



CERTIFICATE OF AMENDMENT
OF

WILLOW CREEK HOMEOWNERS ASSOCIATION, INC.

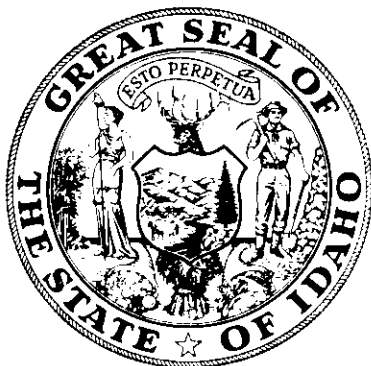
I PETE T. CENARRUSA, Secretary of State of the State of Idaho hereby, certify that
duplicate originals of Articles of Amendment to the Articles of Incorporation of _____

WILLOW CREEK HOMEOWNERS ASSOCIATION, INC.

duly signed and verified pursuant to the provisions of the Idaho Business 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
Amendment to the Articles of Incorporation and attach hereto a duplicate original of the Articles
of Amendment.

Dated March 21, 1985



SECRETARY OF STATE

Corporation Clerk

ARTICLES OF AMENDMENT

OF

WILLOW CREEK HOMEOWNERS ASSOCIATION, INC.

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, acting officers of WILLOW CREEK HOMEOWNERS ASSOCIATION, INC., a corporation duly formed and registered with the office of the Secretary of State of the State of Idaho pursuant to the provisions of the Idaho Nonprofit Corporation Act and Title 30, Chapter 3 of the Idaho Code, in order to amend the Articles of Incorporation of said corporation, in their entirety, state as follows:

WILLOW CREEK HOMEOWNERS ASSOCIATION, INC. was incorporated on the 27th day of July, 1984.

William H. McGrew is the duly elected, qualified and acting president of WILLOW CREEK HOMEOWNERS ASSOCIATION, INC., an Idaho corporation, and Larry C. Ashcraft is the duly elected, qualified and acting secretary of said corporation.

Upon the 1st day of February, 1985, pursuant to call and waiver of notice, a meeting of the shareholders and board of directors of the corporation was held at the office of the corporation at Mountain Home, Idaho, which meeting was attended by all shareholders and directors of the corporation. At said meeting a resolution was unanimously adopted by vote of the shareholders to amend the Articles of Incorporation to withdraw the corporation from the requirements of the Idaho Condominium Property Action, to eliminate the use of the term "condominium" in the Articles of Incorporation, and authorizing the president and secretary of the corporation to execute and file this certificate for the purpose of amending the Articles of Incorporation to effectuate said change.

NOW, THEREFORE, said corporation hereby amends the Articles of Incorporation for WILLOW CREEK HOMEOWNERS ASSOCIATION, INC., in the manner and form as follows, to-wit:

ARTICLE I

NAME

The name of this corporation is WILLOW CREEK HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE II

INCORPORATOR/REGISTERED AGENT

The sole incorporator and initial registered agent of the Association is William H. McGrew. The address of said incorporator and initial registered agent and the office of the Association is 430 North 6th East Street, Post Office Drawer U, Mountain Home, Idaho 83647.

ARTICLE III

NON-PROFIT

This Association is a non-profit, membership corporation.

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are the maintenance, preservation and replacement of the Common Area, including all buildings and other improvements located on the Common Area owned by the Association, and to provide certain rules and regulations, as more particularly described in the Association Declaration of Covenants, Conditions and Restrictions, and to promote the health, safety and welfare of the members of the Association and owners of the lots and improvements thereon, and to exercise such functions as are set forth in the Association's Declaration of Covenants, Conditions and Restrictions, as may hereafter be brought within the jurisdiction of this Association 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 that certain Declaration of Covenants, Conditions and Restrictions applicable to the property and recorded or to be recorded in the Office of the County Recorder of Elmore County, Idaho, and as the same may be amended from time to time as therein provided, said Covenants 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 of Covenants, Conditions and Restrictions and the By-Laws; 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;

(c) Acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain and preserve the streets, lanes, rights-of-way, easements and Common Areas, and such other real and personal properties incident thereto; and to convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) Borrow money with the assent of two-thirds (2/3) of the members;

(e) Participate in mergers and consolidations with other non-profit 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 the members;

(f) Have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Idaho by law may 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 laws of the State of Idaho, subject only to limitations contained in the Declaration of Covenants, Conditions and Restrictions and the By-Laws, and the amendments and supplements thereto.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a lot within the project, including contract purchasers, shall be a member of the Association. In the event any of said real property shall be conveyed pursuant to an escrow contract wherein the seller of such property retains record title, the purchaser under said contract 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 or parcel which is subject to assessment by the Association. Members of the Association

must be and remain owners of lots subject to the Association Declaration of Covenants, Conditions and Restrictions, and all owners of lots shall automatically be members of this Association.

ARTICLE VI

VOTING RIGHTS

The Association has two classes of voting memberships:

Class A Members. Class A Members shall be all owners of lots, other than Grantor, and shall be entitled to one vote for each such residential lot owned. When more than one person or entity holds an interest in such lots, the vote for such lots shall be exercised as they so determine, but in no event shall a fractional vote for any such unit be cast.

Class B Members. The Class B Members shall be the Grantor. Upon the sale of the first lot to an owner, Grantor shall be entitled to three votes for each lot owned by Grantor in the project. The Class B membership shall cease and be converted to a Class A membership upon the happening of the earlier of the following events:

- (a) 120 days after the date on which 75% of the lots have been conveyed to owners; or
- (b) 3 years from the date of the first sale of a lot to an owner.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Three (3) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors under provisions of Association By-Laws are:

William H. McGrew

Post Office Drawer U
Mountain Home, Idaho 83647

Larry C. Ashcraft

Post Office Box 506
Mountain Home, Idaho 83647

Ronald Swearingen

Post Office Box 649
Mountain Home, Idaho 83647

ARTICLE VIII

DISSOLUTION

Subject to the provisions as to mortgage protection contained in the Declaration of Covenants, Conditions and Restrictions, the Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of the membership. Upon dissolutionment of the Association, other than incident to a merger or consolidation, the assets of the Association shall be allocated among the members of the Association (owners), in the same manner as is specified in the Declaration of Covenants, Conditions and Restrictions and the Bylaws.

ARTICLE IX

DURATION

The Association shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendments of these Articles shall require the assent of not less than two-thirds (2/3) of each class of members of the Association and no amendment that is inconsistent with the provisions of the Declaration of Covenants, Conditions and Restrictions shall be valid.

ARTICLE XI

ASSESSMENTS

Each member shall be liable for the payment of assessments and local assessments as provided for in the Declaration of Covenants, Conditions and Restrictions, and for the payment and discharge of the liabilities of the Association, as provided for in the Declaration of Covenants, Conditions and Restrictions and the Bylaws.

ARTICLE XII

BY-LAWS

The By-Laws of the 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 membership; provided, however, such amendment shall not be effective until the same is recorded in the office of the County Recorder of Elmore County, Idaho.

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 and local assessments, the By-Laws may incorporate, by reference, the provisions of the Declaration of Covenants, Conditions and Restrictions of the Association.

ARTICLE XIII

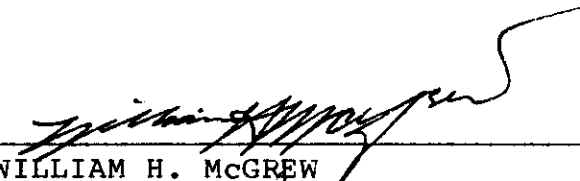
INCORPORATOR

The name and address of the incorporator is:

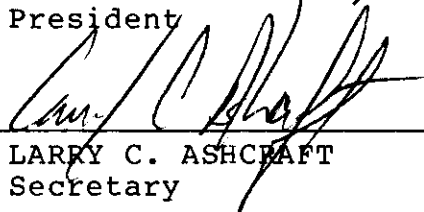
William H. McGrew

Post Office Drawer U
Mountain Home, Idaho 83647

IN WITNESS WHEREOF, the undersigned officers of the corporation have subscribed and sworn to this certificate this 19 day of March, 1985.



WILLIAM H. MCGREW
President




LARRY C. ASHCRAFT
Secretary

STATE OF IDAHO)
) ss.
County of Elmore)

I, Cynthia King, a Notary Public, do hereby certify that on this 19th day of March, 1985, personally appeared before me WILLIAM H. MCGREW and LARRY C. ASHCRAFT, who, being by me first duly sworn, declared that he, the said Willaim H. McGrew, is the president, and that he, the said Larry C. Ashcraft, is the secretary of WILLOW CREEK HOMEOWNERS ASSOCIATION, INC., an Idaho corporation, and that they signed the foregoing document as president and secretary, respectively, of the corporation, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate above written.



Notary Public for Idaho
Residing at Mountain Home, Idaho
My Commission Expires May 17, 1986