

# State of Idaho

## Department of State

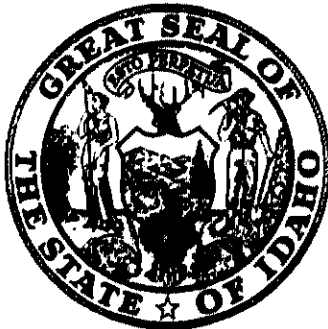
### CERTIFICATE OF INCORPORATION OF

**KNOB HILL CENTER, 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 KNOB HILL CENTER, 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: November 12, 1991



*Pete T. Cenarrusa*

SECRETARY OF STATE

*Jonya Coulson*  
\_\_\_\_\_  
Corporation Clerk

ORIGINAL

ARTICLES OF INCORPORATION

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SEC. OF STATE  
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OF

KNOB HILL CENTER, INC.

The undersigned, acting as incorporator of a corporation under the Idaho Nonprofit Corporation Act, adopts the following Articles of Incorporation.

ARTICLE I

The name of the corporation is KNOB HILL CENTER, INC., hereinafter called "Association".

ARTICLE II

The location and principal office of the Association is KNOB HILL CENTER, 780 North Main, Ketchum, Idaho and the post office address is P.O. Box 479, Sun Valley, Idaho 83353. The registered agent of the Association is JAMES D. MCLAUGHLIN.

ARTICLE III

The incorporator and his address is as follows:

James D. McLaughlin                      P.O. Box 479  
Sun Valley, Idaho 83353

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 to provide for the maintenance, preservation and architectural control of the condominium units and common area within that certain tract of property described as Replat of Lots 7 and 8, Block 8, Ketchum, Blaine County, Idaho, and to promote the

health, safety and welfare of the occupants 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 Restrictions of Knob Hill Center, and any supplemental declaration, hereinafter called the "declaration", applicable to the property and recorded or as to be recorded in the Office of the Blaine County Recorder and as the same may be amended from time to time as therein provided, said declaration 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; 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 or personal property in connection with the affairs of the Association;

(d) Borrow money and with the assent of two-thirds (2/3) of 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. No such dedication or transfer shall 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 non-profit corporations organized for the same purposes or annex additional property and common area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of the Association's members;

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

Under no circumstances shall the income of the Association be distributed to the members, directors and officers.

#### ARTICLE V

##### MEMBERSHIP

Every person or entity who is a record owner of a fee interest in any unit which is subject by the declaration to assessment by the Association, including contract sellers who retain fee title, 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 condominium unit which is subject to assessment by the Association.

#### ARTICLE VI

##### VOTING RIGHTS

The total number of votes available to all the members of the Association is 100. Each member shall have and be entitled to vote the same percentage of the total number of votes as are attributable to that member as provided by the Condominium Declaration for Knob Hill Center, as recorded in the records of Blaine County, State of Idaho, or any supplemental declaration thereof.

#### ARTICLE VII

##### BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of three (3) Directors. The number of Directors may be changed by amendment of the Bylaws of the Association. The Bylaws may be

changed by amendment to provide that the Directors must be members of the Association.

The initial Directors of the Association and their addresses are as follows:

James D. McLaughlin	P.O. Box 479 Sun Valley, Idaho	83353
Willa K. McLaughlin	P.O. Box 479 Sun Valley, Idaho	83353
Robert Korb	P.O. Box 249 Ketchum, Idaho	83340

ARTICLE VIII

DISSOLUTION

The Association may be dissolved as provided by law.

ARTICLE IX

DURATION

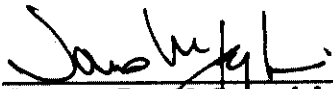
The Association shall exist perpetually.

ARTICLE X

AMENDMENTS

Amendments of these Articles shall require the assent of two-thirds (2/3) of the Association members.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Idaho, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 7<sup>th</sup> day of November, 1991.

  
\_\_\_\_\_  
James D. McLaughlin,  
Incorporator

STATE OF IDAHO            )  
                                  ) SS.  
County of Blaine         )

On this 7<sup>th</sup> day of November, 1991, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES D. McLAUGHLIN, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same.

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

(seal)

Robert [Signature]  
NOTARY PUBLIC for Idaho  
Residing at Ketchum  
Commission Expires 3/29/97

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