, 1973.

PROVIDENT FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation,

By _____
President

JAMES DOYLE ENTERPRISES, INC.,
an Idaho corporation,

By 
President

STATE OF IDAHO,)
) ss.
County of _____.)

On this _____ day of _____, 1973, before me, the undersigned, a Notary Public for Idaho, personally appeared _____, known to me to be the President of PROVIDENT FEDERAL SAVINGS AND LOAN ASSOCIATION, the corporation that executed this instrument, and acknowledged to me that such corporation 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: _____

STATE OF IDAHO,)
County of Ada) ss.

On this 30th day of April, 1973, before me, the undersigned, a Notary Public for Idaho, personally appeared James H. Doyle, known to me to be the President of JAMES DOYLE ENTERPRISES, INC., the corporation that executed this instrument, and acknowledged to me that such corporation 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.

W. J. H. H. H.
Notary Public for Idaho
Residing at: Boise