

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

FRENCHMAN'S HOMEOWNERS ASSOCIATION, INC.
File number C 113639

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 FRENCHMAN'S 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: February 5, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By *Sonya Herald*

FEB 5 10 23 AM '96
SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION
OF

FRENCHMAN'S HOMEOWNERS ASSOCIATION, INC.

IDAHO SECRETARY OF STATE
DATE 02/05/1996 0900 35277
CHECK # 429 CUST# 2204
INC NONP 30.00= 30.00

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I, the undersigned, being a natural person of the age of twenty one (21) years or more, acting as the Incorporator in order to incorporate and establish a corporation pursuant to the Idaho Nonprofit Corporation Act, adopt the following Articles of Incorporation.

ARTICLE I

Name

The name of the corporation is Frenchman's Homeowners Association, Inc. (hereinafter called the "Association").

ARTICLE II

Term of Existence

The period of the Corporation's existence is perpetual.

ARTICLE III

Purpose and Powers

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purpose for which it is formed are to provide for maintenance, preservation, and architectural control of the residences, lots and common properties within that certain tract of property described as:

Lots 1 through 10, Frenchman's P.U.D., Blaine County, Idaho.

and any additional real properties that may be hereafter made subject to administration by the Association pursuant to the Declaration, and to promote the health, safety, and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association 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, hereinafter called the "Declaration" applicable to the property and recorded or to be recorded in the office of the Clerk and Recorder of the County of Blaine, State of Idaho, and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth in full.

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration and 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, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real property or personal property in connection with the affairs of the Association.

(d) Borrow money and, with the assent of two thirds (2/3) of the members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) Dedicate, sell, or transfer all or any part of the 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. Such dedication or transfer shall not be effective unless an instrument has been signed by two thirds (2/3) of the Members agreeing to such dedication, sale or transfer.

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and common area.

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

ARTICLE IV

Membership and Voting Rights

Every owner of a lot shall be a member of the Association. Membership in the Association shall be appurtenant to and may not be separated from fee simple title ownership of such Lot. The Association shall have two classes of voting membership whose voting rights shall be as follows: the first class of voting membership shall be known as "Class I Voting Membership" and shall be composed of all owners of Class I Lots. Each Class I Lot shall be entitled to one (1) vote. Whenever more than one person is an owner of a particular Class I Lot, all of the owners of such Class I Lots shall be Members of the Association and the vote applicable to such Class I Lot shall be exercised as such owners may determine among themselves, but in no event shall more than one vote be cast with respect to each Class I Lot.

The second class of voting membership shall be known as "Class II Voting Membership" and the Declarant under the Declaration of Covenants, Conditions and Restrictions for the property described in Article II hereof, namely DMW, Inc., shall be entitled to three (3) votes for each Class II Lot owned.

Upon the happening of the first of the events set forth below, the Association shall hereafter have one class of voting membership which shall be Class I Membership. Subsequent to such event, all owners, including the Declarant, shall be entitled to one (1) vote for each Lot owned. The events hereinabove referred to are:

1. When the total votes outstanding in Class I Voting Membership equal the total votes outstanding in the Class II Voting Membership; or

2. On January 1, 2005; or

3. On the date that the Declarant voluntarily relinquishes its Class II Voting Membership.

ARTICLE V

Initial Registered Office and Initial Registered Agent

The street address of the initial registered office of the Association is 408 Evergreen Lane, Ketchum, Idaho 83340. The P.O. Box is 2028, Sun Valley, Idaho 83353, and the name of the its initial registered agent is Bradly DuFur.

ARTICLE VI

Directors

The number of Directors constituting the initial Board of Directors of the Association is three (3) and the names and addresses of the persons who are to serve as Directors until the first annual meeting of the members or until their successors are elected are:

Rodney A. Watson, P.O. Box 2028, Sun Valley, Idaho 83353

H.D. McNee, Jr., P.O. Box 2028, Sun Valley, Idaho 83353

Bradly DuFur, P.O. Box 876, Sun Valley, Idaho 83353

ARTICLE VIII

Corporation Not for Profit

No director or member of the Association shall receive any pecuniary profit from the Association or its operations, except

reasonable compensation for services performed in effecting one or more of its purposes as such. Compensation may be set by the Board of Directors from time to time. No contract or other transaction between the Association and any other person firm partnership, corporation, trust, joint venture, syndicate or other entity shall be in any way affected or invalidated solely by reason of the fact that any Director, Officer, or Member of the Association is pecuniarily or otherwise interested in, or is a Director, Officer or Member of the Association individually, or any entity in which any director or officers is in any way interested in the contract or other transaction of the Association.

No part of the net earnings of the Association shall inure (other than by acquiring, constructing, or providing management, maintenance or care of the property held by the Association, commonly held by Members of the Association or located in the project and owned by Members of the Association, and other than by a rebate of excess membership dues fees or assessments) to the benefit of any private member or individual. The assets of the Association after all creditors have been paid shall be distributed prorata to its Members on dissolution.

ARTICLE IX

Definition

The term "Lot" when used herein shall include any lot within the property described in Article III, together with any residence that may be constructed thereon.

IN WITNESS WHEREOF, the undersigned being the Incorporator of this corporation executed these Articles on January 30, 1996.


Bradly DuFur Incorporator

STATE OF IDAHO)
) ss.
County of Blaine)

On this 30th day of January, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Bradley DuFur, known or proven to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

WITNESS my hand and seal the day and year in this certificate first above written.

(Seal)

Barbara A. Mollineaux
NOTARY PUBLIC for Idaho
Residing at Hailey, ID
Commission Expires 9/13/2001

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