

FILED EFFECTIVE

2004 APR 19 AM 9:00
ARTICLES OF INCORPORATION OF
ELKHORN RANCH HOMEOWNERS' ASSOCIATION, INC.
(A NON-PROFIT CORPORATION)

STATE OF IDAHO

THE UNDERSIGNED, acting as incorporator of a non-profit corporation under the Idaho Non-Profit Corporation Act, Idaho Code §30-3-1, et seq., adopts the following Articles of Incorporation.

ARTICLE I.

The name of the corporation is Elkhorn Ranch Homeowners' Association, Inc. The corporation is a non-profit corporation.

ARTICLE II.

The period of the corporation's duration is perpetual.

ARTICLE III.

The purposes for which the corporation is organized are to transact any and all lawful business for which corporations may be incorporated under the Idaho Non-Profit Corporation Act, including, but not limited to, the management, operation, and ownership of any water system as specified in those Paragraphs numbered 2.M in those certain "Protective Covenants" recorded as Kootenai County Instrument Nos. 1638546, 1710419, 1710760, and/or 1826143. The affairs of the corporation shall be managed by its Board of Directors.

ARTICLE IV.

The name and street address of the initial registered agent of the corporation is as follows:

C154235

John F. Magnuson
Attorney at Law
P.O. Box 2350
1250 Northwood Center Court, Suite A
Coeur d'Alene, ID 83814

ARTICLE V.

The number of directors constituting the initial Board of Directors of the Corporation 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 and shall qualify are: Robert Bonuccelli, P.O. Box 141449, Spokane, Washington 99214; Charlie Potts, 23546 N. McKenzie Drive, Rathdrum, Idaho 83858; and Dean Renninger, 5882 W. Diagonal Road, Rathdrum, ID 83858.

The name and address of each incorporator is as follows: Round Mountain, LLC, by Robert Bonuccelli, Managing Member, P.O. Box 141449, Spokane, Washington 99214.

ARTICLE VI.

In the event the corporation is dissolved in conformity with both Idaho law (the Idaho Non-Profit Corporation Act, I.C. §30-3-1, et seq., as it now exists or is hereafter amended), then any assets of the Corporation which remain after paying all corporate obligations and liabilities shall be liquidated and distributed to the Corporation's members (to be determined as of such date as the Corporation's Board fixes in its discretion) pro rata.

ARTICLE VII.

Membership is defined to include those parcels of real property, including but not limited to those parcels described in the "Protective Covenants" recorded as Kootenai County Instrument Nos. 1638546, 1710419, 1710760, and/or 1826143, which are entitled to avail themselves of domestic water pursuant to Paragraphs 2.M of said Covenants. Membership shall also include the owners of

all additional parcels of real property which are hereafter allowed to make use of said system as defined in Paragraphs 2.M. of said "Protective Covenants." Proof of ownership of a lot or parcel of real property subject to said "Protective Covenants," or otherwise entitled to avail the lot of domestic water from the system defined in Paragraphs 2.M of said "Protective Covenants," shall constitute sufficient proof of membership in the Corporation. Notwithstanding multiple ownership of any lot or piece or property which is made a member hereof, the lot or parcel of property shall only be entitled to one vote on all matters of corporate governance.

ARTICLE VIII.


Authorization of assessments to be levied upon all members of the corporation are herein granted. The Board of Directors are herein authorized to fix the amount and collection of assessments by such methods as are provided in, and consistent with, the subject Declaration. Assessments are enforceable by legal action as provided in the subject Declaration.

ARTICLE IX.

All voting members, as defined in the subject Declaration, shall enjoy the right of cumulative voting in any election for directors of the corporation.

DATED this 7th day of April, 2004.

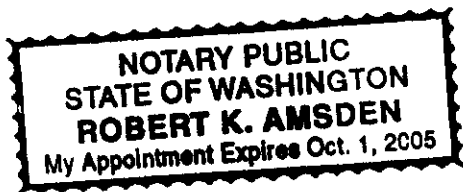
INCORPORATOR:


ROUND MOUNTAIN, LLC
BY: Robert Bonuccelli, Managing Member

STATE OF ^{WA}IDAHO)
County of ^{Spokane}Kootenai) ss.
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On this 7th day of April, 2004, before me, the undersigned, a Notary Public in and for the said State and County, personally appeared, ROBERT BONUCCELLI, known or identified to me to be a Managing Member of Round Mountain, LLC, the person whose name is subscribed to the within instrument and who acknowledged that he executed the same.

WITNESS my hand and official seal.



Robert K. Amode
Notary Public in and for the State of Idaho
Residing at: Spokane
My commission expires: 10-1-05