

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
SMR HOMEOWNERS' ASSOCIATION, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned has formed a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, and do hereby certify, declare, and adopt the following Amended and Restated Articles of Incorporation of SMR Homeowners' Association, Inc., amending, replacing and superseding those Articles of Incorporation of SMR Homeowners' Association, Inc., which were originally filed with the Department of State for the State of Idaho on September 8, 1993, File No. 103302. These Amended and Restated Articles amending Articles V, X, XI and XII were adopted effective the 17th day of September, 1993 by the board of directors of the SMR Homeowners' Association, Inc., there being, on the date hereof, no members of the corporation.

ARTICLE I
NAME

The name of the corporation shall be SMR HOMEOWNERS' ASSOCIATION, INC. (hereinafter, the "Corporation").

ARTICLE II
TERM

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

ARTICLE III
NONPROFIT

This Corporation shall be a nonprofit, membership corporation.

ARTICLE IV
REGISTERED AGENT

The location and street address of the initial registered office of this Corporation shall be 871 East Parkcenter Boulevard, Boise, Idaho 83706, and Peter S. O'Neill is hereby appointed the initial registered agent of the Corporation.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

This Corporation does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Corporation is formed are to provide for certain regulations of the use and architectural control of the Building Lots and Common Area located in Spring Mountain Ranch according to the plat thereof recorded in the official records of Valley County, Idaho (the "Subdivision"), which Building Lots and Common Area are a portion of the Property covered by the Master Declaration of Covenants, Conditions and Restrictions for Spring Mountain Ranch recorded in the official records of Valley County,

Idaho (the "Master Declaration"); and to promote the health, safety and welfare of the residents within the Subdivision; and for this purpose to:

(A) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Corporation as set forth in the Master Declaration as amended from time to time as therein provided, said Master Declaration being incorporated herein as if set forth at length;

(B) Fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Master Declaration and all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Corporation;

(C) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation under the limitations imposed by the Master Declaration;

(D) Borrow money, and mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(E) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger, consolidation or annexation shall comply with the requirements of the Master Declaration; and

(F) Have and exercise any and all powers, rights and privileges which a corporation organized under the Idaho Nonprofit Corporation Act may by law now or hereafter have or exercise, subject only to limitations contained in the Bylaws and the Master Declaration and the amendments and supplements thereto.

ARTICLE VI MEMBERSHIP

Each person or entity holding fee simple interest of record to a Building Lot which is a part of the Property, and buyers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation, shall be a Member of the Corporation. Membership shall be appurtenant to and may not be separated from ownership of any Building Lot located in the Subdivision.

ARTICLE VII VOTING RIGHTS

The Corporation shall have two classes of voting membership:

Class A Members. Owners other than Grantor shall be known as Class A Members. Each Class A Member shall be entitled to one vote for each Building Lot. Any Supplemental Declaration may provide that a Building Lot shall have a fractional vote of less than one.

Class B Members. Grantor shall be known as the Class B Member, and shall be entitled to 3,750 votes (that is 5 votes for each of the 750 approved Building Lots) less 5 votes for each Building Lot owned by someone other than Grantor. The Class B Member shall cease to be a voting Member in the Master Association on the earlier of: when the Class B Member holds fewer than 250 votes; or twenty (20) years after the date of this Master Declaration is recorded in the official records of Valley County.

ARTICLE VIII
BOARD OF DIRECTORS

The affairs of this Corporation shall be managed by a Board of three (3) Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the Bylaws of the Corporation, but in no event shall the number be less than three (3). The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Peter S. O'Neill	871 East ParkCenter Blvd. Boise, ID 83706
Barry Teppola	871 East ParkCenter Blvd. Boise, ID 83706
L. Edward Miller	277 North 6th Street, Suite 200 Boise, ID 83701

ARTICLE IX
ASSESSMENTS

Each Member shall be liable for the payment of Assessments provided for in the Master Declaration and as set forth in the Bylaws of the Corporation.

ARTICLE X
BYLAWS

The Bylaws of this Corporation may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of more than fifty percent (50%) of the votes of the Members. For the purpose of specifying in detail the rights, responsibilities, duties and obligations of the Board of Directors, the officers, employees and agents of the Corporation, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Master Declaration.

ARTICLE XI
DISSOLUTION

The Corporation may be dissolved at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of more than fifty percent (50%) of the votes of the Members. Upon dissolution of the Corporation, other than incident to a merger or consolidation, the real property and other assets of the Corporation shall be: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Corporation was created; or (ii) granted, conveyed and assigned to a nonprofit corporation, association, trust or other organization to be devoted to such similar purposes; or (iii) distributed to the Owners of Building Lots to be held by them as tenants in common in proportion to the number of Building Lots within the Subdivision. The determination of the liquidating distribution of the real property and other assets of the Corporation as provided above, shall be determined by vote of a majority of the Owners of Building Lots as part of the Member vote on dissolution.

ARTICLE XII
AMENDMENTS

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Corporation called for that purpose, by the affirmative votes of more than fifty percent (50%)

of the votes of the Members and, if required by the Master Declaration, the consent of holders of first mortgages on Building Lot(s) who have requested of the Corporation in writing to provide them notice of proposed action which affects their interests. No amendment which is inconsistent with the provisions of the Master Declaration shall be valid.

ARTICLE XIII
MEANING OF TERMS

Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are applied to such terms in the Master Declaration including, without limitation, "Articles", "Assessments", "Association", "Board", "Building Lot", "Bylaws", "Common Area", "Grantor", "Member", "Owner", "Property" and "Supplemental Declaration."

ARTICLE XIV
INCORPORATION

JoAnn C. Butler, 277 North Sixth Street, Suite 200, Boise, Idaho 83701, shall be the incorporator of the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 21st day of September, 1993.



L. EDWARD MILLER, SECRETARY