

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

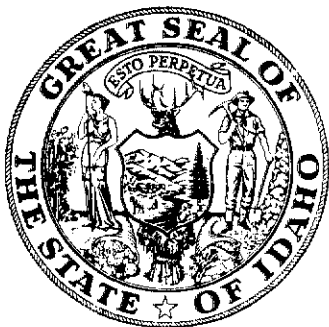
THE PINES AT RIVER RUN HOMEOWNERS ASSOCIATION, INC.

File number C 107890

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 THE PINES AT RIVER RUN 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: October 4, 1994



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sheryl Beehies*

ARTICLES OF INCORPORATION

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SECRETARY OF STATE

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IDAHO SECRETARY OF STATE

THE PINES AT RIVER RUN HOMEOWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS: The undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of the corporation shall be THE PINES AT RIVER RUN HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Corporation" or the "Association".

ARTICLE II

TERM

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

ARTICLE III

NON-PROFIT

This Corporation shall be a non-profit, membership corporation.

ARTICLE IV

REGISTERED AGENT

The location and street address of the initial registered office of this Corporation shall be 711 East River Run Drive, Boise, Idaho 83706, and Michael D. McCann is hereby appointed the initial registered agent of the Association.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for certain regulations of the use of, and control of, condominiums located in the Project and to provide for maintenance, operation and preservation of the Common Areas, including all Buildings and other improvements located in the Project and personal property thereon, and the water rights, and other assets owned by the Association; to provide for property insurance and other insurance as more particularly described in the Condominium Declaration of Covenants, Conditions and Restrictions for The Pines at River Run (the "Declaration"); and to promote the health, safety and welfare of the residents within the Project and for this purpose to:

(A) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the Property and as the same may be amended and supplemented from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(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 as required under the Declaration, including all licenses, taxes or governmental charges levied or imposed against the Project;

(C) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, to convey licenses, easement and rights of way, or otherwise dispose of real or personal property, including water rights, in connection with the affairs of the Association under the limitations imposed by the Declaration;

(D) Borrow money with the assent of two-thirds (2/3) of votes of all Members;

(E) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-profit Corporation Law of the State of Idaho may by law now or hereafter have or exercise and have and to exercise any and all powers, rights, and privileges given to the Management Body under the Condominium Property Act of the State of Idaho, subject only to limitations contained in the Bylaws and the Declaration and the amendments and supplements thereto.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record Owner of any Condominium within the Project, including Grantor and 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 Condominium which is subject to the Declaration. Members of the Association must be and remain Owners of Condominiums subject to the Declaration and all Owners of Condominiums subject to the Declaration shall automatically be Members of the Association.

ARTICLE VII

VOTING RIGHTS

The Association shall have two classes of voting membership:

(A) Class A. Class A Members shall be all Members, other than the Grantor, and shall be entitled to one (1) vote for each Condominium owned on the day of the vote and located within the Property.

(B) Class B. The Class B Member shall be the Grantor of the Declaration. Upon the formation of this Association, the Class B Member shall be entitled to three (3) votes for each Condominium of which Grantor is the Owner as more particularly set forth in the Declaration. The Class B membership shall cease and be converted to Class A membership upon the happening of the earlier of the following events: (i) Four (4) months after the date on which seventy-five percent (75%) of the Units have been conveyed to Owners; or (ii) Three (3) years from the date of the first sale of a unit to an Owner.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of the Association shall be conducted and managed by the Board of Directors ("Board") which shall consist of three (3) Directors who shall not be required to be Members, and such officers as the Directors may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended from time to time. The initial Board of Directors of the Association shall be appointed by the incorporators or their successors and shall hold office until the first annual meeting, at which time a new Board of Directors shall be elected in accordance with the provisions set forth in the Bylaws. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Michael D. McCann

271 Leadville Avenue
Ketchum, Idaho 83309

Robert Y. Kopf, Jr.
Attorney at Law

Buchanan Ingersoll
Professional Corporation
600 Grant Street, 57th Floor
Pittsburgh, PA 15219

Susan R. Kopf

Buchanan Ingersoll
Professional Corporation
600 Grant Street, 57th Floor
Pittsburgh, PA 15219

ARTICLE IX

ASSESSMENTS

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 and as set forth in the Bylaws of the Association.

ARTICLE X

BYLAWS

The power to alter, amend, repeal or change the Bylaws of Pines at River Homeowners Association, Inc. ("Bylaws") is vested in the Board of Directors, subject to repeal or change by a majority vote of each class of members entitled to vote.

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 for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Declaration.

ARTICLE XI

DISSOLUTION

Subject to the provisions as to mortgage protection and other limitations, if any, set forth in the Declaration, the Association may be dissolved with the assent given in writing and signed by not less than three-fourths (3/4) of the votes of all 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 this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the assent of not less than three fourths (3/4) of the votes of all Members. No amendment which is inconsistent with the provisions of the Declaration shall be valid.

ARTICLE XIII

MEANING OF TERMS

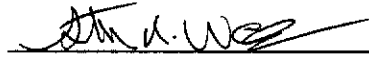
All terms appearing herein initially capitalized shall have the same meaning as are applied to such terms in the Declaration, which terms include without limitation: "Articles," "Assessments," "Board," "Condominium," "Bylaws," "Common Area," "Grantor," "Member," "Property," and "Owner."

ARTICLE XIV

INCORPORATOR

Steven R. Weeks, whose street address is 277 N. Sixth Street, Boise, Idaho 83702 shall be the incorporator of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 3rd day of October, 1994.

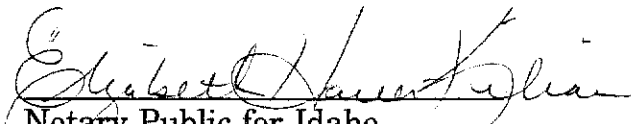


Incorporator

STATE OF IDAHO)
) ss.
County of Ada)

On this 3rd day of October, 1994, before me, the undersigned, a Notary Public, in and for said State, personally appeared Steven R. Weeks, known or identified 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 as Incorporator of THE PINES AT RIVER RUN HOMEOWNERS ASSOCIATION, INC.

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
My commission expires: 1-21-2000