



Department of State.

**CERTIFICATE OF INCORPORATION
OF**

~~LOHAVEN ONE SUBASSOCIATION, INC.~~

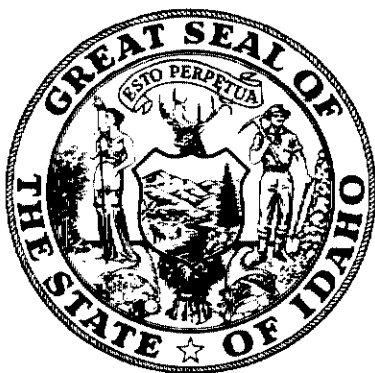
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that
duplicate originals of Articles of Incorporation for the incorporation of _____

~~LOHAVEN ONE SUBASSOCIATION, 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 _____, 19 **~~89~~**.



Pete T. Cenarrusa
SECRETARY OF STATE

Elizabeth Babala
Corporation Clerk

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ARTICLES OF INCORPORATION

OF

LOHAVEN ONE SUBASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS that, RICHARD ALBERTS, being over the age of eighteen (18) years, and for the purposes of forming a corporation under the Idaho Nonprofit Corporation Act, hereby certifies and adopts in duplicate the following Articles of Incorporation:

ARTICLE I NAME

The name of the Corporation (hereinafter called the "Subassociation") is LOHAVEN ONE SUBASSOCIATION, INC., and it is a nonprofit corporation.

ARTICLE II DURATION

The Subassociation shall exist perpetually.

ARTICLE III PURPOSES AND POWERS OF THE SUBASSOCIATION

This Subassociation does not contemplate the distribution of gains, profits, or dividends to its Members. The specific primary purposes for which it is formed are to provide for the acquisition, construction, management, operation, administration, maintenance, repair, improvement, preservation, insurance, and architectural control of Subassociation property within Phase One (or Building One) of that certain Condominium situated in the City of Hayden, Kootenai County, Idaho, commonly known as Lochaven Square, and to promote the health, safety and welfare of all owners and occupants within the above-described Phase/ Building, all according to that certain Restated Declaration of Covenants, Conditions and Restrictions (the "Declaration") recorded or to be recorded with respect to said Lochaven Square Condominium in the Office of the Auditor of Kootenai County.

In furtherance of said purposes, and subject to the approval of Members as required by the Declaration and the remaining Project Documents, or by law, this Subassociation shall have power to:

(a) Perform all of the duties and obligations of the Subassociation as set forth in the Project Documents;

(b) Fix, levy, collect and enforce Assessments and fines as set forth in the Declaration;

(c) Pay all expenses and obligations incurred by the Subassociation in the conduct of its business, including, without limitation, all licenses, taxes or governmental charges levied or imposed against the Subassociation property;

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

(e) Make contracts and incur liabilities, borrow money and mortgage, pledge, deed in trust, or hypothecate any of all of its real or personal property as security for money borrowed or debts incurred;

(f) Dedicate, sell, transfer, or grant easements over all or any part of any Subassociation 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;

(g) Have and exercise any and all powers, rights, and privileges which a corporation organized under the Nonprofit Corporation Act of the State of Idaho by law may now or hereafter have or exercise.

ARTICLE IV MEMBERS AND MEMBERSHIP

1. Non-stock Corporation. Participation in management and ownership of the Subassociation shall be by membership only. The Subassociation shall issue no stock and shall have no shareholders.

2. Membership. The Owner of a Unit within Phase One of the Project shall automatically, upon becoming an Owner, be a Member of the Subassociation, and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Subassociation shall automatically cease. Membership shall be in accordance with these Articles of Incorporation and the Bylaws of the Subassociation.

3. Transferred Membership. Membership in the Subassociation shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Unit to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Unit should fail or refuse to transfer the membership registered in his name to the purchaser of his Unit, the Subassociation shall have the right to record the transfer upon its books and thereupon the old membership outstanding in the name of the seller shall be null and void.

4. One Class of Membership. The Subassociation shall have one (1) class of voting membership, with each Unit having a voting power proportionate to the undivided interest in the Phase One Common Area which is appurtenant to such Unit, as set forth in the Declaration. If a Unit is owned by more than one (1) person, each such person shall be a Member of the Subassociation, but the voting power attributable to that Unit shall not be increased by the joint ownership, and the vote of that Unit shall not be split. If the Owners of a particular Unit present at a meeting, in person or by proxy, cannot agree on how to vote on a specific matter, no vote shall be exercised by the Unit on that matter.

5. Limitation of Payment to Dissenting Member. Membership in the Subassociation is appurtenant to and cannot be segregated from ownership of a Unit within the jurisdiction of the Subassociation. Except upon dissolution of the Subassociation, a dissenting Member shall not be entitled to any return of any contribution or other interest in the Subassociation.

ARTICLE V
INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the Subassociation shall be at c/o Paul Alberts Insurance, 8884 Government Way, Suite E, Hayden Lake, Idaho 83835, and the registered agent at such address shall be Richard Alberts.

ARTICLE VI
BOARD OF MANAGERS; INCORPORATORS

The affairs of this Subassociation shall initially be managed by a Board of three (3) Managers, each of whom shall be a Member of the Subassociation and/or a representative or employee of a non-individual Member. The number of Managers may be changed by the amendment of the Bylaws of the Subassociation. The names and addresses of the initial three (3) Managers of the Subassociation, until the selection of their successors, are:

<u>Name</u>	<u>Address</u>
Richard Alberts	c/o Hayden Lake Insurance North 8884 Government Way Hayden Lake, Idaho 83835
Max McClintock	301 Iberian Way Sandpoint, Idaho 83864
Craig Burkhart	c/o First National Bank of North Idaho P.O. Box 540, Hayden Center Hayden, Idaho 83835

The name and address of the incorporator of this Subassociation is:

<u>Name</u>	<u>Address</u>
Richard Alberts	c/o Hayden Lake Insurance North 8884 Government Way Hayden Lake, Idaho 83835

ARTICLE VII
DISSOLUTION

In the event of the dissolution, liquidation, or winding up of the Subassociation, after paying or adequately providing for the debts and obligations of the Subassociation, the Managers or person in charge of the liquidation shall divide the remaining assets among the members in accordance with their respective rights thereto as established in the Declaration.

ARTICLE VIII
AMENDMENT OF ARTICLES

These Articles may be amended at any time and in any manner by the vote or written assent of sixty-seven percent (67%) of the total voting power of the Subassociation; provided, however, that the percentage of the voting power necessary to amend a specific clause or provision herein shall not be less than the percentage of affirmative votes prescribed for action to be taken under said clause or provision; and provided further, that any such amendment shall not be inconsistent with the law.

For the purpose of forming this Subassociation under the laws of the State of Idaho, I, the undersigned, being the incorporator of this Subassociation, have executed these Articles of Incorporation on May 18, 1989.


RICHARD ALBERTS