



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

WHITEHAWK ASSOCIATION

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

U.B.I. Number: 601 533 833

Date: March 24, 1994



Given under my hand and the seal of the State of Washington, at Olympia, the State Capitol

Ralph Munro, Secretary of State

3.2.1 all of the powers conferred upon nonprofit corporations by common law and the statutes of the State of Washington in effect from time to time;

3.2.2 all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, or the Declaration, including, without limitation, the following:

(i) to fix and to collect assessments or other charges to be levied;

(ii) to manage, control, operate, maintain, repair, and improve property subjected to the Declaration or any other property for which the Association by rule, regulation, declaration, or contract has a right or duty to provide such services;

(iii) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or Bylaws;

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all owners of property subject to the Declaration;

(v) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Corporation;

(vi) to borrow money for any purpose;

(vii) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals; and

(ix) to adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the affairs of the Association; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration.

3.3 The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 3 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article 3.

ARTICLE 4. MEMBERSHIP

The Association shall be a membership corporation without certificates of shares of stock. Each Person who is the record owner of a Lot (as such capitalized terms are defined in the Declaration) subject to the Declaration is a member and shall be entitled to vote as set forth herein and in the Declaration and the Bylaws.

ARTICLE 5. BOARD OF DIRECTORS

The business and affairs of the Association shall be conducted, managed, and controlled by a Board of Directors. The Board shall initially consist of three (3) directors. The names and addresses of the initial Board of Directors are as follows:

P. Edward Dean, Jr.
c/o Dean Building Corp.
16720 N.E. 116th Street
Redmond, WA 98052

Brian Housley
c/o Housley Development Corporation
#206 - 1120 Hamilton Street
Vancouver, BC V6B 2S2
CANADA

Patrick J. Corr
c/o Dean Building Corp.
16720 N.E. 116th Street
Redmond, WA 98052

The method of election, term of office, removal and filling of vacancies shall be as set forth in the Bylaws. The Board may delegate such operating authority to such companies, individuals, or committees as it, in its discretion, may determine.

ARTICLE 6. LIABILITY OF DIRECTORS

To the full extent that the Washington Nonprofit Corporation Act permits the elimination of limitation of liability of directors, a director of the Association shall not be liable to the Association or its members for monetary damages for conduct as a director; provided that the liability of a director shall not be eliminated or limited for acts or omissions that involve intentional misconduct or a knowing violation of law, for approval of distributions or loans contrary to law, or for any transaction from which the director has personally received or will personally receive a benefit in money, property, or services to which the director is not legally entitled.

ARTICLE 7. VA/HUD APPROVAL

As long as the Declarant (as such term is defined in the Declaration) has the right to appoint and remove the directors and officers of the Association as provided in the Bylaws, the following actions shall require the prior approval of the U.S. Department of Veterans Affairs ("VA"), so long as the Development is approved by the VA for the guaranteeing of mortgages in the Development, and the U.S. Department of Housing and Urban Development ("HUD"), so long as the Development is approved by HUD for the insuring of mortgages in the Development: annexation of additional property to the Development, except for annexation by Declarant in accordance with Section 9.1 of the Declaration; mergers and consolidations; mortgaging of Common Property (as such term is defined in the Declaration); dedication of Common Property to any public entity; dissolution; and amendment of these Articles of Incorporation.

ARTICLE 8. DISSOLUTION

The Association may be dissolved only upon a resolution duly adopted by the Board of Directors and the affirmative vote of members who are Owners of not less than two-thirds (2/3) of the Lots (other than the Declarant) and the consent of the Declarant so long as the Declarant owns any property subject to the Declaration or which may be unilaterally subjected to the Declaration by the Declarant. Upon dissolution of the Association, so long as the VA is guaranteeing and/or HUD is

insuring any mortgage in the Development, and unless otherwise agreed in writing by HUD or VA, as applicable, any remaining real property assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. No such restriction shall exist if VA is not guaranteeing and HUD is not insuring any mortgage in the Development; provided, however, HUD and/or VA shall be notified of such dissolution.

ARTICLE 9. MERGER AND CONSOLIDATION

The Association may merge or consolidate only upon a resolution duly adopted by the board of directors and the affirmative vote of members who are Owners of not less than two-thirds (2/3) of the total Association Vote and the consent of the Declarant so long as the Declarant owns any property subject to the Declaration or which may be unilaterally subjected to the Declaration by the Declarant.

ARTICLE 10. AMENDMENTS

These Articles may be amended only upon a resolution duly adopted by the Board of Directors and the affirmative vote of at least two-thirds (2/3) of the total Association Vote; provided, however, no members shall be entitled to vote on any amendment to these Articles of Incorporation for the sole purpose of complying with the requirements of any governmental (including, without limitation, HUD or VA) or quasi governmental entity or institutional lender authorized to fund, insure or guarantee mortgages on individual Lots, as such requirements may exist from time to time, which amendments may be adopted by the Board of Directors.

ARTICLE 11. INCORPORATOR

The name and address of the sole incorporator is Steven R. Rovig, c/o Hillis Clark Martin & Peterson, P.S., 500 Galland Building, 1221 Second Avenue, Seattle, Washington 98101-2925.