

STATE of WASHINGTON



SECRETARY of STATE

I, RALPH MUNRO, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF INCORPORATION

to

CANYON HILLS HOMEOWNERS ASSOCIATION

a Washington Non Profit corporation. Articles of Incorporation were filed for record in this office on the date indicated below.

UBI Number: 601 901 846

Date: September 14, 1998



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

A handwritten signature in black ink, appearing to read "Ralph H. Munro".

Ralph Munro, Secretary of State
2-589829-7

SEP 14 1998

RALPH MUNRO
SECRETARY OF STATE

ARTICLES OF INCORPORATION
(Non-Profit Corporation)
OF
CANYON HILLS HOMEOWNERS ASSOCIATION

The undersigned, acting as an incorporator under the Washington Nonprofit Corporation Act (Revised Code of Washington 24.03), hereby adopts and executes the following Articles of Incorporation.

ARTICLE I

NAME

The name of this Corporation shall be:
Canyon Hills Homeowners Association

ARTICLE II

PURPOSES; POWERS

The general purpose for which this Corporation is organized is to:
Managing the Canyon Hills subdivision, Douglas County, Washington, Covenants, Conditions, and Restrictions.

ARTICLE III

TERM OF EXISTENCE

The Corporation shall exist perpetually unless dissolved according to law.

ARTICLE IV

INITIAL REGISTERED OFFICE AND AGENT

The initial registered agent and street address of the initial registered office of this Corporation in the state of Washington shall be as follows:

REGISTERED AGENT

Jeffers, Danielson, Sonn
& Aylward, P.S.

REGISTERED OFFICE

c/o Peter A. Spadoni
317 N. Mission Street
P.O. Box 1688
Wenatchee, WA 98807-1688

ARTICLE V

BOARD OF DIRECTORS

Except as provided in the Corporation's Bylaws, the powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, a Board of Directors, which shall have one (1) director initially. The number of directors may be increased or decreased from time to time as provided in the Corporation's Bylaws or Declaration.

ARTICLE VI

DIRECTORS - NAMES AND ADDRESSES

The name and address of the initial Director who shall hold office until his successors have been duly elected or appointed and have qualified is as follows:

Name

Street Address

Brad Selland

1285 South Wenatchee Avenue
Wenatchee, WA 98801

ARTICLE VII

INCORPORATOR

The name and street address of the incorporator signing these Articles of Incorporation is as follows:

| <u>Name</u> | <u>Street Address</u> |
|--------------|--|
| Brad Selland | 1285 South Wenatchee Avenue Wenatchee, WA 98801 |

ARTICLE VIII

DISPOSITION OF ASSETS UPON DISSOLUTION

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute the remaining assets of the Corporation to the Corporation's members, pro rata according to their voting interest, as tenants in common.

ARTICLE IX

COMPENSATION

The Board of Directors, by the affirmative vote of a majority of the directors then in office, and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation of all directors for services to the Corporation as directors, officers or otherwise.

ARTICLE X

DIRECTOR LIABILITY

A director of the corporation shall not be personally liable to the Corporation for monetary damages for conduct as a director, except for liability of the director (i) for acts or omissions which involve intentional misconduct by the director or a knowing violation of law by the director, (ii) for conduct violating Section 24.03.127 of the Washington Nonprofit Corporation Act, or (iii) for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If the Washington Nonprofit Corporation Act authorizes or is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Washington Nonprofit Corporation Act, as so amended.

ARTICLE XI

INDEMNIFICATION

The Corporation has the power to indemnify, and to purchase and maintain insurance for, its directors, officers, trustees, employees, and other persons and agents, and (without limiting the generality of the foregoing) shall indemnify its directors against all liability, damage, and expenses arising from or in connection with service for, employment by, or other affiliation with this Corporation or other firms or entities to the maximum extent and under all circumstances permitted by law.

DATED the 3rd day of September, 1998.

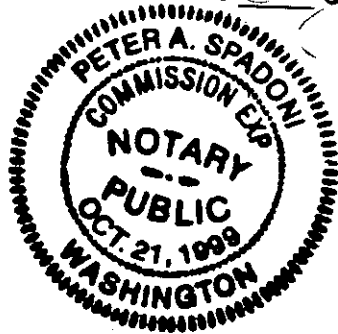


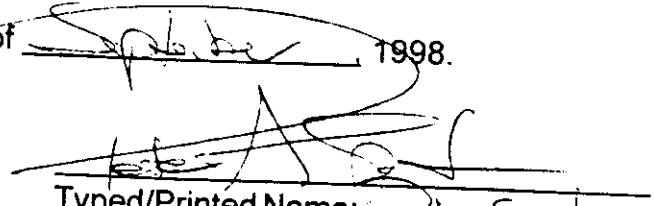
Bradley F. Selland, Incorporator

STATE OF WASHINGTON)
) ss.
COUNTY OF CHELAN)

I CERTIFY that I know or have satisfactory evidence that
BRADLEY F. SELLAND signed this instrument and acknowledged it to be his free
and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 3rd day of September, 1998.





Typed/Printed Name: Peter A. Spadoni
NOTARY PUBLIC for the State of
Washington.
My Commission Expires 10-21-99

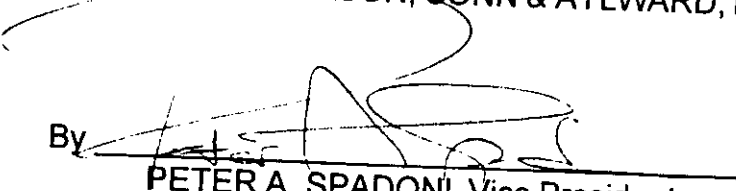
CONSENT TO APPOINTMENT AS REGISTERED AGENT

JEFFERS, DANIELSON, SONN & AYLWARD, P.S., hereby consents to serve as registered agent, in the state of Washington, for Canyon Hills Owners Association. The undersigned understands that as agent for the Corporation, it will be its responsibility to accept service of process in the name of the Corporation, to forward all mail and license renewals to the appropriate officer(s) of the Corporation; and to immediately notify the Office of the Secretary of State of its resignation or of any changes in the address of the registered office of the Corporation for which it is agent.

DATED the 3 day of September, 1998.

JEFFERS, DANIELSON, SONN & AYLWARD, P.S.

By



PETER A. SPADONI, Vice President
317 North Mission
Wenatchee, Washington 98801