

ARTICLES OF INCORPORATION

OF

FAIRWAY NINE I CONDOMINIUM ASSOCIATION, INC.

WHEREAS, Articles of Consolidation of Domestic Corporations have been filed following approval of the Board of Directors and members of the three (3) consolidating corporations of the plan of consolidation, Fairway 9 Condominiums Phase I Association, Inc., Fairway 9 Condominiums Phase II Association, Inc., and Fairway 9 Condominiums Phase III Association, Inc., all in accordance with the provisions of Title 30, Chapters 1 and 3 of the Idaho Code, now, therefore, the following Articles of Incorporation are hereby certified, declared and adopted.

ARTICLE I

The name of the corporation is: FAIRWAY NINE I CONDOMINIUM ASSOCIATION, INC.

ARTICLE II

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

ARTICLE III

This corporation shall be a non-profit membership corporation.

ARTICLE IV

The location and post office address of the registered office of this corporation shall be the city of Sun Valley, Blaine County, Idaho, 83353, and its registered agent at that address shall be Charles Williamson, d/b/a Professional Land Management Co., Inc.

## ARTICLE V

This corporation 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 this Act.

## ARTICLE VI

A. The nature of the business and the object and purpose of this corporation shall be as follows:

(1) This corporation (hereinafter referred to as the Association) shall be the "Management Body" as defined in Section 55-1503, Idaho Code, and as provided for in the terms and conditions of the Condominium Declarations for Fairway 9 Condominiums Phase I, Fairway 9 Condominiums Phase II, and Fairway 9 Condominiums Phase III, recorded as Instrument Nos. 216493, 221012, and 233266, in the records of Blaine County, Idaho, (hereinafter collectively referred to as the "Declarations") executed by the Dempsey Construction Corporation, which delegate and authorize this Association to exercise certain functions as the Management Body.

(2) The Association 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 Declarations, as such Declarations were 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 of the functions to be assumed and performed by the Management Body as provided for in the Declarations. 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 Declarations, 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.

B. 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 corporation shall have the following powers:

(1) The authority set forth in Title 30 of the Idaho Code relating to the organization and conduct of general business corporations.

(2) To buy, sell, acquire, hold, or mortgage or enter into security agreements, 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.

(3) 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 of any interest and rights therein, to the same extent as natural persons might or could do, and without limit as to amount.

(4) To have one or more officers to carry on all or any part of its operations and business, 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.

(5) 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 corporation. The corporation 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 the state of Idaho.

## ARTICLE VII

### MEMBERSHIP CERTIFICATES, VOTING POWER, AND DETERMINATION OF PROPERTY RIGHTS AND INTERESTS

Section 1. Each member shall be entitled to receive a certificate of membership, and be entitled to cast one vote as a member of the Association.

Section 2. There shall be one membership in the corporation for each condominium in Fairway 9 Condominiums Phase I, Fairway 9 Condominiums Phase II, and Fairway 9 Condominiums Phase III as established in the Declarations. The members of the corporation must be and remain owners of condominiums within the project set forth in the Declarations recorded in Blaine County, state of 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. 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

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 interest of a member of the Association shall be determined by the owner-member's percentage interest in the "common area" of Phases I, II, and III of the Fairway 9 Condominium project described in the Declarations, as the term "Common Area" is defined in Section 55-1503 of the Idaho Code; therefore, the voting rights and interests of each member owner will not in all cases be equal. The Declarations, or an exhibit attached thereto, set forth the percentage interest of each member in the "common area" of the Phase of the Fairway 9 Condominiums in which he is an owner, 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.

Section 5. The total number of votes that attach to membership certificates shall be exercised by the members of the corporation from and after the date of the incorporation. Each member shall be entitled to vote the same percentage of 10,000 votes of his Phase of the Fairway 9 Condominiums as he is given percentage in the "common area" of the particular phase of the Fairway 9 Condominiums in which he is an owner. As there are three (3) phases of the Fairway 9 Condominiums, there are 30,000 votes of members of the Association.

#### ARTICLE VIII

Each member shall be liable for the payment of Assessments provided for in the Declarations and for the payment and discharge of the liabilities of the corporation as provided for in the Declarations, the Idaho Condominium Property Act (Title 55, Chapter 15), and as set forth in the Bylaws of the corporation. The general expenses of the corporation, and the costs of this incorporation and consolidation, shall be assessed to the members of the corporation based upon the square footage of each condominium unit so that all assessments for like units shall be equal in amount.

ARTICLE IX

The Bylaws of this corporation may be altered, amended, or new Bylaws adopted by any regular or any special meeting of the corporation called for that purpose by the affirmative vote of two-thirds (2/3rds) of the members present at such meeting. The Bylaws may also be amended or repealed, or new Bylaws adopted, at any meeting of the Board of Directors by the vote of at least a majority of the entire Board; provided that any Bylaw adopted by the Board may be amended or repealed by the stockholders in the manner set forth above.

Any proposal to amend or repeal these Bylaws or to adopt new Bylaws 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 corporation and the members thereof including the liability of the members for the payment of assessments, the Bylaws may incorporate by reference the provisions of the Declarations recorded in Blaine County, state of Idaho, provided that a true and correct copy of such Declarations is attached to and made a part of the Bylaws of the corporation.

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 five (5) directors; however, the Bylaws 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 three (3). The names and addresses of the initial Board of Directors are as follows:

|    | <u>NAME</u>       | <u>ADDRESS</u>                                  |
|----|-------------------|---|
| 1. | <u>Ron Winans</u> | <u>3731 Hillcrest</u><br><u>Boise, ID 83705</u> |

- |    |               |   |
|----|---------------|---|
| 2. | Win Lauder    | P.O. Box 126<br>Sun Valley, ID 83353            |
| 3. | Al Conti      | 77056 Desi Drive<br>Indian Wells, CA 92210      |
| 4. | Max Gaspar    | 4327 Heather Road<br>Long Beach, CA 90808       |
| 5. | Dick Cordasco | 334 Ocean Blvd.<br>Atlantic Highlands, NJ 07716 |

ARTICLE XII

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

|    | <u>NAME</u> | <u>ADDRESS</u> |
|----|-------------|----------------|
| 1. |             |                |
|    |             |                |
| 2. |             |                |
|    |             |                |
| 3. |             |                |
|    |             |                |
| 4. |             |                |
|    |             |                |
| 5. |             |                |
|    |             |                |

ARTICLE XIII

No part of the net earnings of the Association shall inure (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) to the benefit of any private member or individual.

ARTICLE XIV


The corporation shall, in accordance with Idaho State law, indemnify each director or officer or any person who may have served at its request as a director or officer of another corporation in which it owns shares of capital stock or of which it is a creditor against expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding in which he is made a party, by reason of being or having been a director or officer of the corporation, or of such other corporation (whether or not he continues to be a director or officer at the time of incurring such expense) except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of his duty as such director or officer. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled, under any bylaw, agreement, vote of stockholders, or otherwise.

The corporation shall have the right to defend and to incur reasonable expenses in the defense of, any such actions, suits, or proceedings brought against any such director, officer, or person. Wherever in this section a director or officer is referred to, such reference shall include his executors and administrators.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 20<sup>th</sup> day of Sept., 1991.

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



STATE OF IDAHO )  
 ) ss.  
County of ~~Ada~~ Blaine )

On this 20<sup>th</sup> day of Sept., 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared Richard A. Cordaso  
Albert Giulio Conti, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same as Directors of the corporation.

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

Ronnie S. May  
Notary Public for Idaho  
Residing at Blaine Co. Id  
2-26-93

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STATE OF B

County of Blaine

On this 25 day of December, 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared Win [unclear] known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same as Directors of the corporation.

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

Sharon Williamson  
Notary Public for Idaho  
Residing at Blaine