CONDOMINIUM DECLARATION
FOR
BRIDGEPOINT CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Bridgepoint Associaties, an Idaho Limited Partnership, (hereinafter called "Declarant") is the owner of the real property described on Exhibit "A" attached hereto and by reference expressly incorporated herein; and

WHEREAS, Declarant desires to establish a condominium project under the Condominium Ownership Act of the State of Idaho, and

WHEREAS, Declarant does hereby establish a plan for the ownership in fee simple of the real property estates, subject to the easements, restrictions, reservations, conditions, taxes and assessments as set forth in this Declaration, consisting of the area or space contained in each of the air space units in the building improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, all of which remaining property, is hereinafter defined and referred to as the "common areas".

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms covenants, conditions, easements, restrictions, uses, reservations, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarant, its successors and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. SUBMISSION TO CONDOMINIUM OWNERSHIP: Declarant does hereby submit the real property described on Exhibit "A" and the improvements situated thereon to condominium ownership pursuant to the Condominium Ownership Act of the State of Idaho.

2. DEFINITIONS: Unless the context shall expressly provide otherwise:

(a) "Unit" means an individual air space which is contained within the windows, doors and unfinished perimeter walls, floors and ceilings of each unit as shown on the Condominium Map to be filed for record, together with all fixtures and improvements therein contained but not including any of the common areas, if any, located within the Unit.

(b) "Condominium Unit" means the fee simple interest and title in and to a Unit, together with the undivided interest in the common areas appurtenant to such Unit, and all other rights and burdens created by this Declaration.

(c) "Owner" means a person, persons, firms, corporation, partnership association or other legal entity, or any combination thereof, which own(s) an interest in one or more condominium units, but excluding, however, any such person having an interest therein merely as a Mortgagee, (unless such Mortgagee has acquired fee simple title interest therein pursuant to foreclosure or any proceedings in lieu thereof).

(d) "Common Areas" means and includes all of the land described in Exhibit "A" and all improvements thereto and thereon located, excluding Units. The common areas shall consist of the general common areas and limited common areas. The common areas shall be owned, as tenants in common, by the owners of the separate units, each owner of a unit having an undivided interest in such common areas as is hereinafter provided.

(1) "General Common areas" means and includes the land described in Exhibit "A"; the structural components of the building, including but not limited to the foundations, girders, beams, supports, roofs, and main walls; the yards, parking areas and storage spaces; installations of central services such as power, light, gas, hot and cold water, heating and air conditioning, the service roads, if any; such improvements and portions of the buildings and areas therein as are provided for the community use, recreation, utility and common use of all owners; and all other parts of such land and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land. General common areas shall include all tangible physical properties of this project except limited common areas and the units. Declarant reserves non-exclusive easements for ingress, access, use and enjoyment of all common area drives, walks, landscaped areas and recreational facilities and the right to convey, transfer, or assign those easements and right of use to and for the benefit of, owners of condominium units in Phase 2 of the Bridgepoint Condominium Project. Owners of Phase 1 units will have a reciprocal non-exclusive easment and right of use over all common areas in Phase 2.

(2) "Limited common areas" means those parts of the common areas which are either limited to and reserved for the exclusive use of an owner of a condominium unit or are limited to and reserved for the common use of more than one but fewer than all of the condominium unit owners, which shall include by way of illustration and not limitation, balconies which are specifically designated as being appurtenant to a particular unit.

(e) "Condominium Project" means all of the land and improvements submitted by this Declaration and subsequently submitted, if any, as is hereinafter provided. "Project" shall further mean all real property and condominiums contained in Phase 1 of the Bridgepoint Condominiums numbered 1 through 6 and 19 through 36 and any and all additional condominiums which may be constructed in Phase 2, number 7 through 18 and 37.

(f) "Declaration" means this Declaration and amendments and supplements thereto, if any.

(g) "Common expenses" means and includes (i) expenses of administration, operation, management, repair and/or replacement of the common areas; (ii) expenses declared common expenses by the Corporation; (iii) all sums lawfully assessed against the common areas by the Board of Directors of the Corporation and (iv) expenses agreed upon as common expenses by the Assocation or unit owners.

(h) "Management Body or Corporation" means an Idaho not-for-profit corporation bearing the name of Bridgepoint Condominiums, Inc. The Articles of Incorporation and By-Laws shall govern the administration of this condominium project, and the members of which corporation shall be all of the owners of the condominium units.

(i) "Building" means a building containing condominium units as shown on the map.

(j) "Map", "Condominium Map" or "Supplemental Map" means and includes the engineering survey of the land depicting and locating thereon all of the improvements; the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of or all of the improvements and land which are included on this Condominium Project.

(k) "Mortgage" as used herein shall mean any mortgage, deed of trust or other document pledging a condominium unit as security for the payment of a debt or obligation.

(l) "Mortgagee" shall mean any person, corporation, partnership, trust, company, association, or other legal entity which takes, owns, holds, or receives a mortgage.

(m) "Phase 1 units" means Bridgepoint Condominium units numbered 1 through 6 and 19 through 36, all of which are to be constructed by Declarant prior to 1981 and which shall be assessed as provided in Article 21 hereof.

(n) "Phase 2 units" means Bridgepoint Condominium units numbered 7 through 18 and 37, all of which units shall be constructed by Declarant prior to 1983 and which shall be assessed as provided in Article 21 hereof.

(o) "Parking Area". The corporation shall maintain as a part of the common area, a parking area for the use of the owners, and other tenants or occupants of the project or any portion thereof; in a size and of a nature deemed adequate by the corporation. The right to the use of such parking area and to the maintenance thereof by the corporation shall be appurtenant to and shall pass with, the title to each condominium.

3. DIVISION OF PROPERTY INTO CONDOMINIUM UNITS AND CONVEYANCE OF UNITS:

(a) DIVISION OF PROPERTY: The real property described on Exhibit "A" including the improvements thereon is hereby divided into 37 fee simple estates (Condominium Units). Each such estate shall consist of a separately designated unit and the undivided interest in and to the common elements appurtenant to such unit as set forth on Exhibit "B" attached hereto and incorporated by reference herein.

(b) CONSENT TO PHASES: The acceptance by an owner to a deed to a Phase 1 unit constitutes express consent to the development of Phase 2.

(c) PHASE 2 DESIGN: Phase 2 shall contain 13 units.

Unit #37 shall be a two story, one bedroom, one bath unit of approximately 631 square feet. The Unit is adjacent to the recreational facility and is approximately 16' X 26' and 32' in overall height.

Units #7 through #18 are composed of two sixplex buildings. Each building will contain one three bedroom, two bath 1340 square foot unit; one 1215 squaae foot two bedroom, two bath unit; one 1028 square foot two bedroom, one bath unit; one 927 square foot two bedroom, one bath unit; one 1235 square foot, two bedroom two bath unit; 1032 square foot one two bedroom, two bath unit. Square footages are approximate. Overall size of each of the buildings will be approximately 6,800 square feet. Foundation dimensions are approximately 85 X 55 feet and height will be about 35 feet.

Shape, size and finish of the two buildings housing units 7 through 12, and 13 through 18 will be similar to the two sixplexes appearing in phase one.

(d) DIMUNITION OF OWNERSHIP IN COMMON AREAS: The development of Phase 2 shall in no event by such that there are more than 37 units in both phases and the ownership of the common areas shall not be less than 1/37 or such percent as delineated in Exhibit "B".

(e) RIGHT TO COMBINE OR EXPAND CONDOMINIUM UNITS. Declarant hereby reserves the right to physically combine the area or space of one unit with the area or space of one or more adjoining units and in regard to any such combination to redesignate any portion of the common areas needed to physically accomplish such combination either as part of such combined unit or as Limited Common Areas; provided, however, that Declarant shall not exercise said right without the written consent of any mrotgagee having an interest in said units. In the event of any such physical combining of units to create a combined unit, such combined unit shall also include the combingin of the fixtures and improvements and aof the undivided interests in common areas appurtenant to the units so combined. Declarant reserves the right to designate and convey to any purchaser of any such combined unit, as additional limited common areas appurtenant thereto, any walls, floors or other structural separations between the units so combined or any space which would be occupied by such structural separations but for the combination of such units; provided, however, that such walls, floors or other structural separations or such space shall automatically become general common areas if the combined units become subject to separate ownership in the future. This reserved right in Declarant shall terminate upon the sale of all of the condominium units within the project to third party purchasers or 1983, whichever event occurs first.

4. LIMITED COMMON AREAS: Subject to the definition thereof, the limited common areas shall be identified on the map: Any balcony, porch or patio which is accessible from, associated with and which adjoin(s) a unit shall, without further reference thereto, be used in connection with such unit to the exclusion of the use thereof by the other owners of the common elements, except by invitation. Further, certain vehicular parking space(s) may be assigned by Declarant and upon such assignment will be appurtenant to the unit purchased and shall be for the exclusive use of the owner of such unit. Declarant hereby reserves the right, subsequent to the date of the recording of this Declaration, to assign parking space(s) within the project to the owner or owners of units within the project and upon such assignment, said parking space(s) shall be limited common areas appurtenant to the unit to which it has been assigned. All of the owners of condominium units in this condominium project shall have a nonexclusive right in

common with all of the other owners to the use of sidewalks, recreational facilities, streets and drives, if any, located within the entire condominium project. In addition to rights of use herein described and elsewhere described in this Declaration, the corporation, its Board of Directors, and its Managing Agent shall have the unrestricted irrevocable easement to traverse, cross and utilize any portion of the common areas which may be necessary in order to maintain, repair or replace general and/or limited common areas. Except as specifically hereinabove required, no reference thereto, whether such limited common areas are exclusive or nonexclusive, need be made in any instrument of conveyance or other instrument in accordance with paragraph 5 of this Declaration.

5. DESCRIPTION OF CONDOMINIUM UNIT.

(a) Every contract for the sale of a condominium unit written shall legally describe a condominium unit by its identifying unit designation, followed by the words "Bridgepoint Condominium". The location of such condominium unit shall be depicted on the map recorded. Upon recordation of the condominium map in the County of Blaine, Idaho. Such description shall be conclusively presumed to relate to the thereon described condominium units.

(b) After the condominium map and this Declaration have been recorded in the office of the County Clerk and Recorder of Blaine County, Idaho, every contract, deed, lease, morrgage, trust deed, will, or other instrument shall legally describe a condominium unit as follows:

> Condominium Unit No. _____, in accordance with the Declaration recorded on _____, 19_____, as Instrument Number _____, Blaine County records, Hailey, Idaho.

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect not only the unit, but also the undivided interest in the common areas appurtenant to said unit and all other appurtenant properties and property rights, and incorporate all of the rights and burdens incident to ownership of a condominium unit and all of the limitations thereon as described in this Declaration and Condominium Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an Owner's unit and an exclusive right to use of all of the limited common areas appurtenant to said unit.

(c) The reference to the Map and Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference(s) thereto.

6. CONDOMINIUM MAP: The Map shall be filed for record prior to the conveyance of any of the condominium units shown thereon. The map shall depict and show at least the following: The legal description of the land and a survey thereof; the location of the buildings in reference to the exterior boundaries of the land; the floor and elevation plans; the location of the units within the building, both horizontally and vertically; the thickness of the common walls between or separating the units; the location of any structural components or supporting element of the buildings located within a unit; the condominium unit designations; and the parking space(s) designations. Each such map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the map

substantially depicts the location and the horizontal and vertical measurements of the units, the unit designations, parking spaces and the elevations of the constructed unfinished floors and ceilings In interpreting the map, the existing physical boundaries of each separate unit as constructed shall be conclusively presumed to be its boundaries. Declarant reserves the right to amend the map, from time to time, to conform the same according to the actual location of any of the improvements and to establish, vacate and relocate easements, and on-site parking areas. Declarant's rights, as hereinabove set forth, shall terminte on the sale of all condominium units within the project or December 31, 1982, whichever occurs first.

7. INSEPARABILITY OF A CONDOMINIUM UNIT. Each unit, the appurtenant undivided interest in the common areas, as well as all other appuretenances, rights and burdens, shall together comprise one condominium unit: which condominium unit shall be inseperable and may be conveyed, leased, devised or encumbered only as a condominium unit.

8. SEPARATE ASSESSMENT AND TAXATION - NOTICE TO ASSESSOR. Declarant shall give written notice to the Assessor of the County of Blaine, Idaho, of the creation of the condominium ownership in this property, as is provided by law, so that each unit and the undivided interest in the common areas appurtenant thereto shall be deemed a separate parcel for purposes of separate assessment and taxation; and the corporation upon the request of any first mortgagee, shall furnish proof that all taxes, real estate assessments and charges shall relate only to the individual condominium unit and not to be condominium project as a whole.

9. FORM OF OWNERSHIP - TITLE: A condominium unit may be held and owned in any real property tenancy relationship recognized under the laws of the State of Idaho.

10. NON-PARTITIONABILITY AND TRANSFER OF COMMON ELEMENTS. The common areas shall be owned in common by all of the owners of the units and shall remain undivided. By the acceptance of his deed or other instrument of conveyance or assignment, each owner specifically waives his right to institute and/or maintain a partition action or any other action designed to cause a division of the common areas and each owner specifically agrees not to institute any action therefore. Further, each owner agrees that this paragraph 10 may be pleaded as a bar to the maintenance of such an action. A violation of this provision shall entitle the corporation to personally collect, jointly and severally, from the parties violating the same, the actual attorney fees, costs and other damages the corporation incurs in connection therewith. Further, all owners, and the corporation covenant that, except as provided in paragraph 3(b) they shall neither by act nor omission, seek to abandon, subdivide, encumber, sell or transfer the common areas without first obtaining the written consent of at least seventy-five percent (75%) of the mortgagees of th individual condominium units. Each such mortgagee shall have one vote for each mortgage owned by it. Any such action without the written consent of said mortgagees shall be null and void.

11. USE OF GENERAL AND LIMITED COMMON AREAS: Each owner shall be entitled to exclusive ownership and possession of his unit. Each owner may use the appurtenance and general and limited common areas in accordance with the purpose for which they are

intended, without hindering or encroaching upon the lawful rights of the other owners. The corporation may adopt rules and regulations governing the use of general and limited common areas, but such rules and regulations shall be uniform and nondiscriminatory. Each owner, by the acceptance of his deed or other instrument of conveyance or assignment, agrees to be bound by any such adopted rules and regulations.

12. USE AND OCCUPANCY: The units shall be used and occupied by the owner, his family, and their guests, or tenants only as and for residential purposes; provided, however, that this restriction as to use shall not apply to the Declarant, its agents, employees, officers and assigns during the sales period. Notwithstanding the above, the corporation may use any condominium unit which it owns or leases as a business office and/or a residence for any on-site resident manager or custodian.

13. EASEMENTS:

(a) ENCROACHMENTS. In the event that any portion of the common area encroaches upon any unit or units or in the event that any portion of the common areas or in the event any encroachment shall occur in the future as a result of: (i) settling of a building; or (ii) alteration or repair to the common areas; or (iii) repair or restoration of a building(s) or a Unit)s) after damage by fire or other casualty, or condemnation or eminent domain proceedings; a valid easement shall exist for the encroachment and for the maintenance of the same so long as the building(s) stands. In the event that any one or more of the units or building or other impovements comprising part of the common areas are partically or totally destroyed and are then rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence a valid easement for such encroachment does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the common areas or on the units for purposes of marketability of title or other purposes. In interpreting mortgages of units, the actual location of the unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally, vertically or laterally from the locations as indicated on the condominium map.

(b) MAINTENANCE EASEMENT: An easement is hereby granted to the corporation, its officers, agents, employees and assigns upon, across, over, in and under the common areas and a right to make such use of the common elements as may be necessary or appropriate to perform the duties and functions which it is obligated to perform pursuant to this Declaration, including the right to construct and maintain on the common areas maintenance and storage facilities for the use of the corporation.

(c) EMERGENCY EASEMENT: A general easement is hereby granted to all police, sheriff, fire protections, ambulance and other similar emergency agencies or persons to enter upon all streets and upon the property in the performance of their duties.

14. TERMINATION OF MECHANIC'S LIEN RIGHTS AND INDEMNIFICATION. Subsequent to the completion of any alterations, modifications or additions to the improvements described on the map, no labor performed or materials furnished and incorporated in a

unit with the consent or at the request of the unit owner, his agent, his contractor or subcontractor, shall be the basis for filing a lien against the condominium unit of any other owner not expressly consenting to or requesting the same, or against the common areas. Each owner shall indemnify and hold harmles each of the other owners from and against all liability arising from the claim of any lien against the condominium unit of any other owner or against the common areas for construction performed or for labor, materials, services or other products incorporated in the owner's condominium unit at such owner's request. The provisions herein contained are subject to the rights of the Managing Agent or the Board of Directors of the corporation as set forth in paragraph 15. Notwithstanding the foregoing, any mortgagee of a condominium unit who shall become the owner of such condominium unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other owner against liability for claims arising prior to the date such mortgagee becomes an owner.

15. THE CORPORATION'S RELATIONSHIP WITH OWNERS AND MORTGAGEES.

(a) The interests of all owners of condominium units shall be governed and administered by the Articles of Incorporation and By-Laws of the Bridgepoint Condominiums, Inc. An owner of a condominium unit upon becoming an owner, shall be a member of the corporation and shall remain a member for the period of his ownership.

(b) The corporation shall be granted all of the powers necessary to govern, manage, maintain, repair, administer, and regulate the project and to perform all of the duties required of it. Notwithstanding the above, unless the seventy-five percent (75%) of the first mortgagees of condominium units (based upon one vote for each first mortgage owned or held) have given their prior written approval, the corporation shall not be empowered or entitled to:

(1) by act or omission, seek to abandon or terminate the condominium regine.

(2) partition or subdivide any condominium unit.

(3) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common areas.

(4) Use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.

(c) The corporation shall grant to each first mortgagee of a condominium unit tha right to examine the books and records of the corporation at any reasonable time. Further, the corporation sh notify each first mortgagee of any condominium unit of any proposed amendment of the corporation's Articles of Incorporation or By-Laws or any change in the corporation's Managing Agent at least ten (10) days prior to the effective date of such amendment or change.

16. RESERVATION FOR ACCESS - MAINTENANCE, REPAIR AND EMERGENCIES:

(a) The owners shall have the irrevocable right to be exercised by the corporation's Board of Directors, officers, or

custodian, or Managing Agent, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance repair or replacement of any of the common areas therein or accessible therefrom, or at any hour for making emergency repairs, maintenance or inspection therein necessary to prevent damage to the common areas or to another unit.

(b) Damage to the interior or any part of a unit resulting from the maintenance, repair, emergency repair or replacement of any of the common areas as a result of emergency repairs within another unit, at the instance of the corporation, shall be a common expense of all of the owners, provided, however, that if the damage needed to be repaired is caused by negligent or tortious acts of a contominium unit owner, members of his family, his agent, employee, invitee, licensee or tenants, then such unit owner shall be rsponsible and liable for all of such damage and the cost thereof shall forthwith become said owner's obligation, which must be timely paid. Said obligation shall be a common expense as it relates to said condominium unit owner(s) only, and shall be subject to the provisions elsewhere herein provided. All damaged improvements shall be restroed substantially to the extent rasonably practical, to the same condition in which they existed prior to the damage. All maintenance, repairs and replacement of the common areas, whether located inside or outside of units (unless necessitated by the negligence, misuse or tortious act of a condominium unit owner, in which case such expense shall be chaged to such owner), shall be the common expense of all of the owners. Howeger, the corporation shall not be obligated to seek redress for damages caused by a negligent owner and this covenant shall not abrogate the insurance provisions of this agreement.

17. MAINTENANCE AND SERVICE RESPONSIBILITY.

(a) OWNER:

(1) For maintenance purposes, an owner shall be deemed to own the interior nonsupporting walls; floors and ceilings of his unit; the materials such as, but not limited to, plaster, gypsum, drywall,paneling, wallpaper, paint, wall and floor tile and flooring, and other materials which make up the finished surfaces of the perimeter walls, ceiling and floors within the unit; but not including the pipes, wire, conduits or systems, (which are general common areas and for brevity are herein and hereafter referred as "utilities"); running through his unit which serve one or more other units except as a tanent in common with the other owners. Such utilities shall not be disturbed or relocated by an owner without the written prior consent and approval of the Board of Directors and any such alteration, relocation, enlargment, addition or modification shall be at the owner's expense, which expense shall include all expenses incurred by the corporation in reference thereto.

(2) An owner shall maintain and keep in repair the interior of his own unit, including the fixtures and utilities located therein to the extent current repair shall be necessary in order to avoid damaging other condominium units or the common areas. All fixtures and equipment and utilities installed within the unit commencing at a point where the fixtures, equipment and utilities enter the unit shall be maintained and kept in repair by the owner thereof. An owner shall do no act nor any work that will impair the structural soundness of the improvements or impair the proper functioning of the utilities, heating, air conditioning

or plumbing systems or integrity of the buildings or impair any easment or hereditament. An owner shall always keep the balcony, porch or patio area adjoining and appurtenant to his unit and any other limited common areas appurtenant thereto in a clean, orderly and sanitary condition.

(b) CORPORATION: The corporation is hereby designated to be the "Management Body" as provided in Section 55-1503 and 55-1506 of the Idaho Code and shall administer Project in accordance wtih the Condominium Property Act of such Code, the Articles of Incorporation and By-Laws of the corporation and the provisions of this Declaration.

(1) The corporation shall have the duty of maintaining and repairing all of the common areas within the project. The corporation shall not need the prior approval of its members to cause such maintenance or repairs to be accomplished, notwithstanding the cost thereof.

(2) The corporation shall have the obligation and shall be required to operate, repair and maintain all sanitary sewer lines situated on the property described on Exhibit "A" to the point of connection with the sanitary sewer line of the City of Ketchum and County of Blaine.

(3) The corporation shall provide to the owners the following services, which shall be paid for out of the common expenses assessment, to-wit:

(a) Maintenance of the common areas, except as otherwise provided.

(b) Administration and management of the project.

(c) Providing common heating and lighting.

(d) Obtaining the insurance required in Section 22 hereof.

(e) Enforcement of the convenants, conditions and restrictions set forth in the Declaration, enforcement of the corporation rules and regulations and collection of all obligations owed to the corporation by the owner;

(f) Acting as attorney in fact in the event of damage or destruction as provided for in Section 27 hereof, and

(g) Performing all other acts required by this Declaration or the Articles of Incorporation and By-Laws of the Corporation.

Notwithstanding the ahove, the corporation reserves the right to hire one or more persons or entities including a Managing Agent, contractors, and employees to perform such services, provided, however, that any contract in regard to the hiring or employing of such Managing Agents, contractors or employees shall not be for a term in excess of three years and shall provide that the same may be terminable on sixty (60) days written notice, with or without cause or payment of a termination fee.

18. COMPLIANCE WITH PROVISIONS OF DECLARATION, BY-LAWS OF THE CORPORATION: Each owner shall comply strictly with the provisions of the Declaration, the Articles of Incorporation and By-Laws of the corporation, and the decisions, resolutions, rules and regulations of the corporation adopted pursuant thereto as the same may be lawfully made and amended and/or modified from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, and for reimbursement of all attorney's fees incurred in connection therewith, which action shall be maintainable by the corporation's Board of Directors or Managing Agent in the name of the corporation on behalf of the owners, or, in a proper case, by an aggrieved owner.

19. REVOCATION OR AMENDMENT TO DECLARATION:

(a) Except as is otherwise provided, this Declaration shall not be revoked unless all the owners and all holders of recorded first mortgages or deeds of trust consent and agree to such revocation by instrument(s) duly recorded. This Declaration shall not be amended unless the owners representing an aggregate ownership of at least seventy-five percent (75%) of the holders of recorded first mortgages or deeds of trust consent and agree to such amendment by instrument(s) duly recorded; provided, however, that the undivided interest in the common areas appurtenant to each unit, as expressed in the Declaration, shall have a permanent character and shall not be altered without the consent of all of the unit owners and all of the first mortgagees as expressed in an amended Declaration duly recorded. The consent(s) of any junior mortgagee shall not be required under the provisions of this paragraph. In determining whether the appropriate percentage of mortgagee approval is obtained when as required by the terms of this Declaration, each first mortgagee shall have one (1) vote for each first mortgage owned.

(b) The corporation shall at least ten (10) days prior to the effective date of any amendment to this Declaration notify the holders of all recorded first mortgages or deeds of trust encumbering a condominium unit(s) of each amendment.

20. ADDITIONS, ALTERATIONS AND IMPROVEMENTS - GENERAL AND LIMITED COMMON AREAS. There shall be no capital additions, alterations, or impovements, of or to the general or limited common areas by the corporation requiring an expenditure in excess of an amount equal to five percent (5%) of the corporation's budget for any calendar or fiscal year in any one calendar year without prior approval of a majority of the owners except in the event of any emergency; the limitations set forth above shall not apply to any expenditures made by the corporation for maintenance and repair of the common areas as set forth in Section 17, supra, or for repairs in the event of damage, destruction or condemnation as provided in Sections 27 and 28, infra. The Declarant shall have no obligation to expand or modify improvements on the common areas whether recreation facilities, landscaping, manager's quarters or other common areas in either Phase 1 or Phase 2 of the project.

21. ASSESSMENT FOR COMMON EXPENSES:

(a) All owners, except Declarant, shall be obligated to pay the estimated common expense assessments (hereinafter sometimes referred as "Assessments") imposed by the Board of Directors of the corporation to meet the common expenses and reserves. The

assessments shall be made in proportion to each owner's undivided interest in the common areas. Declarant shall have no obligation to pay the estimated common expense assessment on units owned by Declarant, imposed by the Board of Directors of the corporation to meet the common expenses and reserves, but Declarant agrees to pay to the corporation a sum equal to the difference between the monthly cost of operating and maintaining the common areas, exclusive of the reserves, and the amount of funds payable by the other owners to the corporation. This obligation of Declarant to subsidize the operations of the corporation shall terminate when Declarant relinquishes its right to elect the Corporation's Board of Directors or December 31, 1982, whichever event occurs first. Subsequent to the occurrence of either of the aforesaid events, Declarant shall be obligated as any other owner in reference to condominium units then owned by Declarant to pay the estimated common expense assessments, imposed by the Board of Directors to meet the common expenses and reserves. Subjct to specific provisions elsewhere provided in this Declaration the limited common areas shall be maintained as general common areas (except however,this shall not impose upon the corporation the obligation to clean balconies, porches and parking spaces, which is a limited common area appurtenant to a unit), and owners having exclusive use thereof shall not be subject to any special charges or assessments for the repair or maintenance thereof. Assessments for the estimated common expenses shall be due in advance on the first day of each calendar month. If any such monthly installment shall not be paid within fifteen (15) days after it shall become due and payable, the corporation's Board of Directors may assess a "late charge" thereon in an amount not exceeding Ten Dollars ($10.00) to cover the extra cost and expenses involved in handling such delinquent assessments. Each owner hereby agrees that the corporation's lien on a condominium unit for assessments as hereinbefore described shall be superior to the Homestead Exemption provided by Idaho law and each owner hereby agrees that the acceptance of the Deed or other instrument of conveyance in regard to any condominium unit within this project shall signify such grantee's waiver of the Homestead right granted in said Section of the Idaho statutes. The corporation's Board of Directors shall cause to be prepared, delivered or mailed to each owner at least once each year a payment statement setting forthe the estimated common expenses assessments. Regarding any special assessments the Board of Directors may implement such procedure as they deem appropriate.

(b) In the event the ownership of a condominium unit, title to which is derived from Declarant, commences on a day other than the first day of the assessment period, the common expense assessments for that period will be prorated.

(c) Common expense assessments shall be based upon the cash requirements deemed to be such aggregate sums as the Board of Directors of the corporation shall from time to time determine is necessary to provide for the payment of all estimated expenses growing out of or connected with the administration, maintenance, repair, operations, addition, alteration and improvement of the common areas, except as otherwise provided, the project and personal property owned by the corporation. Said sum may include but shall not be limited to, expenses of management, taxes and special assessments until separately assessed; premiums for insurance, landscaping and care of grounds; common lighting and heating, repairs and renovations, trash collections, wages, common water and sewer charges, legal and accounting fees, management fees, expenses and liabilities incurred

by the Corporation's Board of Directors on behalf of the unit owners under or by reason of this Declaration and the Articles of Incorporation and By-Laws of the corporation; for any deficit remaining from a previous period; for the creation of a reasonable contingency, reserve, working capital and sinking funds; and any and all other costs and expenses relating to the common areas, and/or the project.

(d) The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, moficiation, or a release of the owners from their obligations to pay the same.

(e) The corporation shall be obligated to establish a reserve fund for the maintenance, repair and replacement of those common areas that must be replaced periodically and such reserve fund shall be funded through the monthly payments of the common expenses and not by extraordinary special assessments.

(f) In addition to the assessments authorized above, the corporation may at any time and from time to time, determine, levy and assess in any assessment year, which determination levy and assessment may be made by the corporation's Board of Directors with or without vote of the members of the corporation, a special assessment applicable to that particular assessment year for the purpose of defraying, in whole or in part, the unbudgedted costs, fees and expenses of any construction reconstruction, repair, demolition, replacement or maintenance of the common areas, the project, or any facilities located thereon, specifically including any fixtures and personal property related thereto. The amounts determined, levied and assessed pursuant hereto shall be assessed to each owner in proportion with his undivided interest in the common areas, provided, however, that all owners of a particular condominium unit shall be jointly and severally liable to the corporation for the payment of all assessments including the annual assessment for common expenses and any special assessments.

(g) APPORTIONMENT OF PERIODIC ASSESSMENTS: Until the first sale by Declarant to a purchaser in the ordinary course of business of any of the Phase 2 units, expenses attributable to the common area and to the Project as a whole shall be apportioned among the owners of Phase 1 units; each such owner of the Phase 1 units to be responsible of the proportion of such expenses as the proportion of such owners percentage interest in the common area as set forth in Exhibit "B" hereof bears to the total of percentage interest of all owners of Phase 1 units. Following the transfer of title evidencing sale of the first unit of the Phase 2 units, the expenses attributable to the common area and to the Project as a whole shall be apportioned among Owners of the Phase 1 units and the Phase 2 units; each such owner to be responsible for the same proportion of such units as the proportion such owners percentage interest in the common area as set forth in Exhibit "B" hereof bears to the total of percentage interest of all owners of the Phase 1 units and Phase 2 units.

22. INSURANCE:

(a) The Board of Directors of the corporation shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates, established by the Idaho Insurance Commissioner, and written with companies licensed to do business in Idaho and having a Best's Insurance Report rating of AAA or better, covering the risks

set forth below. The Board of Directors of the Corporation shall not obtain any policy where: (i) under the terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the Mortgagor or Mortgagee's designee; or (ii) by the terms of carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from collecting insurance proceeds. The types of coverages to be obtained and risks to be covered are as follows, to-wit:

(1) Fire insurance with extended coverage and standard all risk endorsements, which endorsements shall include endorsements for vandalism and malicious mischief. Said casualty insurance shall insure the entire condominium project and any property, the nature of which is a common area (including all of the units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by unit owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. All policies shall provide that the loss, if any, thereunder, shall be payable to the Bridgepoint Condominiums, Inc. for the use and benefit of mortgagees as their interests may appear.

(2) If the condominium project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the condominium project in an amount which is the lesser of the maximum amount of insurance available under the Act of the aggregate of the unpaid principal balances of the mortgages on the condominium units comprising the condominium project.

(3) Public liability and property damage insurance in such limits as the Board of Directors of the Corporation may from time to time determine, but not in an amount less than $500,000.00 per injury, per person, per occurrence and umbrella liability limits of $1,000,000.00, per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the corporation and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement".

(4) Workmen's compensation and employer's liability insurance and all other similar insurance with respect to employees of the corporation in the amounts and in the forms now or hereafter required by law.

(5) The corporation may purchase, in an amount not less than one hundred fifty percent (150%) of the corporation's estimated annual operating expenses and reserves, fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the corporation without compensation.

(6) The corporation may obtain insurance against such other risks, or a similar or dissimilar nature, as it shall deem appropriate with respect to the project, including plate or other glass insurance and any personal property of the Corporation, located thereon.

(b) All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity wrising from any acts of a condominium unit owner and shall provide that such policies may not be cancelled or modified without at least ten (10) days prior written notice to all of the insureds, including mortgagees. If requested, duplicate originals of all policies and renewals thereof, together with proof of payments or premiums, shall be delivered to all mortgagees at least ten (10) days prior to expiration of the ten current policies. The insurance shall be carried in blanket form naming the Bridgepoint Condominiums, Inc. as the insured, as attorney-in-fact for all of the condominium unit owners which policy or policies shall identify the interest of each condominium unit owner (owner's name and unit number designation) and first mortgage.

(c) Unit owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided, further that the liabili of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carrier by any unit owner.

(d) Insurance coverage on furnishing, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of personalty or other property belonging to an owner and public liability coverage within each unit shall be the sole and direct responsibility of the unit owner thereof, and the Board of Directors the Corporation and/or the managing agent shall have no responsibility therefore.

(e) In the event that there shall be any damage or destruction to, or loss to a unit which exceed $1,000.00 or any damage or destruction to, or loss to the common areas which exceeds $10,000.0 then notice of such damage or loss shall be given by the corporation to each first mortgagee of said condominium unit within ten (10) days after the occurrence of such event.

23. OWNER'S PERSONAL OBLIGATION FOR PAYMENT OF ASSESSMENTS: The amount of the common expenses assessed against each condominium unit shall be the personal and individual debt of the owner thereof. No owner may exempt himself from liability for his contribution for the common expenses by waiver of the use or enjoyment of any of the common areas or by abandonment of his unit. The Board of Directors have the responsibility to take prompt action to collect any unpaid assessment which remains unpaid for more than twenty (20) days from the due date for payment thereof. In the event of default in the payment of the assessment, the defaulting condominium unit owner shall be obligated to pay interest at the rate of ten percent (10%) per annum on the amount of the assessment from due date thereof, together with all incurred expenses, including attorney's fees and together with such late charges not to exceed Ten Dollars ($10.00) per month. A suit to obtain a money judgment for unpaid common expenses shall be maintainable without constituting an election of remedies or waiving the lien securing said debt.

24. ASSESSMENT LIEN:

(a) All sums assessed but unpaid for the share of common expenses chargeable to any condominium unit shall constitute a lien on such condominium unit superior to all other liens and encumbrances, except only for:

(1) real estate taxes and special assessment liens on the condominium unit in favor of any public or quasipublic assessing entity; and

(2) All sums unpaid on a first mortgage or first deed of trust of record, including advances and all unpaid obligatory sums as may be provided by such encumbrances.

To evidence suh lien, the Board of Directors shall prepare a written notice of lien assessment setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the owner of the condominium unit and a description fo the condominium unit. Such a notice shall be signed by one of the Board of Directors or by one of the officers of the corporation and shall be recorded in the office of the Clerk and Recorder of the County of Blaine, Idaho. Such lien shall attach on the date the Notice of Assessments is recorded. Such lien may be enforced by the foreclosure of the defaulting owner's condominium unit by the corporation in like manner as a mortgage of real property.

(b) If any such monthly installment shall not be paid within fifteen (15) days after it shall become due and payable, the Corporation's Board of Directors may assess a "late charge" thereon in an amount not exceeding Ten Dollars ($10.00), to cover the extra cost and expenses involved in handling such delinquent assessments. Each owner hereby agrees that the corporation's lien on a condominium unit for assessments as hereinbefore described shall be superior to the Homestead Exemption provided by Idaho law and each owner hereby agrees that the acceptance of the deed or other instrument of conveyance in regard to any condominium unit within this project shall signify such grantee's waiver of the Homestead right granted in said Section of the Idaho statutes.

(c) An owner shall be required to pay the costs, expenses and attorney's fees incurred by the corporation in regard to any such default including the cost of preparation and filing the lien, and in the event of foreclosure proceedings, all additional costs, expenses and attorney's fees incurred. An owner of the condominium unit being foreclosed shall be required to pay to the corporation the monthly common expense assessment for the condominium unit during the period of foreclosure, and the corporation shall be entitled to a receiver to collect the same. The corporation shall have the power and authority to bid for the condominium unit at a foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same during such proceeding and its ownership thereof.

(d) Any encumbrancer holding a lien on a condominium unit may pay, but shall not be required to pay, any unpaid common expenses payable with respect to such condominium unit, and upon such payment, such encumbrancer shall have a lien on such condominium unit for the amounts paid of the same rank as the lien of his encumbrance without the necessity of having to record a notice of/or claim of such lien. Upon request of a mortgagee, the corporation shall report to the

mortgagee of a condominium unit any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due, or other default of any covenant, condition, obligation or term of this Declaration not cured within thirty (30) days; provided, however, that a mortgagee shall have furnished to the corporation, notice of such encumbrance.

(e) Any recorded lien for nonpayment of the common expenses may be released by recording a Release of Lien executed by an officer or manager of the Corporation.

(f) Declarant states in accordance with the requirements of the Idaho Condominium Ownership Act, that it is possible that liens other than mechanic's liens, assessment liens and tax liens, may be obtained against the common areas including judgment liens and purchase money mortgage liens.

25. LIABILITY FOR COMMON EXPENSES UPON TRANSFER OF CONDOMINIUM IS JOINT.

(a) A grantee of a condominium unit, except for any first mortgagee who comes into possession of a condominium unit pursuant to the remedies provided in its mortgage or becomes an owner of a condominium unit pursuant to foreclosure of its mortgage or by the taking of a deed in lieu thereof, shall be jointly and severally liable with the grantor for all unpaid common expense assessments against the latter for the unpaid common expense assessmemts up to the time of the grant or conveyance, without prejudice to the grantee's rights to recover from the grantor the amounts paid by the grantee therefor; provided, however, that upon payment of a reasonable fee not to exceed Twenty Dollars ($20.00) and upon written request, any such prospective grantee shall be entitled to a statement from the Board of Directors or Managing Agent of the corporation, setting forth the amount of current monthly common expense assessment, the date that such assessments becomes due and any credits for any advanced payments of common expenses and prepaid items, such as insurance premiums, but not including accumulated amounts for reserves, if any, which statement shall be conclusive upon the corporation. Unless such request for such a statement shall be complied with within ten (10) days from receipt thereof, then such requesting grantee shall not be liable for, nor shall the unit conveyed by subject to a lien therefor, together with all costs of collection, interest, penalties and reasonable attorney's fees.

(b) Upon payment to the corporation of a reasonable fee not to exceed Twenty Dollars ($20.00) and upon receipt of a written request from an owner, any mortgagee or prospective mortgagee of a condominium unit, the corporation, through any officer or the Board of Directors or by its Managing Agent, shall issue a written statement of account setting forth the amount of the unpaid common expenses, if any, with respect to the subject condominium unit, the amount of the current monthly common expense assessment and the date that such assessment become due, the amount of any credit for any advanced payments of common expense assessments and for prepaid items (such as insruance premiums but not including accumulated amounts for reserves, if any), which statement shall be conclusive upon the corporation in favor of all persons who rely thereon in good faith. Such request for a statement of indebtedness shall be issued within ten (10) days from receipt thereof.

(c) Notwithstanding the terms and conditions of paragraph 25(a) supra; in the event of any default on the part of any owner under any first mortgage or first deed of trust which entitled the holder thereof to foreclose the same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of paragraph 25(a) relating to the liability of a grantee for the unpaid common expense assessments of his grantor. Further, no first mortgagee shall be liable for any unpaid common expense assessments accruing prior to the time such mortgagee becomes the owner of any condominium unit or takes possession of a condominium unit pursuant to the remedies provided in its mortgage, whichever event is later.

26. ENCUMBRANCES - PRIORITY: The owner of a condominium unit may create a junior mortgage, liens or encumbrances on his condominium unit; provided, however, that any such junior mortgage, liens or encumbrances shall always be subordinate to the prior and paramount line of the corporation for common expenses and all of the terms conditions, covenants, restrictions, uses, limitations, and obligations under this Declaration, the Articles of Incorporation and By-laws and provided further, that such junior encumbrancer(s) shall release, for purposes of restoration of any improvements within the project, all of his right, title and interest in and to the proceeds under all insurance policies purchased by the corporation. Such release shall be furnished forthwith by a junior mortgagee upon written request of the corporation, and if such report is not granted, such release may be executed by the corporation as attorney-in-fact for such junior mortgage.

27. DESTRUCTION, DAMAGE OR OBSOLESCENCE - CORPORATION AS ATTORNEY-IN-FACT: This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the project in the event of its destruction, damage, obsolescence or condemnation, including the repair, replacement and improvement of any condominium units, buildings, common areas, or other portion of the project which has been so destroyed, damaged, condemned or becomes obsolete. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint the Bridgepoint Condominiums, Inc., as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the project upon its damage, destruction, obsolescence or condemnation as is hereinafter provided. As attorney-in-fact, the corporation, by its President and Secretary or Assistant Secretary or its other duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of a condominium unit owner which are necessary and appropriate to exercise the powers herein granted. In the event that the corporation is dissolved or becomes defunct, a meeting of the condominium unit owners shall be held within thirty (30) days of either such event. At such meeting a new attorney-in-fact to deal with the property upon its destruction, damage or obsolescence, or condemnation, shall be appointed. Said appointment must be approved by the owners representing an aggregate ownership interest of fifty percent (50%) or more of the common areas and at least seventy-five percent (75%) of the first mortgagees of the condominium units. Repair and reconstruction of the improvements

as used in the succeeding subparagarphs means restoring the improvement(s) to substantially the same condition in which they existed prior to the damage, with each unit and the general and limited elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in conformance with the project's original architectural plan and scheme. The proceeds of any insurance collected shall be available to the Corporation for the purpose of repair, restoration, reconstruction or replacement unless all of the owners and all first mortgagees agree not to rebuild in accordance with the provisions hereinafter set forth.

(a) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the corporation as attorney-in-fact, to such reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The corporation shall have full authority, right and power as attorney-in-fact to cause the repair and restoration of the improvement(s). Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

(b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than seventy-five percent (75%) of the total replacement cost of all of the condominium units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the corporation as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the owners and their condominium units. Such special assessment shall be a common expense and made pro rata according to each owner's interest in the common areas and shall be due and payable within thirty (30) days after written notice thereof. The corporation shall have full authority, right and power as attorney-in-fact, to cause the repair, replacment or restoration of the improvement(s) using all of the insurance proceeds for such purpose, notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner and lien on his condominium unit and may be enforced and collected as is provided in paragraph 24. In addition thereto, the corporation as attorney-in-fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the corporation shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the corporation, as attorney-in-fact, pursuant to the provsions of this paragraph. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction. The delinquent owner shall be required to pay to the corporation the costs and expenses for filing the notice, interest at a rate of 10% per annum, on the amount of the assessment and all reasonable attorney's fees. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the corporation as attorney-in-fact, in the following order:

(1) For payment of the balance of the lien of any first mortgage;

(2) For payment of taxes and special assessments liens in favor of any assessing entity and the customary expenses of sale;

(3) For payment of unpaid common expenses and all costs, expenses, and fees incurred by the corporation;

(4) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and

(5) The balance remaining, if any, shall be paid to the condominium unit owner.

c. If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy-five percent (75%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or desstruction shall be promptly repaired and reconstructed by the Corporation as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the Owners and their Condominium Units, provided, however, that Owners representing an aggregate ownership interest of more than fifty percent (50%) of the common areas and at least seventy-five percent (75%) of the first mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the corporation shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the President or Assistant Secretary, the entire project shall be sold by the corporation pursuant to the provisions of this paragraph, as attorney-in-fact for all of the Onwers, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation, and By-Laws. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Corporation and such proceeds shall be divided by the corporation according to each Owner's interest in the common elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the corporation, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the corporation, as attorney-in-fact shall forthwith use and disburse from one account to another, toward the partial or full payment of the lien of any first mortgagee encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each condominium unit Owner's interest in the common areas. The total funds of each account shall be used and disbursed, without contribution, from one account to another by the corporation, as attorneyin-fact, for the same purposes and in the same order as is provided in subparatraph b(1) through (5) of this paragraph. In the event that the damage is to be repaired or reconstruction is to be made then the provisions of Section 27b shall apply.

d. Fifty years after the first conveyance of a condominium within the project the Owners representing an aggregate ownership interest of fifty percent (50%) or more, of the common elemtns in this project may agree that the common areas are obsolete and adopt a plan for the renewal and reconstruction, which plan must have the approval of at least seventy-five percent (75%) of the first mortgagees of record at the time of the adoption of such plan.

If a plan for the renewal or reconstruction is adopted, notice of such plans shall be recorded, and the expense of renewal and reconstruction shall be payable by all of the Owners as a common expense, whether or not they have previously consented to the plan of renewal and reconstruction. The corporation, as attorney-in-fact, shall have the absolute right and power to sell the Condominium Unit of any Owner refusing or failing to pay such assessment within the time provided, and if not so paid the corporation shall cause to be recorded a notice that the Condominium Unit of the delinquent Owner shall be sold by the Corporation. The delinquent owner shall be required to pay to the corporation the costs and expenses for filing the notices, interest at the rate of ten percent (10%) per annum, and all reasonable attorney's fees The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Corporation, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph 9(1) through (5) of this paragraph.

e. The owners representing an aggregate ownership interest of fifty percent (50%) or more, of the common elements may agree that the Condominium Units are obsolete and that the same should be sold. Such plan or agreement must have the approval of all of the first mortgagees of the Condominium Units. In such instance, the Corporation shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the President and Secretary or Assistant Secretary, the entire project shall be sold by the corporation, as attorney-in-fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation and the By-Laws. The sale proceeds shall be apportioned among the Owners on the basis of each Owner's interest in the common areas, and such apportion proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account, shall be in the name of the corporation and shall be further identified by the Condominium Unit designation and the name of the Owners. From each separate account, the Corporation, as attorney-in-fact shall use and disburse the total amount (of each) for the same purposes and in the same order as is provided in subparagraph b(1) through (5) of this paragraph.

28. CONDEMNATION: If at any time during the continuance of the Condominium ownership pursuant to this Declaration all or any part of the Condominium project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this Article shall apply;

(a) PROCEEDS: All compensation, damages or other proceeds therefrom, the sum of which is hereafter called the "Condemnation Award" shall be payable to the corporation.

(b) COMPLETE TAKING:

(1) In the event that the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The condemnation award shall be apportioned among the owners on the same basis of each Condominium Unit Owner's interest in the common areas, provided, however, that if a standard different from the value of the project as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

(2) On the basis of the principal set forth in the last preceeding paragraph, the Corporation shall as soon as practicable determine the share of the condemnation award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 27b(1) through (5).

(c) PARTIAL TAKING. In the event that less than the entire Condominium project is taken or condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the corporation shall reasonably and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners as follows: (a) the total amount allocated to taking of or injury to the common elements, shall be apportioned among the owners on the basis of each owner's interest repsectively in the common elements; (b) the total amount allocated to severance damages shall be apportioned to those condominium units which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular unit and to the improvements an Owner has made within his own unit shall be apportioned to the particular unit involved and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the corporation determines to be equitable in the circumstances. If the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award the Corporation shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 27b(1) through (5).

(d) The corporation shall notify each first mortgagee of any condominium unit of the commencment of the condemnation proceedings and shall notify said mortgagees in the event of the taking of all or any part of the common elements, if the value of the common elements taken exceed $10,000.00.

29. REORGANIZATION: In the event a partial taking results in the taking of a complete unit, the owner thereof automatically shall cease to be a member of the corporation, shall cease to hold any right, title or interest in the remaining common elements and shall execute any and all documents necessary to accomplish the same. Thereafter, the corporation shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners and of first mortgagees of remaining units for amendment of this Declaration as provided in Section 19.

30. RECONSTRUCTION AND REPAIR: Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 27.

31. REGISTRATION OF MAILING ADDRESS: Each owner shall register his mailing address and the name and address of his first mortgagee, if any, with the corporation and notices or demands intended to be served upon an owner shall be sent by mail, postage prepaid, addressed in the name of the owner and first mortgagee

at such registered address. Copies of such notices shall be sent to first mortgagees in a like manner, except when such notices pertain to matters specifically relating to mortgagee(s), in which case such notice shall be sent certified, return receipt requested or registered.

32. PERIOD OF CONDOMINIUM OWNERSHIP: The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as provided in paragraph 19 of this Declaration or until terminated in the manner and as is provided in paragraphs 27 and 28 of this Declaration.

33. ASSESSMENT RESERVES AND WORK CAPITAL ACCOUNT: Each owner, other than the Declarant, shall be required to deposit at time of initial purchase and thereafter to maintain with the corporation the sum of $100.00 which sum shall be used by the Board of Directors as a reserve for paying such owner's monthly common expense assessment, for capital repairs and/or replacements, purchase of equipment and for extraordinary common expenses. Such advance payment shall not relieve an owner from making the regular monthly common expense assessment as the same come due. Upon the sale of his condominium unit, an owner shall be entitled to a credit from his grantee for any unused portion thereof. Failure to so maintain said fund shall constitute a default on behalf of an Owner and the corporation shall be entitled to proceed under the remedies granted to it in Section 18, supra. Any interest accruing on such deposit shall not be required to be distributed by the corporation. However, such interest, if any, for tax purposes is hereby recognized and declared to be a constructive receipt received by an Owner.

34. RESTRICTIVE COVENANTS AND OBLIGATIONS:

(a) Subject to subparagraph b hereof, the property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No residential buildings other than buildings shown on the Map shall be erected or constructed on the property except by vote of the majority in interest of the Condominium Unit Owners. No structures of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used or permitted to be kept or stored on any portion of the premises at any time either temporarily or permanently.

(b) Notwithstanding any provisions herein contained to the contrary, it shall expressly be permissible for the Declarant his agent, employees and contractos to use and maintain, at no cost, during the period of sale of the Condominium Units, upon such portion of the property as Declarant may choose, including any of the recreational facilities, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient, or incidental to the construction and sale or rental of Condominium Units, including, but without limitation, a business office, storage area, construction yards, signs, model units, sales office, construction office, parking areas and lighting.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept on the property, except that not more than two dogs, cats or other household pets may be kept, provided, however, that the right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an Owner's pet. Every owner of a pet shall maintain strict control over his pet and shall prohibit the pet from making loud, disturbing, noises or any other behavior reasonably annoying to other Owners. The corporation may adopt rules and regulations to supplement this covenant.

(d) No advertising signs, (except as permitted in certain areas periodically designated by the corporation's Board of Directors), unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Condominium Unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any building or in any portion of the property except those permitted by law and the Board of Directors (the exercise of its discretion may be inconsistent) only if such activities are categorized as "household occupations"; provided, however, that the foregoing restriction shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings, and improvements, if any, of the Declarant, its agents, contractors and assigns during the sale and rental period.

(e) No nuisance shall be allowed on the Condominium property, nor any use or practice which is the source of annoyance to residents or which interferes with the peacefaul enjoyment or possession and proper use of the property by its resident. All parts of property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage be allowed to accumulate nor any fire hazard to exist.

(f) No immoral, improper, offensive or unlawful use shall be permitted or made of the Condominium property or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

(g) Except for those improvements erected or installed by the Declarant, no exterior additions to, alterations of or decoration of any buildings, nor changes in fences, hedges, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Corporation, Board of Directors.

(h) No commercial type vehicles, campers, trailers, boats, recreational vehicles and no trucks shall be stored or parked on the common areas nor shall they be parked on any common driveway except while engaged in transport to or from a building.

(i) All unused automobiles or vehicles of any kind, except as hereinafter provided, shall not be stored or parked on any portion of the Project. "Unused vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer. A written notice describing the "unused vehicle" and requesting removal thereof may be personally served upon the owner or posted on the unused vehicle and if such vehicle has not been removed within seventy-two (72) hours thereafter, the Corporation shall have the right to remove the same without liability to it, and the expense thereof shall be charged against the owner. If such owner shall be a member of the Corporation the cost thereof shall be added to his next assessment due.

(j) Nothing shall be done or kept in any Condominium Unit or in or on the common elements, or any part thereof, which would result in the cancellation of the insurance on the project, or any part thereof, over what the Corporation, but for such activity, would pay, without the prior written consent of the Corporation. Nothing shall be done or kept in any Condominium

Unit or in or on the common elements, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation permit or other imposed requirement of any governmental body. No damage to or waste of the common areas or any part thereof, shall be committed by an owner or by any member of the owner's family or by any guest, invitee, or contract purchaser of an owner and each owner shall indemnify and hold the Corporation and the other owners harmless against all loss resulting from such damage or waste caused by him, the members of his family, or his guests, invitees or contract purchasers.

(k) Without the prior written approval of the corporation no exterior television, radio or other communication antennas or aerials of any type shall be placed, allowed or maintained on any portion of the common areas or the project.

(l) The owner of a condominium unit shall have the right to lease his condominium unit under the following conditions:

(1) No owner may lease less than his entire condominium unit;

(2) All leases except transient or hotel purpose leases arranged through an agent shall be in writing;

(3) All leases shall provide that the terms of the lease and lessee's occupancy of the condominium unit shall be subject in all respects to the provisions of this Declaration and to the provisions of the Articles of Incorporation and By-Laws of the Corporation. Any failure by the lessee to comply therewith shall be a default under the lease. Any owner who leases his condominium unit shall, within ten (10) days after the execution of such lease, forward a copy of the same to the Corporation or its Managing Agent.

(m) Additional and supplemental rules and regulations may be adopted by the Board of Directors concerning the governing the use of the general and limited common areas; provided, however, that such rules and regulations shall be furnished to owners prior to the time that they become effective and that such rules and regulations shall be uniform and non-discriminatory.

35. RIGHT TO ACQUIRE ADDITIONAL PROPERTY:

(a) The Board of Directors may acquire and hold for the benefit of all of the condominium unit owners tangible personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the condominium unit owners in the same proportions as their respective interests in the common areas, and such interest therein shall not be transferable except with a conveyance of a condominium unit. A conveyance of a condominium unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject condominium unit.

(b) The owners of the condominium units described in Exhibit "B" shall have a perpetual non-exclusive easement in common with all other condominium unit owners in this condominium project, on, over, and across the driveways and extensions thereof which are located on the condominium project for purposes of ingress and egress to and from the units from the public street

which adjoins the condominium project and any other common element, (e.g., area and facility) so designated on the Map or Maps; subject, however, to reasonable regulations adopted and amended by the corporation.

36. EXCULPATORY CLAUSE: Any owners who acquire title to a condominium unit from the Declarant hereby acknowledges and agrees that the Declarant makes no warranty as to the fitness of said condominium unit or the electrical, plumbing, heating, and air conditioning systems situate therein. Furthermore, Declarant does not make any warranties concerning the structural integrity, footings, foundations or roofs of the buildings, or the condition and operation of the swimming pool, sauna and other facilities.

37. RECREATIONAL AMENITIES: Said facilities shall only be available to the residents of the condominium units within the project, the owners and their guests. No special or additional fees shall be charged for use of said facilities. Declarant represents that no addtional common areas are contemplated.

38. GENERAL RESERVATIONS:

(a) Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or By-Laws of the corporation, Declarant reserves the right to elect the Board of Directors, of the Corporation, until all of the condominium units in the entire project have been sold, or December 31, 1982, whichever occurs first.

(b) Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, Declarant reserves the exclusive right to act as or appoint and discharge, from time to time, the Managing Agent until Declarant sells all of said condominium units in the condominium project, or December 31, 1982, whichever occurs first.

39. ACCEPTANCE OF PROVISIONS OF ALL DOCUMENTS: The conveyance or encumbrance of a condominium unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles of Incorporation and Corporation By-Laws, Rules and Regulations and Management Agreement and shall be binding upon each grantee without the necessity of inclusion of such an express provision in the instrument or conveyance or encumbrance.

40. CONDOMINIUM MAP. Inasmuch as the project shall be constructed by Declarant over a period of years, Declarant reserves the right to amend the Condominium Map for Bridgepoint Condominiums filed in the records of Blaine County, Idaho at any time or times following recordation of same, and prior to the sale of all units in the project for the purpose of causing such Map to correctly and accurately depict the actual location and dimensions of improvements located in the project as disclosed by surveys of the same undertaken following construction of such improvements and to make such further amendments as are required or permitted by the Condominium Property Act of the State of Idaho.

41. GENERAL:

(a) If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall

not affect the validity of the remainder of this Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) "Declarant" as used herein means the named Declarant, its successors and assigns.

(c) The provisions of this Declaration shall be in addition to and supplemental to the Condominium Ownership Act of the State of Idaho and to all other provisions of law.

(d) That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

(e) Paragraph titles are for convenience of reference and are not intended to limit, enlarge or change the meaning of the contents of the various paragraphs.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this 25th day of JANUARY, 1980.

BRIDGEPOINT ASSOCIATES, a Limited Partnership

BY T.C.V. PROPERTIES, INC., General Partner

Paul Plett, V.P.

Paul Plett

STATE OF IDAHO)
) ss
County of Blaine)

On this 25th day of JANUARY, 1980, before me, the undersigned, a Notary Public in and for said State, personally appeared PAUL PLETT, known to me to be the Vice President of T.C.V. PROPERTIES, INC., the General Partner in the Limited Partnership of BRIDGEPOINT ASSOCIATES, and the Partner who subscribed said Partnership name to the foregoing instrument, and acknowledged to me that they executed the same in said Partnership name.

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

Margaret G Margaret
Notary Public for Idaho
Residing at Hailey, Id



Township 4 North, Range 18 E., B.M., Blaine County, Idaho

Section 18: A parcel of land more particularly described as follows:

COMMENCING at the SW corner of said Section 18;
THENCE N48°18'13" E. 1091.60 feet to the True Point of Beginning;
THENCE N45°25'43" E. 318.36 feet;
THENCE S40°04'17" E. 219.44 feet;
THENCE S 6°55'43" W. 124.10 feet;
THENCE S38°25'43" W. 259.09 feet;
THENCE N32°42'17" W. 13.88 feet;
THENCE N 6°27'02" W. 206.00 feet;
THENCE N89°25'31" W. 109.00 feet;
THENCE N44°34'17" W. 74.68 feet to the TRUE POINT OF BEGINNING.

EXHIBIT B

UNIT NO.	SQUARE FEET	% OF COMMON AREA	MONTHLY COST
1	1028	2.450	88.08
2	1215	2.896	104.10
3	927	2.210	79.43
4	1235	2.945	105.82
5	1032	2.460	88.43
6	1340	3.194	114.82
19	1032	2.460	88.43
20	1340	3.194	114.82
21	1032	2.460	88.43
22	1340	3.194	114.82
23	1032	2.460	88.43
24	1340	3.194	114.82
25	1032	2.460	88.43
26	1340	3.194	114.82
27	1032	2.460	88.43
28	1340	3.194	114.82
29	1032	2.460	88.43
30	1340	3.194	114.82
31	1032	2.460	88.43
32	1340	3.194	114.82
33	927	2.210	79.43
34	1235	2.945	105.82
35	1028	2.450	88.08
36	1215	2.896	104.10
			$2,380.86
7	1028	2.450	
8	1215	2.896	
9	927	2.210	
10	1235	2.945	
11	1032	2.460	
12	1340	3.194	
13	1032	2.460	
14	1340	3.194	
15	927	2.210	
16	1235	2.945	
17	1028	2.450	
18	1215	2.896	
37	612	1.456	
	41.952	100%	

State of Idaho

Department of State.

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho and custodian of the Seal of said State, do hereby certify that the annexed is a full, true and complete transcipt of articles of incorporation of BRIDGEPOINT CONDOMINIUMS, INC., an Idaho corporation, received and filed in this office on the 4th day of February, 1980, as appears of record in this office as of this date.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Idaho.

Done at Boise, Idaho, this 4th *day of* February *A.D., 19*80

Pete T. Cenarrusa
Secretary of State

Barb Myers
Corporation Clerk

CCC 2-79 Certificate of Certified Copy

POWERS

In furtherance of its purposes, the corporation shall have all of the powers conferred upon corporations not for profit

ARTICLES OF INCORPORATION
OF
BRIDGEPOINT CONDOMINIUMS, INC.

ARTICLE 1

NAME

The name of this corporation shall be BRIDGEPOINT CONDOMINIUMS, INC.

ARTICLE 2

DURATION

The term of existence of this corporation is perpetual.

ARTICLE 3

PURPOSES

The business, objects and purposes for which the corporation is formed are as follows:

1. To be and constitute the corporation to which reference is made in the Declaration of Condominium for Bridgepoint Condominiums, Inc., any supplement thereto (for brevity, hereinafter referred to as "Declaration") recorded in the records of the Clerk and Recorder of the County of Blaine, Idaho, pursuant to the Idaho Condominium Ownership Act, and amendment thereto, relating to a condominium ownership project, and to perform all obligations and duties of the corporation and to exercise all rights and powers of the corporation.

2. To provide an entity for the furtherance of the interests of all of the owners, including the Declarant named in the Declaration, of condominium units in the Bridgepoint Condominium ownership project of the highest possible quality and value and enhancing and protecting its value, desirability and attractiveness.

ARTICLE 4

POWERS

In furtherance of its purposes, the corporation shall have all of the powers conferred upon corporations not for profit

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by the statutes and common law of the State of Idaho in effect from time to time, including all of the powers necessary or desirable to perform the obligations and duties and exercises the rights and powers of the corporation under the Declaration which will include, but shall not be limited to, the following:

1. To make and collect common expense assessments against members of the corporation for the purposes of payment of the common expenses (including the expenses incurred in exercising its powers or of performing its functions);

2. To manage, control, operate, maintain, repair, improve, and enlarge the common elements;

3. To enforce the terms, covenants, restrictions, conditions, uses, limitations and obligations set forth under the Declaration and By-Laws and to make and enforce rules and regulations as provided therein;

4. To engage in activities which will actively foster, promote, and advance the interests of all of the owners of the condominium units including the interests of the Declarant during its development of the project and its ownership of condominium units;

5. To hire a Managing Agent who shall have and exercise those duties and powers granted to him by the Board of Directors but not those powers which the Board by law, may not delegate;

6. Notwithstanding the above, unless at least seventy-five percent (75%) of the first mortgagees of condominium Units (based upon one vote for each first mortgage owned or held) have given their prior written approval, the Corporation shall not be empowered or entitled to:

(a) By act or omission, seek or abandon, or terminate the condominium regime.

(b) Partition or subdivide any condominium unit.

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(c) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements.

(d) Use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.

ARTICLE 5

MEMBERSHIPS

1. This corporation shall be a membership corporation without certificates of shares of stock. There shall be one class of membership, and there shall be one membership in the corporation for each condominium unit, as defined in the Declaration and supplements thereto. The owner or owners of a condominium unit shall hold and share the membership related to that condominium unit in the same proportionate interest and by the same type of tenancy in which the title to the condominium unit is held, provided always that there shall be only one membership per condominium unit. No person or entity other than an owner of a condominium unit may be a member of the corporation.

2. Each membership shall have one vote. When more than one person holds a membership, they may appoint one of their co-members as proxy to cast the vote for that membership. Such vote shall be cast as the owners thereof agree, but in no event shall more than one vote per question be cast with respect to any one membership. If the co-members cannot agree as to the manner in which their vote should be cast when called upon to vote, then they will treated as having abstained.

3. A membership in the corporation and the share of a member in the assets of the corporation shall not be assigned, encumbered or transferred in any manner except as appurtenant to the transfer of title to the condominium unit to which the membership pertains; provided, however, that the rights of membership may be assigned to the holder of a mortgage, deed of

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trust or other security instrument on a condominium unit as further security for a loan secured by a lien on such condominium unit.

4. A transfer of membership shall occur automatically upon the transfer of title to the condominium unit to which the membership pertains; provided, however, that the By-Laws of the corporation may contain reasonable provisions and requirements with respect to recording such transfers on the books and records of the corporation.

5. Members shall have the right to purchase other condominium units and the memberships appurtenant thereto as provided in the Declaration.

6. The corporation may suspend the voting rights of a member for failure to comply with the rules or regulations of the corporation or with any other obligations of the owners of any condominium unit under the Declaration and By-Laws.

7. The By-Laws may contain provisions setting forth the rights, privileges, duties and responsibilities of the members.

ARTICLE 6

BOARD OF DIRECTORS

1. The business and affairs of the corporation shall be conducted, managed and controlled by a Board of Directors. The Board of Directors shall consist of not less than three nor more than five members, the specific number to be set forth from time to time in the By-Laws of the Corporation. Directors shall be owners (as defined in the Declaration) which, in the case of Declarant or other corporate owners, shall include the officers, directors, agents or employees of Declarant and the officers and directors of other corporate owners.

2. Members of the Board of Directors shall be elected at the annual meeting of the members in the manner determined by the By-Laws; provided, however, that the Declarant

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under the Declaration shall be entitled to elect the members of the Board of Directors until such time as one hundred percent (100%) of the condominium units within the condominium project have been sold or December 31, 1980, whichever occurs first.

3. Directors may be removed and vacancies of the Board of Directors shall be filled in the manner to be provided by the By-laws.

4. The names and addresses of the members of the first Board of Directors who shall serve until the first election of Directors and until their successors are duly elected and qualified as follows:

Paul Plett	Box 2199, Sun Valley, Idaho83353
John Scherer	Box 2199, Sun Valley, Idaho 83353
Alison Scherer	Box 2199, Sun Valley, Idaho 83353

Any vacancies in the Board of Directors occurring before the first election of Directors shall be filled by the remaining Directors.

ARTICLE 7

OFFICERS

The Board of Directors shall appoint a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board believes will be in the best interest of the corporation. The officers shall have such duties as may be prescribed in the By-laws of the corporation and shall serve at the pleasure of the Board of Directors.

ARTICLE 8

CONVEYANCES AND ENCUMBRANCES

Corporate property may be conveyed or encumbered by authority of the Board of Directors or by such person or persons to whom such authority may be delegated by resolution of the Board. Conveyances or encumbrances shall be by an instrument executed by the President or a Vice President and by the Secretary or an Assistant Secretary, or executed by such other person or

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persons to whom such authority may be delegated by the Board.

ARTICLE 9

INITIAL REGISTERED OFFICE AND AGENT

The initial registered office of the corporation shall be Box 2199, Sun Valley, Idaho, 83353. The initial registered agent of such office shall be John Scherer.

ARTICLE 10

AMENDMENTS

Amendments to these Articles of Incorporation shall be adopted,,if at all, in the manner set forth in the By-Laws; PROVIDED, HOWEVER, that no amendment to these Articles of Incorporation shall be contrary to or inconsistent with the provisions of the Declaration.

ARTICLE 11

GENERAL

This corporation is a non-profit corporation.

ARTICLE 12

INCORPORATORS

The incorporators of this corporation and their addresses are as follows:

Paul Plett — Box 2199, Sun Valley, Idaho 83353

John Scherer — Box 2199, Sun Valley, Idaho 83353

Alison Scherer — Box 2199, Sun Valley, Idaho 83353

DATED this 30 day of January, 1980.

Paul Plett

John Scherer

Alison Scherer

STATE OF IDAHO, COUNTY OF Blaine

On this 30th day of January, 19 80 before me, a notary public in and for said State, personally appeared

Paul Plett, John Scherer and Alison Scherer

known to me to be the person S whose name S subscribed to the within instrument, and acknowledged to me that They executed the same.

Margaret K. Schlueter
Notary Public

Residing at Nampa, Idaho

Comm. Expires April 1, 1982

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