



Department of State.

**CERTIFICATE OF INCORPORATION
OF**

CAPITOL TERRACE CONDOMINIUM ASSOCIATION, INC.

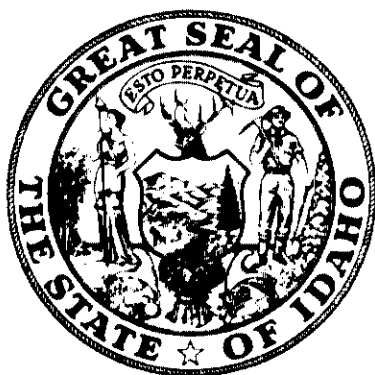
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of _____

CAPITOL TERRACE CONDOMINIUM 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 16, 1989



Pete T. Cenarrusa
SECRETARY OF STATE

W. J. Linsman
Corporation Clerk

ARTICLES OF INCORPORATION

OF

CAPITOL TERRACE CONDOMINIUM ASSOCIATION, INC.

FEB 16 4 42 PM '89

SECRETARY OF STATE

The undersigned, acting as incorporators of a nonprofit corporation under the Idaho Nonprofit Corporation Act, adopt the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is Capitol Terrace Condominium Association, Inc. (hereinafter referred to as the "Association").

ARTICLE II

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

ARTICLE III

This Association shall be a nonprofit membership corporation.

ARTICLE IV

The name of the registered agent of this Association shall be Dennis Clark, and the location and post office address of the registered office of this Association shall be 711 1/2 Bannock Street, Boise, Idaho 83702.

ARTICLE V

This Association is formed to be a Management Body as permitted by the provisions of the Idaho Condominium Property Act, Idaho Code, title 55, chapter 15, and its powers are and shall be consistent with the provisions of the Act.

ARTICLE VI

Section 1. The nature of the business and the object and purpose of this Association shall be as follows:

(a) This Association shall be the "Management Body" as defined in section 55-1503, Idaho Code, and as provided for in the terms and conditions of that certain Condominium Declaration for Capitol Terrace Condominiums (hereinafter referred to as the "Declaration") to be executed by the Boise Redevelopment Agency and Roper Investment Company, who delegate and authorize this Association to exercise certain functions as the Management Body. The Declaration shall be recorded in the office of the county recorder of Ada County, Idaho, together with a copy of these Articles of Incorporation appended thereto.

(b) The Management Body shall have the power to have, exercise, and enforce all rights and privileges and to assume, incur, perform, carry out, and discharge all duties, obligations, and responsibilities of a Management Body as provided for in the Idaho Condominium Property Act and in the Declaration, as such Declaration is originally executed or, if amended, as amended. The Management Body shall have the power to adopt and enforce rules and regulations covering the use of any condominium project or any area or units thereof, to levy and collect the annual and special assessments and charges against the condominiums and the members thereof and, in general, to assume and perform all the functions to be assumed and performed by the Management Body as provided for in the Declaration. It shall have the power to transfer, assign, or delegate such duties, obligations, or responsibilities to other persons or entities as permitted or provided for in the Idaho Condominium Property Act, the Declaration, or in an agreement executed by the Association with respect thereto. The Management Body shall actively foster, promote, and advance the interest of owners of condominium units within the condominium project.

Section 2. In addition to the foregoing, where not inconsistent with either the Idaho Condominium Property Act (chapter 15, title 55, Idaho Code) or title 10, Idaho Code, the Association shall have the following powers:

(a) The authority set forth in title 30 of the Idaho Code relating to the organization and conduct of general business corporations;

(b) The power to buy, sell, acquire, hold, mortgage, or enter into a security agreement, pledge, lease, assign, transfer, trade, and deal in and with all kinds of personal property, goods, wares, and merchandise of every kind, nature, and description;

(c) The power to buy, sell, lease, let, mortgage, exchange, or otherwise acquire or dispose of lands, lots, houses, buildings, and real property, hereditaments, and appurtenances of all kinds and wheresoever situated, and any interest and rights therein, to the same extent as natural persons might or could do, and without limit as to amount;

(d) The power to borrow money, draw, make, accept, enforce, transfer, and execute promissory notes, debentures, and other evidences of indebtedness, and for the purpose of securing any of its obligations or contracts, to convey, transfer, assign, deliver, mortgage, and/or pledge all or any part of the property or assets, real or personal, at any time owned or held by this Association; and

(e) The power to have one or more offices to carry on all or any part of its operations and businesses and to do all and

everything necessary, suitable, convenient, or proper for the accomplishment of any of the purposes, or the attainment of any one or more of the objects herein named, or which shall at any time appear conducive or expedient for the protection or benefit of the Association, and which now or hereafter may be authorized by law, and this to the same extent and as fully as natural persons might or could do as principals, agents, contractors, trustees, or otherwise, and either alone or in connection with any firm, person, association, or corporation.

The foregoing clauses are to be construed both as objects and powers. As hereby expressly provided, an enumeration herein of the objects, powers, and purposes shall not be held to restrict in any manner the general powers of the Association. The Association shall have the power to do all acts that are necessary and convenient to obtain the objects and purposes herein set forth to the same extent and as fully as any natural person could or might do within the framework of the Idaho Condominium Property Act, these Articles of Incorporation, and the general corporation laws of Idaho.

ARTICLE VII

Section 1. Each member shall be entitled to receive a certificate of membership, which certificate shall state the number of votes he is entitled to cast as a member of the Association.

Section 2. There shall be one membership in the Association for each condominium in Capitol Terrace Condominiums, as established in the Declaration. The members of the Association must be and remain owners of condominiums within the project set forth in the Declaration to be recorded in Ada County, Idaho, and the Association shall include all owners of condominiums within the project. If title to a condominium is held by more than one person, the membership relating to that condominium shall be shared by all such persons in the same proportionate interest and the same type of tenancy in which the title to the condominium is held.

Section 3. No person or entity other than an owner may be a member of the Association. A member shall not assign or transfer his membership certificate except in connection with the transfer or sale of a condominium, provided, however, that the rights of membership may be assigned to a mortgagor as further security for a loan secured by a lien on a condominium. Every person or entity who is an owner of any condominium unit, included in any condominium project for which the Association has been or may be designated as a Management Body, shall be required to be a member of the Association and remain a member so long as such person or entity shall retain the ownership of the condominium unit. Membership in the Association is declared to be appurtenant to the title of the condominium unit upon which such membership is

based and automatically shall pass with the sale or transfer of the title of the unit. Members shall not have preemptive rights to purchase other memberships in the Association or other condominium units in the project.

Section 4. The voting rights and interests of a member of the Association shall be determined by the owner member's percentage interest in the Common Area of the condominium project described in the Declaration and Exhibit B thereto, as the term "Common Area" is defined in section 55-1503 of the Idaho Code. The Declaration, or an exhibit attached thereto, shall set forth the percentage interest of each owner member in the Common Area, which interest depends upon the number and type of condominium units. The voting rights and interests of new members shall be determined in the same way as such percentage interests and rights were determined for old members and in accordance with any amendment to the Declaration and Exhibit B thereto allocating Common Area to the respective units.

Section 5. There shall be a total of ten thousand (10,000) votes to be allocated as described in Article VII, Section 4, and in this section. The total number of votes that attach to membership certificates shall be exercised by the members of the Association from and after the date of the incorporation. Each member shall be entitled to vote the same percentage of the 10,000 votes as he is given percentage in the Common Area. At the election of directors, each member entitled to vote shall have the right to cumulate his votes and give one candidate the number of votes equal to the number of directors to be elected multiplied by the number of votes to which his shares are entitled or to distribute his votes on the same principal among as many candidates as he shall deem fit. The candidates receiving the highest number of votes shall be elected.

ARTICLE VIII

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, the Idaho Condominium Property Act (title 55, chapter 15), and as set forth in the By-Laws of the Association.

ARTICLE IX

The By-Laws of the Association may be altered, amended, or new By-Laws adopted by any regular or special meeting of the Association called for that purpose by the affirmative vote of two-thirds (2/3) of the membership of the Association which also holds two-thirds (2/3) of the voting power of the Association. The By-Laws may also be amended or repealed, or new By-Laws adopted, at any meeting of the Board of Directors by the vote of at least a majority of the entire Board, provided that any By-Law adopted by the Board may be amended or repealed by the members in the manner set forth above.

Any proposal to amend or repeal these By-Laws or to adopt new By-Laws shall be stated in the notice of the meeting of the Board of Directors or the members, or in the waiver of notice thereof, as the case may be, unless all of the directors or the members are present at such meeting.

ARTICLE X

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 thereof, including the liability of the members for the payment of assessments, the By-Laws may incorporate by reference the provisions of the Declaration recorded in Ada County, Idaho, provided that a true and correct copy of such Declaration is attached to and made a part of the By-Laws of the Association.

ARTICLE XI

The business and affairs of the Association shall be managed and controlled by a Board of Directors. The original Board of Directors shall be two (2) in number; however, the By-Laws of the Association may provide for an increase or decrease in their number, provided that the number of directors shall not be greater than nine (9) or less than two (2).

<u>Name</u>	<u>Address</u>
James H. Roper	1263 Overland Avenue Burley, Idaho 83318
Dennis Clark	711 1/2 Bannock Street Boise, Idaho 83702

ARTICLE XII

The names and post office addresses of the incorporators are as follows:

<u>Name</u>	<u>Address</u>
James H. Roper	1263 Overland Avenue Burley, Idaho 83318
Dennis Clark	711 1/2 Bannock Street Boise, Idaho 83702

ARTICLE XIII

No part of the net earnings of the Association shall inure to the benefit of any private member or individual (other than by acquiring, constructing, or providing management, maintenance, and care of property held by the Association, commonly held by the members of the Association, or located in the development and owned by members of the Association, and other than by a rebate of excess membership dues, fees, or assessments).

IN WITNESS WHEREOF, We have hereunto set our hands and seals this 15th day of February, 1989.


James H. Roper


Dennis Clark