

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

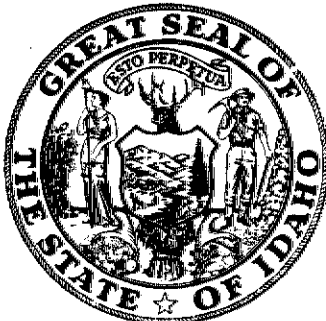
ELK RUN #2 HOMEOWNERS ASSOCIATION, INC.

File number C 117177

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 ELK RUN #2 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: November 19, 1996



Pete T. Cenarrusa
SECRETARY OF STATE

By *Lori Smock*

Nov 19 10 01 AM '96
SECRETARY OF STATE
STATE OF IDAHO

ARTICLES OF INCORPORATION

OF

Nov 15 4 19 PM '96

ELK RUN #2 HOMEOWNERS ASSOCIATION, INC

SECRETARY OF STATE
STATE OF IDAHO

KNOW ALL MEN BY THESE PRESENT, That we, the undersigned, Elk, Run #2 Homeowners Association, Inc., each being a natural person of full age, and a citizen of the United States of America, have voluntarily and do hereby associate ourselves together for the full age, and a citizen of the United States of America, have voluntarily and do hereby associate ourselves together for the purpose of forming a corporation under the laws of the State of Idaho, and we do hereby certify, declare and adopt the following Articles of Incorporation:

I

The name of this corporation shall be Elk Run #2 Homeowners Association, Inc.

II

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

III

The name, location and address of the registered agent and registered office of this corporation shall be as follows:

Howard R. Foley
77 E. Idaho, Suite 300
Meridian, ID 83642

The names and addresses of the initial directors of this

IDAHO SECRETARY OF STATE
DATE 11/05/1996 0900 37230

2

CK #: 6082 CUST#: 25073

INC NONP

1@ 30.00= 30.00

ARTICLES OF INCORPORATION - 1

#: C

corporation shall be:

Jack Boone
6845 Weedpatch Highway
Bakersfield, CA 93307

Ken E. Owen
2219 S GULL COVE AVE
MERIDIAN ID 83642

Alston Jones
362 Gruber Ave.
Meridian, ID 83642

IV

The nature of the business and the objects and purposes of this corporation shall be:

To act in behalf of the residents living in Elk Run Subdivisions #2 to enforce the covenants and conditions within the subdivision and to provide for common needs and maintain common areas within the subdivision.

To buy, sell, acquire, transfer, exchange, lease, rent, occupy and possess, whether for business or commercial purposes, real property including but not limited to, timber, water and minerals of all kinds and nature, and to sell, subdivide, separate and segregate for sale, lease, transfer, exchange or purchase, any and all portions of such real property to which the corporation may own, possess or hold option or title of any kind.

To purchase or otherwise acquire, hold, sell, assign, endorse, transfer, mortgage, pledge, hypothecate, or otherwise dispose of and to deal generally in notes, bonds, contracts, stocks, warrants, bills, open accounts, and other evidences of indebtedness of individuals, firms, partnerships and corporations, municipal,

public and private, except as limited by law; and, to loan its funds, with or without security, on notes, open accounts or otherwise.

To purchase, subscribe for, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real property and personal property of every kind and description, including but not limited to shares of stock, bonds, debentures, notes, evidences of indebtedness and other securities, contracts, or obligations of any corporation or corporations, association or associations, domestic or foreign, and to pay therefor in whole or in part in cash or by exchanging therefor stocks, bonds, or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, bonds, debentures, notes, evidences of indebtedness or other securities, contracts, or obligations, to receive, collect, and dispose of the interest, dividends and income arising from such property, and to possess and exercise in respect thereof, all the rights, powers and privileges of ownership, including all voting powers on any stocks, so owned.

To institute, enter into, carry on, assist, promote or participate in financial, commercial, mercantile, industrial and other businesses works, enterprises, undertakings and operations.

To enter into, make and perform and carry out contracts of

every sort and kind with any person, firm, association or corporation, municipality, body politic, country, territory, district, state, and government.

To apply for, secure, acquire by assignment, transfer, purchase or otherwise, and to exercise, carry out and enjoy and charter, license, power, authority, franchise, concession, rights or privileges, which any government or authority or any corporation or other public body may be empowered to grant; and to pay for, aid in and contribute toward carrying the same into effect, and to appropriate any of the corporation's shares of stock, bonds and assets to defray the necessary costs, charges and expenses thereof.

To acquire, and pay for in cash, stock or bonds of this corporation or otherwise, the good-will, rights assets and property and to undertake or assume the whole or any part of the obligations or liabilities of any person, firm, association or corporation.

In the purchase or acquisition of property, business, rights or franchises, or for additional working capital, or for any other object in or about its business or affairs, and without limits as to amount to incur debt, and to raise, borrow, and secure the payment of money in any lawful manner, including the issue and sale or other disposition of bonds, debentures, obligations, negotiable and transferable instruments and evidences of indebtedness of all kinds, whether secured by mortgage, pledge, deed of trust or otherwise.

To carry on any other business, which may seem to the corporation capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the corporation's property or rights.

To do each and every thing necessary, suitable, useful or advisable for the accomplishment of any one or more of said objects, or which shall, at any time, appear to be conducive to or expedient for the benefit of said corporation in connection therewith.

To do each and all things set forth herein to the same extent and as fully as natural persons might do or could do in the State of Idaho, and in any other state, country or place.

To have one or more offices, and to carry on all or any of its operation and business and without restriction or limit as to amount, and to purchase, or otherwise acquire, to hold, own, to mortgage, sell, convey, or otherwise acquire, to hold, own, to mortgage, sell, convey or otherwise dispose of real and personal property of every class and description in any of the states and districts of the United States.

The foregoing clauses shall be construed as objects, purposes and powers; and it is hereby expressly provided that an enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this corporation.

In general, to carry on any other business in connection with the foregoing, and to have and exercise all the powers conferred by the laws of Idaho upon corporations.

V

In furtherance, and not in limitation of the powers conferred by statute, the board of directors is expressly authorized:

To make and alter by-laws of this corporation, to fix the amount to be reserved as working capital over and above its capital stock paid in, and to authorize and cause to be executed mortgage and liens upon the real and personal property of this corporation. If the by-laws so provide, to designate two or more of its members to constitute an officer or assistant to those officers, which shall for the time being, as provided in said resolution or in the by-laws of this corporation, have and exercise any or all of the powers of the board of directors in the management of the affairs of this corporation, and have power to authorize the seal of this corporation to be affixed to all papers which may require it.

Pursuant to the affirmative vote of the holders of at least a majority of the stock issued and outstanding, having voting power, given at a stockholders' meeting duly called for that purpose, or when authorized by the written consent of at least a majority of the holders of the voting stock issued and outstanding, the board of directors shall have power and authority at any meeting to sell, lease or exchange all of the property and assets of this

corporation, including its good-will and its corporate franchises, upon such terms and conditions as its board of directors deem expedient and for the best interest of the corporation.

This corporation may in its by-laws confer powers upon its directors in addition to the foregoing, and in addition to the powers and authorities expressly conferred upon them by statute.

VI

The private property of the association membership shall not be subject to the payment of corporate debts to any extent whatsoever.

VII

OFFICERS

There shall be officers of this non-profit corporation, elected by the Board of Directors to serve with the powers and duties as set forth in the by-laws of the corporation.

VIII

DISSOLUTION

Upon the winding-up and dissolution of this non-profit corporation, after paying or adequately providing for the debts and obligations of the corporation, the remaining assets shall be distributed to a non-profit fund, foundation or corporation which has established its tax exempt status under Section 501(c)(3) of Internal Revenue Code. The corporation may be dissolved upon an affirmative vote of the voting, legal members of the corporation.

IX

MEMBERSHIP

There shall be one (1) level of membership in Elk Run Homeowners Association, Inc.:

1. Membership in this corporation include all legal owners of a residential lot located within the boundaries with the Elk Run Subdivisions.

2. Members who are such owners of residential lots for ten (10) days prior to any vote or action within the subdivision are defined as "Legal Voting Members" and will be responsible for electing the Board of Directors.

X

AMENDMENT

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these articles of incorporation in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted, subject to this reservation.

XI

ASSESSMENT

The association shall have the power pursuant to these articles and the Declaration of Protective and Restrictive Covenants assessment against each member which if not paid shall become a lien upon the members real property and lot or lots, within the

subdivision boundaries. Such assessments may be levied only after notices in writing mailed or delivered to the residence lot address, 20 days prior to such meeting wherein the amount and purpose of such assessment shall be contained in such notice. Upon an affirmative vote of at least 50% of the members attending such meeting such assessment, or any part thereof, shall be deemed authorized and notice of the required payment shall then be made to all association members. The association may approve a continuous assessment to pay the reasonable and ongoing costs of the association, care and maintenance of the association common areas and assets.

WE, THE UNDERSIGNED, being the current members of the Elk Run #2 Homeowners Association, Inc., for the purpose of forming a non-profit corporation to provide for an organized body to represent and protect the residents and homeowners, and in pursuance of the laws of the State of Idaho, do make and file these articles of incorporation, hereby declaring and certifying that the facts herein stated are true, and accordingly have hereunto set our hands and seals this 29th day of October, 1996.

Jack Boone

Jack Boone, 6845 Weedpatch Hwy., Bakersfield, Ca 93307

Alston Jones

Alston Jones, 362 Gruber Ave., Meridian, ID 83642

Ken E. Owen

Ken E. Owen, 2219 S. Gull cove Ave., Meridian, ID 83642

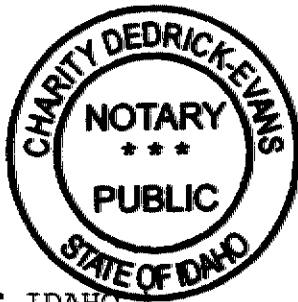
Dennis Hoffman

Dennis Hoffman, 2110 S. Covey, Meridian, ID 83642

STATE OF IDAHO)
) ss.
County of Ada)

On the 29th day of October, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Jack Boone, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my official seal the day and year first above written.

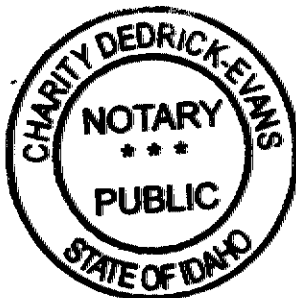


Charity Dedrick-Evans
Notary Public for Idaho
Residing at Boise, Idaho
My Commission Expires: 4/18/2002

STATE OF IDAHO)
) ss.
County of Ada)

On the 29th day of October, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Alston Jones, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my official seal the day and year first above written.

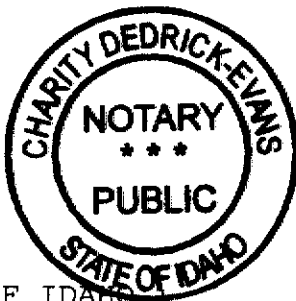


Charity Dedrick-Evans
Notary Public for Idaho
Residing at Boise, Idaho
My Commission Expires: 4/18/2002

STATE OF IDAHO)
) ss.
County of Ada)

On the 29th day of October, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Kenneth E. Owen, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my official seal the day and year first above written.

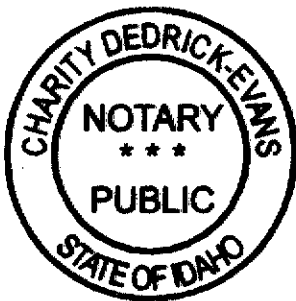


Charity Dedrick-Evans
Notary Public for Idaho
Residing at Boise, Idaho
My Commission Expires: 4/18/2002

STATE OF IDAHO)
) ss.
County of Ada)

On the 29th day of October, 1996, before me, the undersigned, a Notary Public in and for said State, personally appeared Dennis Hoffman, known to me to be the person whose name is subscribed to the within and foregoing instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto affixed my official seal the day and year first above written.



Charity Dedrick-Evans
Notary Public for Idaho
Residing at Boise, Idaho
My Commission Expires: 4/18/2002