



CERTIFICATE OF INCORPORATION  
OF

TERRACE LAKES OWNERS ASSOCIATION, INC.

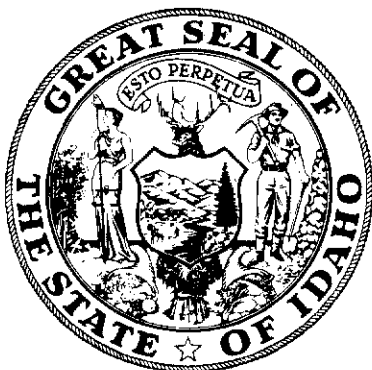
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that  
duplicate originals of Articles of Incorporation for the incorporation of \_\_\_\_\_

TERRACE LAKES OWNERS 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 November 19, 1985, 19 \_\_\_\_.



SECRETARY OF STATE

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

ARTICLES OF INCORPORATION  
OF  
TERRACE LAKES OWNERS ASSOCIATION, INC.

Nov 19 9 16 AM '06  
~~SECRETARY OF STATE~~

In compliance with the requirements of the laws of Idaho relating to nonprofit corporations and acts amendatory and supplemental thereto, including particularly Title 30, Chapter 3, Idaho Code, the undersigned natural person, who is of full age and a resident of the United States, in order to form a nonprofit corporation for the purposes hereinafter stated, does hereby as incorporator, adopt the following Articles of Incorporation and certify:

ARTICLE I

The name of the Corporation is TERRACE LAKES OWNERS ASSOCIATION, INC. hereinafter call the "Association".

ARTICLE II

The registered agent is James C. DeChambeau, and the registered and principal office of the corporation is located at HC76 Box 4355, Garden Valley, Idaho, 83622.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Corporation shall be a NONPROFIT, MEMBERSHIP CORPORATION. The purposes of this association shall be to provide an association to which owners and lease holders of Terrace Lakes Recreation Ranch, Boise County, Idaho, belong for the purpose of creating and maintaining an enviroment that will provide for maximum use and enjoyment of a year-round recreational resort facility, and to promote the health, safety, and welfare of the members hereof, and for thiss purpose to:

a. 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 licenes, taxes, or governmental charges levied or imposed against the property of the Association;

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

c. Borrow money, mortgage, pledge, deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to those restrictions contained in the Declaration and any amendments thereto;

d. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, subject to those restrictions contained in the Declaration and any amendments thereto; and

e. have and to exercise any and all powers, rights and privileges which a corporation organized under the laws for general nonprofit corporations in the State of Idaho by law may now or hereafter have or exercise.

#### ARTICLES IV

##### MEMBERSHIP

There shall be five hundred (500) membership certificates in the Association. Every person or entity who is a record owner of a fee, or lease holder of a lot in Terrace Lakes Recreation Ranch may be a member of the Association, and there shall be one membership issued for each lot, except there will be no membership certificate issued for the ownership of any lot designated as common area. The foregoing is not intended to include persons or entities who held an interest in a lot merely as security for the performance of an obligation. Membership shall be appurtenant to and shall not be separated from each lot. In addition each, non property owner, non lease holder, member of the Terrace Lakes Recreation Ranch Inc., on record as being a member of that corporation as of January 1, 1986, is eligible for membership in the Association. The membership certificate, issued to a non-property owner, non lease holder, shall be non-transferable and in case of any termination shall revert to the Association.

#### ARTICLES V

##### VOTING RIGHTS

Each member of the Association shall be entitled to one (1) vote.

#### ARTICLE VI

##### BOARD OF DIRECTORS

The affairs of the Association shall be managed by a board of five (5) directors, who need not be members of the Association, at meetings duly held pursuant to the By-laws and at which a quorum is present in person or by proxy. A quorum shall consist of a majority of the directors. The board by majority vote may remove an officer of the corporation.

At or prior to the first regular meeting, James C. DeChambeau shall appoint five (5) directors for a term of one year, and at the annual meetings thereafter, the members shall elect all five (5) directors for a term of one year. Vacancies during the terms shall be filled by the remaining directors.

The names and post office addresses of each of the initial directors, three (3) will serve until the first annual meeting and two (2) will serve until the second annual meeting are as follows:

James C. DeChambeau	4037 Armstrong Ave. Boise, Idaho 83704
Lee Wiegand	10310 Treeline St. Boise, Idaho 83704
Usto Shulz	HC 76 Box 4048 Garden Valley, Idaho 83622
Robert D. Wilmont	1824 Hampton Road Boise, Idaho 83704
Carolyn S. Reeves	5104 Silver Spur Boise, Idaho 83709

#### ARTICLE VIII

##### DURATION

The corporation shall exist perpetually.

#### ARTICLE IX


That the name and post office address of the incorporator is:

James C. DeChambeau	4037 Armstrong Ave. Boise, Idaho 83704
---------------------	---

#### ARTICLE X

Amendments to these articles shall require the assent of those members casting two-thirds (2/3) of the votes of the Association at any regular member's meeting called specifically for that purpose. The By-Laws of the Association may be amended by a majority of the Directors and ratified by the members within 180 days or by the members in accordance with Idaho Law.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, I, the undersigned incorporator of this Association, have executed these ARTICLES OF INCORPORATION this 21<sup>st</sup> day of November, 1985.

  
James C. DeChambeau

STATE OF IDAHO

)

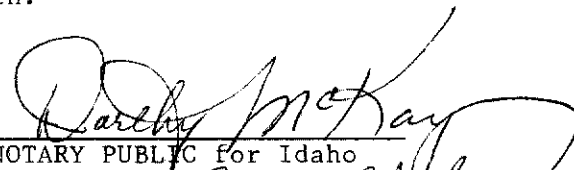
:

County of Ada

)

On this 21 day of November, 1985, before me  
a Notary Public in and for said State, personally appeared James C.  
DeChambeau, known to me to be the person whose name is subscribed  
to the within and foregoing 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 first above written.

  
NOTARY PUBLIC for Idaho  
Residing at Boise, Idaho