

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Transfer No. _____

RECEIVED

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 1

ORIGINAL

WATER RESOURCES
WESTERN REGION

Applicant New Union Ditch Company, Limited Phone 208-939-2808
 Post Office address c/o George Transtrum, Pres. P.O. Box 31, Eagle, ID 83616 with copy to Michael C. Creamer, P.O. Box 2720, Boise, ID 83701

A. PURPOSE OF TRANSFER

1. ☐ Change point of diversion ☐ Add diversion point(s) ☐ Change place of use
☒ Change nature of use ☐ Change period of use ☐ Other _____
2. Describe the reason for the proposed changes Portion of water right associated with 22 shares of New Union stock to be used to offset evaporation from excavated ponds intercepting shallow groundwater. The transfer affects only 0.44 cfs of water right 63-146.

B. DESCRIPTION OF RIGHT(S) OR PORTION HEREOF, AFTER THE REQUESTED CHANGE

1.	Right Number	Priority	Amount (cfs / ac-ft)	Nature of Use	Period of Use	
	63-146	06/01/1865	13.32	Irrigation	3-15	to 11-15
			0.44	Ground Water Recharge	3-15	to 11-15
						to
						to

2. Total amount of water being transferred 13.76 cubic feet per second and/or _____ acre-feet per annum.3. Source of water Boise River tributary to Snake River

4. Point(s) of Diversion:

Lot	1/4	1/4	1/4	Sec.	Twp.	Rge.	County	Local name for diversion
		NE	SE	23	4N	1E	Ada	New Union Ditch - Boise River Diversion

5. Lands irrigated or place of use: See Exhibit A.

Twp.	Rge.	Sec.	NE 1/4				NW 1/4				SW 1/4				SE 1/4				Totals
			NE 1/4	NW 1/4	SE 1/4	SW 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	NE 1/4	NW 1/4	SW 1/4	SE 1/4	
4N	1E	14											E						
		15																E	
		23					E	E											

Total acres 22

Superseded

PART 1

6. General Information:

a. Description of diversion system Water for Lakeland Village and Lakeland Estates property is delivered through New Union Canal. No change proposed in point of diversion or means of delivery to place of use.

b. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages, or contracts?
_____ Yes _____ No. If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes. See Remarks.

c. Describe the affect on the land now irrigated if the place of use is changed pursuant to this transfer:

d. Remarks:
Appurtenant water rights will not be transferred from the lands by this transfer. Purpose of transfer is to continue beneficial use of rights on same acres. See Exhibit C (narrative).

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Transfer of Water Rights No. _____.

And said application is hereby _____, subject to the following limitations and conditions:

Witness my hand this day of _____, 20_____.

**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 2***(Attach one copy for each right)***A. DESCRIPTION OF RIGHT AS RECORDED**

Right evidenced by:

- a. Decree No. 63-146 Decreed to New Union Ditch Company, Limited
in case of Farmers Coop. Ditch Company vs. Riverside Irrigation District
dated 1/18/06 in Boise, ID county of Ada
- b. License No. _____ issued by the Idaho Department of Water Resources.
- c. Claim No. _____ on file with the Idaho Department of Water Resources.
- d. Transfer No. _____ which produced this right.

2. Attach a copy of last year's tax notice for the property to which the water right is appurtenant or other documents which show ownership. Label document as attachment A. Check appropriate box below:

☐ Tax Notice ☐ Warranty Deed (Exhibit __) ☒ Other Copies of New Union Shares and Authorizations from homeowners (Exhibit F)

3. Source of water Boise River tributary to Snake River

4. Date or priority 6-1-1865

5. Water is used for the following purpose:

amount 13.76 cfs for Irrigation purposes from 3-15 to 11-15
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)
amount _____ for _____ purposes from _____ to _____
(cfs/ac-ft)

6. Total amount of water under right 13.76 cubic feet per second and/or _____ acre-feet per annum

7. Point(s) of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
		NE	SE	23	4N	1E	Ada	New Union Ditch - Boise River Diversion

8. Lands irrigated or place of use: See Exhibit B.

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE¼	NW¼	SE¼	SW¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

Total acres 726

9. Describe any other water rights used for the same purpose as described above 63-18785

PART 2

10. To your knowledge, has any portion of this water right undergone a period of five or more consecutive years of non-use?

No _____

If yes, describe _____

B. DESCRIPTION OF PORTION OF RIGHT BEING TRANSFERRED

This does not involve split of right.

(If the entire right is to be changed by the applicant, omit part B and C.)

1. amount 0.44 cfs for Irrigation purposes from 3-15 to 11-15
 (cfs/ac-ft)
 amount _____ for _____ purposes from _____ to _____
 (cfs/ac-ft)
 amount _____ for _____ purposes from _____ to _____
 (cfs/ac-ft)

2. Point(s) of Diversion: No Change

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
		NE	SE	23	4N	1E	Ada	New Union Ditch - Boise River Diversion

3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW¼				SW¼				SE¼				Totals
			NE¼	NW¼	SE¼	SW¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
4N	1E	14											2.9						2.9
		15																6.1	6.1
		23					3.4	9.6											13.0

Total acres 22

C. DESCRIPTION OF UNCHANGED PORTION OF RIGHT (omit if there is no change)

1. amount _____ for Balance of Water Right purposes from _____ to _____
 (cfs/ac-ft)
 amount _____ for _____ purposes from _____ to _____
 (cfs/ac-ft)
 amount _____ for _____ purposes from _____ to _____
 (cfs/ac-ft)

2. Point(s) of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion

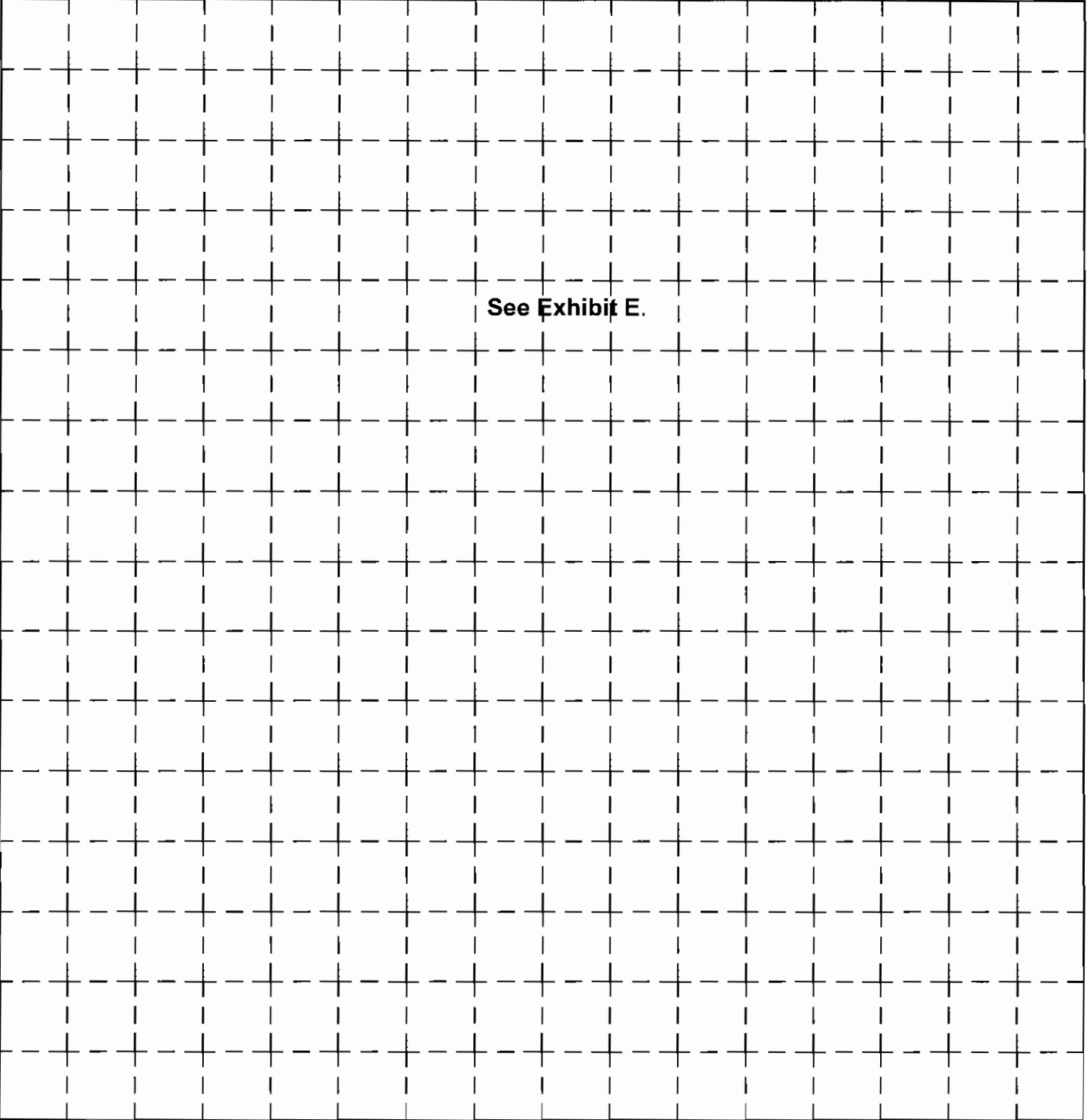
3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW¼				SW¼				SE¼				Totals
			NE¼	NW¼	SE¼	SW¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	

Total acres _____

**APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3**

- A. Draw a map or attach a USGS map indicating the new point(s) of diversion and/or the new place of use for rights described in part 1. Clearly depict the land by section, township and range numbers.



See Exhibit E.

SCALE: 2 inches equal 1 mile. Draw plan in ink.

PART 3**B. CHANGES IN NATURE OF USE**

1.	New Nature of Use	Amount (cfs / ac-ft)	Hours/days/year	Period of Use	
	Ground Water Recharge	0.44 cfs		3-15	to 11-15
					to

2. Quantity and quality of return flows and location of discharge:

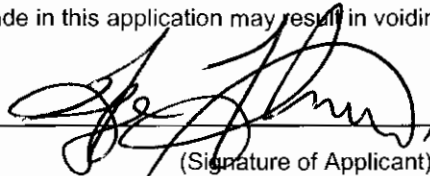
See narrative description attached.

3. Describe effects on other water uses resulting from the proposed change:

See narrative description attached.

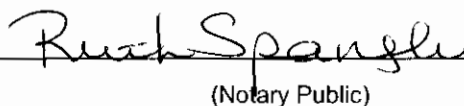
I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. The information contained in this application is true to the best of my knowledge.

I understand that any willful misrepresentations made in this application may result in voiding its approval.


(Signature of Applicant)

RESIDENT
NEO WINDTCH CO.

Subscribed and sworn to before me this 12th day of May, 20 .


(Notary Public)



My commission expires 8-3-07.

FOR DEPARTMENT USE ONLY

Transfer contains _____ pages and _____ attachments

Received by KL Date 5/16/03 Protest filed by _____

Prelim. check by _____ Fee 250.00

Received by KL Date 5/16/03 W030475

Published in _____ Copies of protest forwarded by _____

Pub. dates _____ Hearing held by _____ Date _____

Watermaster recommendation requested on _____ Recommended for ☐ approval ☐ denial

_____ rec'd. _____ by _____

Copy of transfer sent to lien holder _____

EXHIBIT A

TWNSHP	RGE	SEC	LOT	TRACT	ACRES	LOT	TRACT	ACRES	LOT	TRACT	ACRES	LOT	TRACT	ACRES
04N	01E	9		SESE	2									
		14		SWSW	37.1		SESW	10						
		15		NWNE	6		SWNE	37		SENE	30			
				NENW	10		NWNW	26		SWNW	39		SENE	36
				NESW	40		NWSW	34		SWSW	1			
				NESE	36		NWSE	39		SWSE	12		SESE	33.9
		16		NENE	37		NWNE	31		SWNE	16		SENE	35
				NENW	38									
		22		NENE	7									
		23		NENW	36.6		NWNW	30.4		SWNW	10		SENE	34

TOTAL IRRIGATED ACRES: 704

EXHIBIT B

TWNSHP	RGE	SEC	LOT	TRACT	ACRES	LOT	TRACT	ACRES	LOT	TRACT	ACRES	LOT	TRACT	ACRES
04N	01E	9		SESE	2									
		14		SWSW	40		SESW	10						
		15		NWNE	6		SWNE	37		SENE	30			
				NENW	10		NWNW	26		SWNW	39		SENE	36
				NESW	40		NWSW	34		SWSW	1			
				NESE	36		NWSE	39		SWSE	12		SESE	40
		16		NENE	37		NWNE	31		SWNE	16		SENE	35
				NENW	38									
		22		NENE	7									
		23		NENW	40		NWNW	40		SWNW	10		SENE	34

TOTAL ACRES: 726

Exhibit C

Narrative Description Application for Transfer In the Name of New Union Ditch Company, Limited (Lakeland Village)

This Transfer Application proposes to change the nature of use of a 0.44 cfs portion of water right 63-146 from irrigation to ground water recharge to facilitate the construction of ten aesthetic ponds with a total surface area of 18.1 acres within Sections 14, 15 and 23, T4N, R1E, B.M. (the "Lakeland Village Property"). The portion of the water right proposed for transfer is represented by 22 shares of New Union Ditch Company, Limited ("New Union") stock owned by shareholders of the Applicant. Copies of these shares are attached as Exhibit F. These shareholders have authorized New Union to file this transfer. (See Exhibit F).

Exhibit D to the Application, which is a 1987 aerial photograph of the Lakeland Village Property, demonstrates the beneficial use of the water on the Lakeland Village Property for irrigation. No cropping information is available for these lands. They historically have been irrigated for pasture grass.

After the Transfer, the affected portion of the water rights will continue to be delivered to the Lakeland Village Property via New Union's existing delivery system where the shareholder will distribute the water into the ponds to recharge ground water as described in the permit application. The shareholders have submitted an application for permit with respect to these ponds (the "Proposed Permit"). The permit application proposes using water delivered pursuant to 22 New Union shares owned by the applicants to offset the evaporative losses from the ponds and thereby mitigate potential impacts of ponds on the ground water source and the Boise River. This Transfer is intended to facilitate processing and approval of the proposed permit.

Because the ponds will be excavated (some already have been constructed) on lands formerly irrigated with water delivered pursuant to water right 63-146, no change in the place of use is sought. Even though the surface area of the ponds covers only 18.1 acres, this Transfer involves 22 acres because the mitigation water balance under the Proposed Permit requires the elimination of 22 acres of pasture irrigation to mitigate the evaporative loss. This is calculated as follows: the excavation of the ponds will expose up to 18.1 surface acres (see map attached as Exhibit E) of ground water to evaporation, which will cause a total annual evaporative loss of ground water from the ponds of 796.40 inches (18.1 acres x 44 inches of evaporation per acre)¹. To mitigate for this loss, the Application proposes to eliminate consumptive irrigation on 22 acres of pasture grass historically irrigated by the Applicant's predecessors on lands within the Property using water delivered pursuant to 22 shares owned by the Applicant in the New Union Ditch Company. Of the 22 acres, 18.1 will be converted into the ponds. The remaining 3.9

¹ Molnau, Myron, Kpordze, Kojo C.S., and Craine, Katherine L., Monthly Shallow Pond Evaporation in Idaho, ASAE paper PNW 92-11 (1992).

acres are associated with formerly irrigated acres that will be converted to roadways, sidewalks and building pads within the subdivisions.

Each acre of converted pasture ground will yield 37.12 inches per acre (942 mm x 0.0394 mm per inch)². Thus, by drying up 22 acres, Applicant will remove 816.64 inches (22 acres x 37.12 inches per acre) of consumptive use from the system, which is 20.24 inches more than the evaporative loss expected from the ponds.

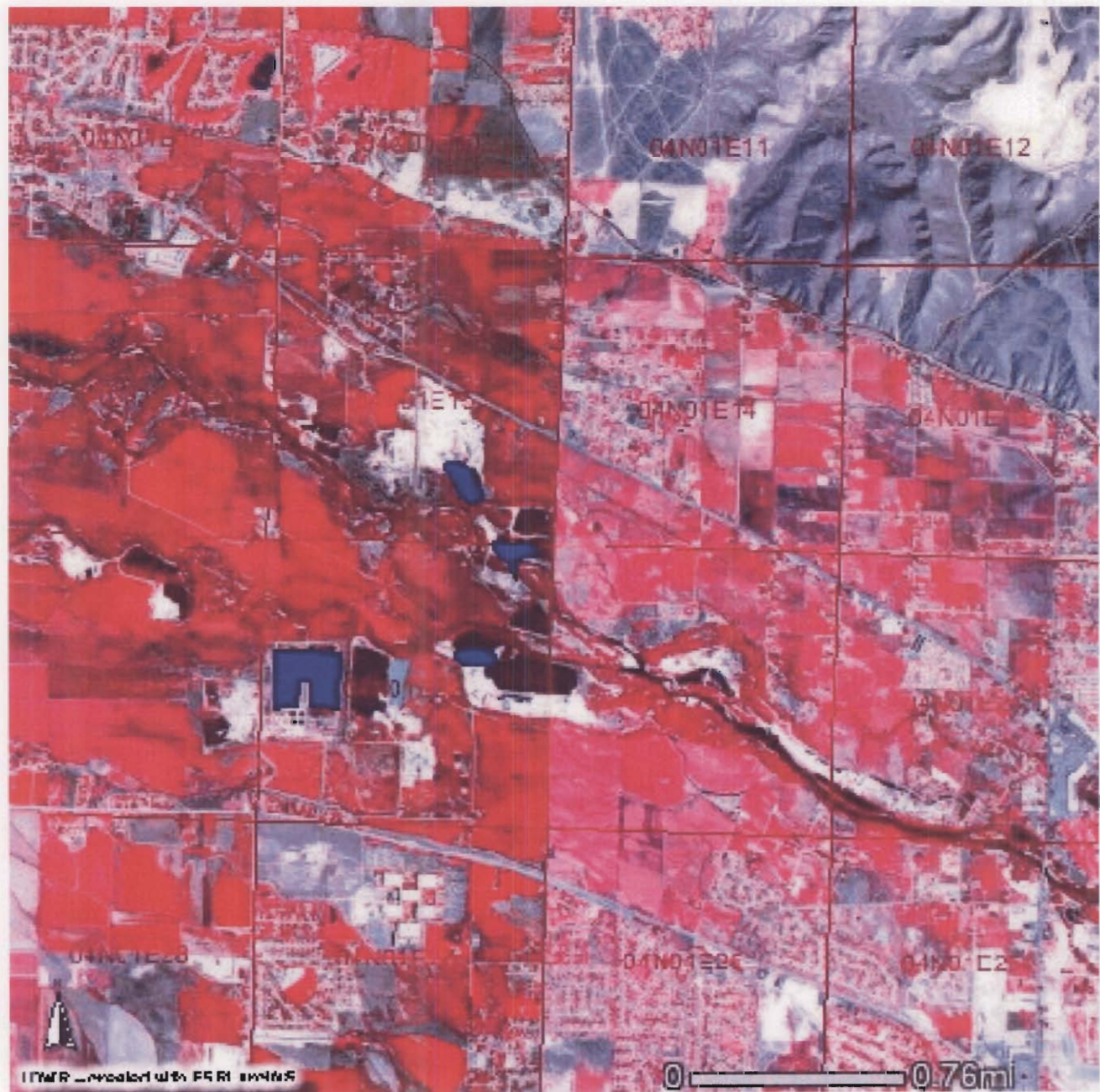
Maintaining the historical diversion of the water under Water Right 63-146 into the New Union system, and delivery to the existing appurtenant acres, ensures that there will be no potential for enlargement of the transferred portion of the Water Right due to delivery to different lands, and maintains the timing and location of historical return flows from the canal and the shareholder's property. Because there will be no net affect on the shallow ground water source, there also will be no net affect on the timing, extent, location or quality of historical return flows or discharges of shallow ground water to the Boise River associated with the historical use of Water Right 63-146. The transfer will allow Lakeland Village and New Union to continue the beneficial use of the Water Right on appurtenant lands within New Union's service area.

Based on the above discussion and assumptions, this transfer will not result in an enlargement of the water right or cause injury to other water rights because the number of acres to which the water right will be applied, and the consumptive use of water, will not increase.

The transfer proposes to apply water under Water Right 63-146 to recognized beneficial uses within the New Union's service area for its shareholders. The transfer also will facilitate the use of ground water without depleting the resource or reducing the amount of water available to fill other water rights. For these reasons, the transfer is in the public interest.

² R.G. Allen and C.E. Brockway, Estimating Consumptive Irrigation Requirements for Crops in Idaho, University of Idaho (August, 1983) (Appendix E – pasture mean IR for Deer Flat Dam).

Exhibit D
1987 Adjudication Photo

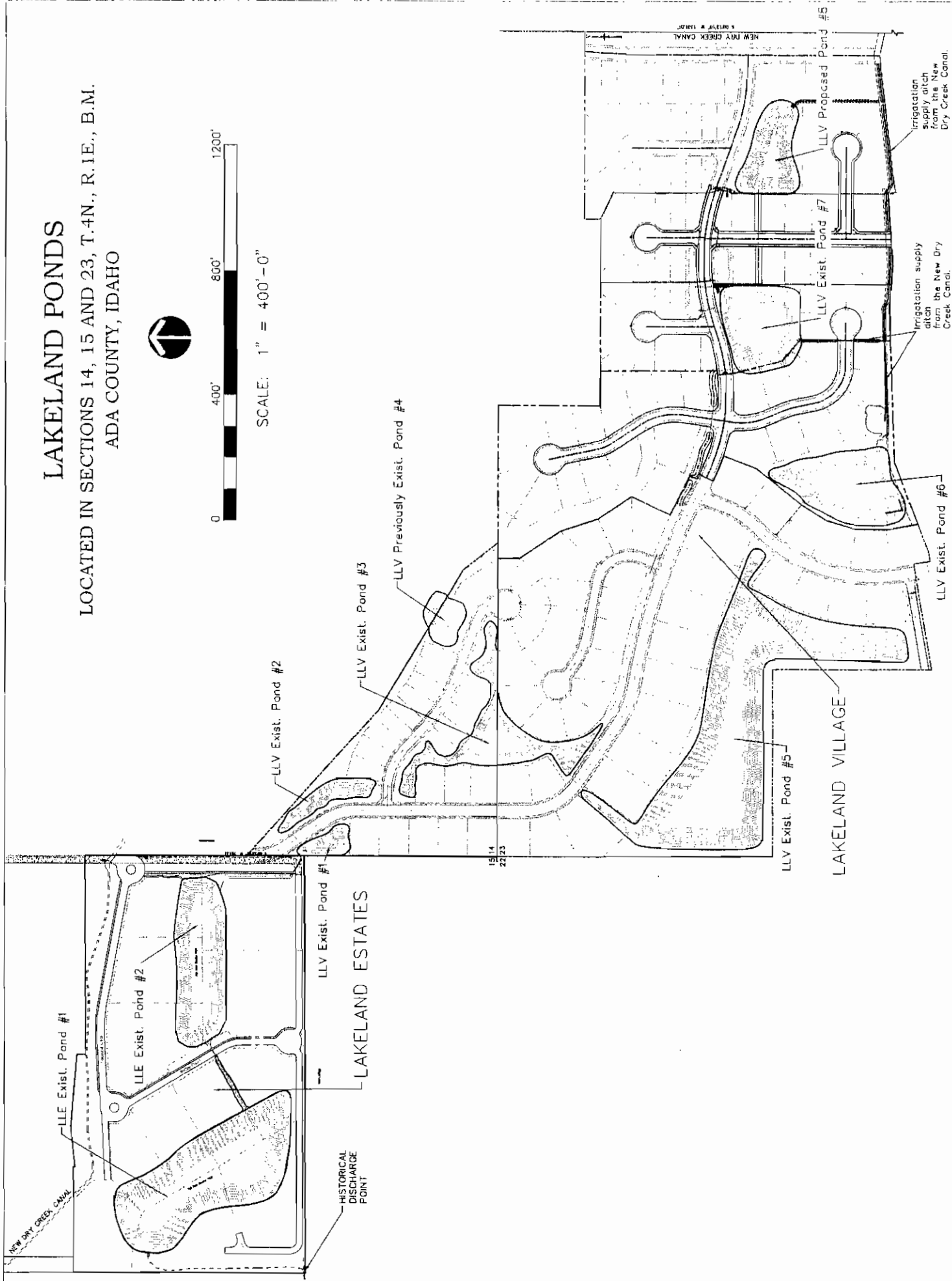


LAKELAND PONDS

LOCATED IN SECTIONS 14, 15 AND 23, T.4N., R.1E., B.M.
ADA COUNTY, IDAHO



SCALE: 1" = 400'-0"

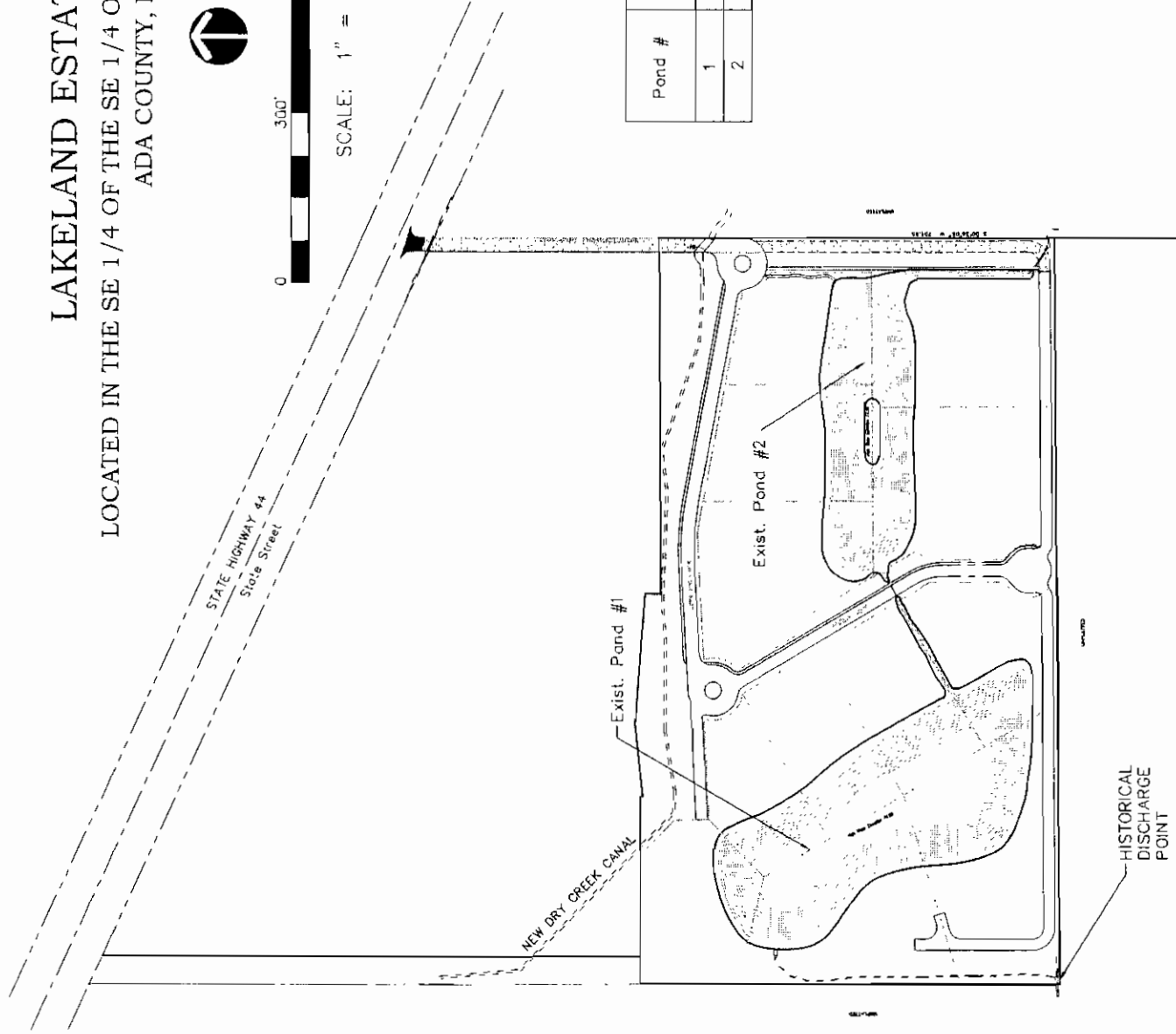


LAKELAND ESTATES PONDS

LOCATED IN THE SE 1/4 OF THE SE 1/4 OF SECTIONS 15, T.4N., R.1E., B.M.
ADA COUNTY, IDAHO



SCALE: 1" = 300'-0"



Pond #	Approx. Min. Groundwater Surface Area	Approx. Max. Groundwater Surface Area	Estimated. Max. Groundwater Volume
1	3.06 Acres	3.41 Acres	69.6 Acre/Ft
2	1.46 Acres	1.78 Acres	11.9 Acre/Ft

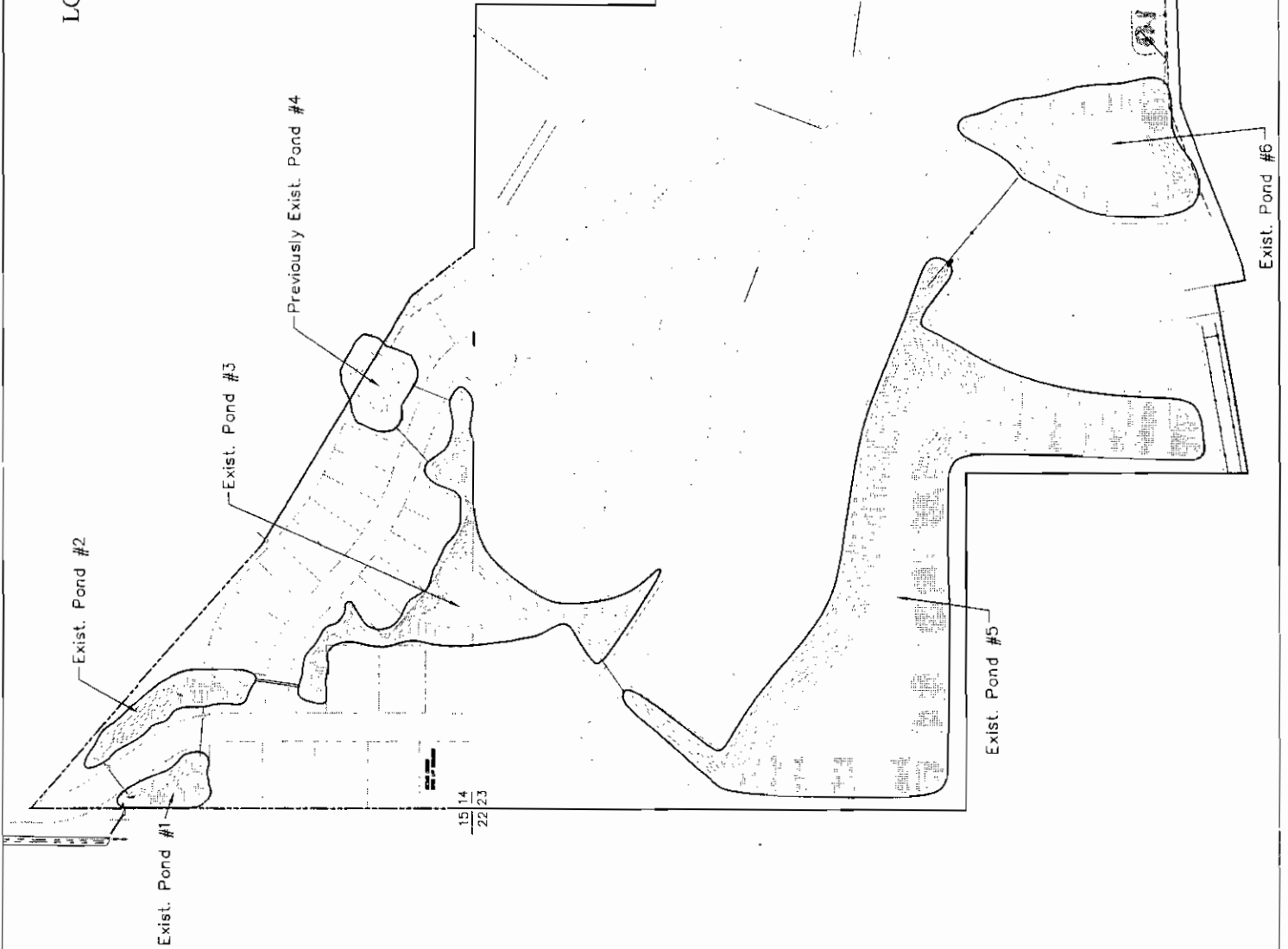
LAKELAND VILLAGE PONDS

LOCATED IN SECTIONS 14 AND 23, T.4N., R.1E., B.M.
ADA COUNTY, IDAHO

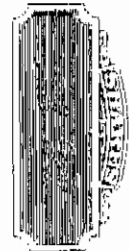
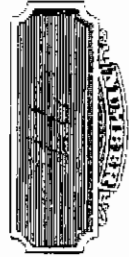


SCALE: 1" = 300'-0"

Pond #	Approx. Min. Groundwater Surface Area	Approx. Max. Groundwater Surface Area	Estimated. Max. Groundwater Volume
1	0.16 Acres	0.25 Acres	0.7 Acre/Ft
2	0.26 Acres	0.42 Acres	1.9 Acre/Ft
3	1.08 Acres	1.58 Acres	11.3 Acre/Ft
4	0.21 Acres	0.39 Acres	1.2 Acre/Ft
5	5.50 Acres	6.12 Acres	115.0 Acre/Ft
6	1.45 Acres	1.67 Acres	25.5 Acre/Ft
7	1.24 Acres	1.43 Acres	23.9 Acre/Ft



1514
-2223



THE NEW UNION DITCH COMPANY, LIMITED

Miss Mary Josephine *Lakeland Homeowners Association* *White*
registered *22.90* *Shares*

THE NEW UNION DITCH COMPANY, LIMITED

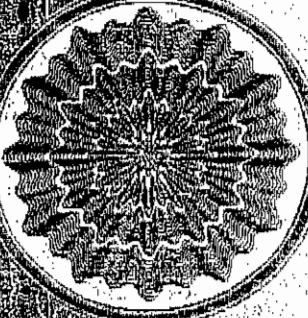
transferrable only on the books of the Corporation by the proper officers or by a duly authorized agent of the Corporation, and is not to be transferred or assigned in any other manner.

In Witness Whereof *the said Corporation has caused this Certificate to be signed*
by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 1st day of Nov 1912

For 1 share
 NO PAR VALUE

SECRETARY

PRESIDENT





The 22nd 1890

London

Lateland, Hermanns, Assen

to Simon Paul, Merchant in

63rd St. Charles, Mo.

Open 144 8100 250-7300

United 11-10-70

Payable to order of

Charles 11-2-90

Noting that the 10 of 20 1890

22nd 1890

11-2-90

Charles 11-2-90

to order of

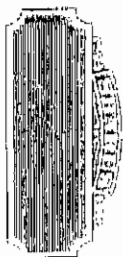
this day of

1890

OF THE CAPITAL STOCK OF The New Union Diehl Company LIMITED	
ISSUED TO	
DATED	

The value received, ready, self, assign, and manager
 presented by the within certificate, and do hereby
 acknowledge, and do hereby
 in number, the said share, on the foot of the within manner
 corporation, with full power of substitution, in the premises
 dated 19
 in presence of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
 MUST BE AFFIXED TO THE NAME AS WRITTEN UPON THE
 FACE OF THE CERTIFICATE, IN EVERY INSTANCE, AND WITHOUT
 ALTERATION OF ENLARGEMENT, OR ANY CHANGE WHATSOEVER.



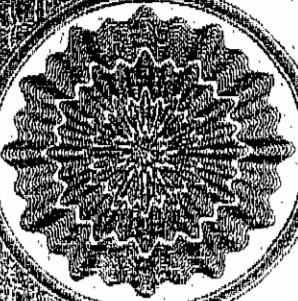
62581-71585

THE NEW UNION DITCII COMPANY, LIMITED

In Witness Whereof, the said Corporation has caused this Declaration to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed this 5 day of March A.D. 1922 at New York City.

SECRETARY

Final Subject





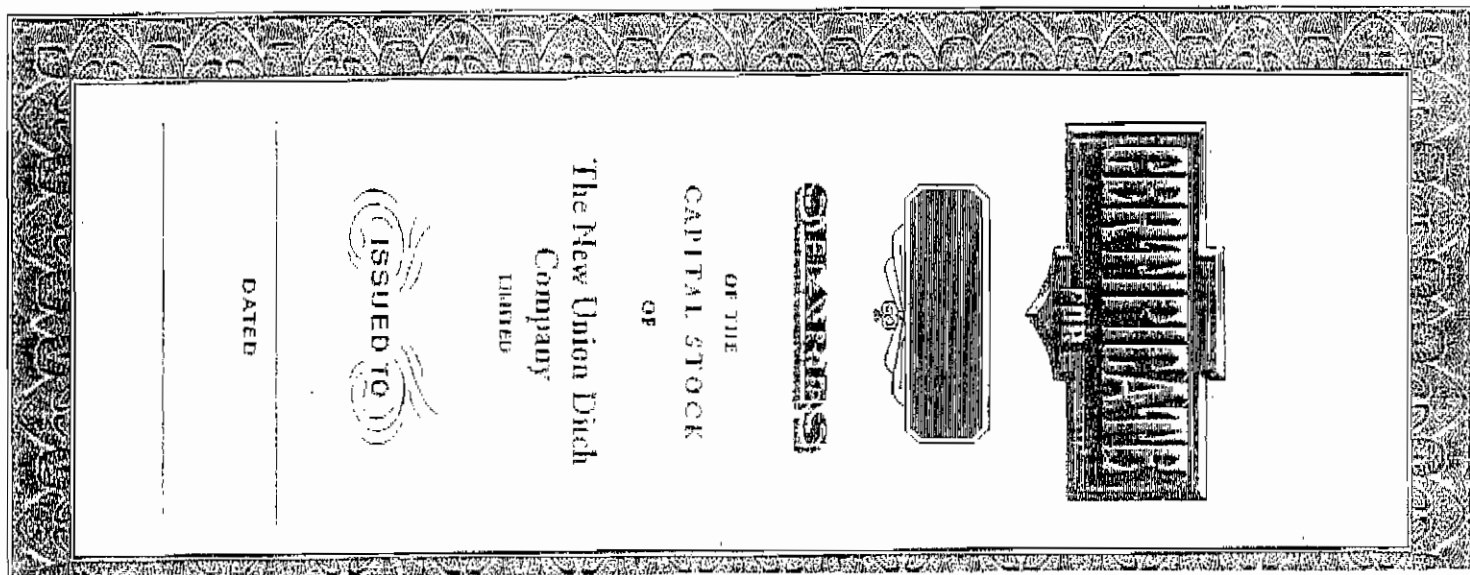
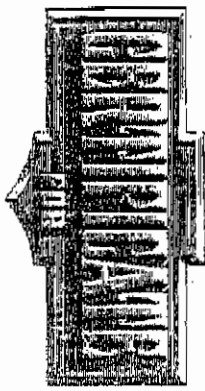
To 10 Shares
owned to
Labford Village L.
to Ben Bolt

Dated 4-5-00

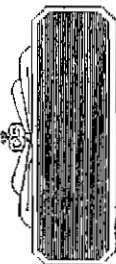
FROM HOW TRANSFERRED

Dated <u>4-5-00</u>		
No. Original Certificate	No. Original Shares	No. of Shares Transferred

Received Certificate for 10 Shares
this day of April 1900

LABFORD VILLAGE



LABFORD VILLAGE

OF THE
SHARES
 OF THE
 CAPITAL STOCK
 OF
**The New Union Diech
 Company**
 LIMITED

ISSUED TO

DATED

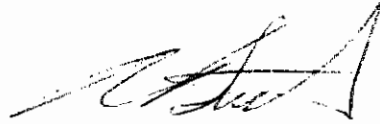
You have Received. Newly sold, assign, and transfer
Shares
represented by the within Certificate, and the hereby
irrevocably constitute and approve
to transfer the said Shares on the books of the within named
Corporation, with full power of substitution in the premises
in witness of

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
 MUST CORRESPOND WITH THE NAME AS WRITTEN ON THE
 FACE OF THE CERTIFICATE. IN EVERY INSTANCE, AT THE
 ALLEGED OR ALLEGED TO BE, AN ASSIGNMENT

AUTHORIZATION TO FILE TRANSFER

1. Lakeland has filed an application for permit to authorize diversion of ground water into several aesthetic ponds on property Lakeland owns. To mitigate for evaporative loss associated with the permit, Lakeland is proposing to convert irrigation rights on its property to ground water recharge. These irrigation rights are represented by shares held in the New Union Ditch Company.

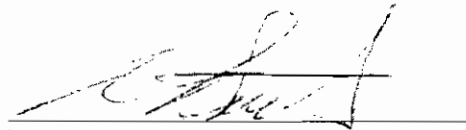
2. Based on all of the above, Lakeland hereby authorizes New Union Ditch Company, Limited to file an Application for Transfer with the Idaho Department of Water Resources affecting lands owned by Lakeland that will convert a portion of New Union's water right, represented by shares owned by Lakeland, from irrigation to groundwater recharge.

A handwritten signature in black ink, appearing to read 'Ron Bath', is written over a horizontal line.

Ron Bath
President, Lakeland Village, LLC

AUTHORIZATION TO FILE WATER APPLICATIONS

1. The Lakeland Estates Homeowners Association ("Lakeland") was created on July 17, 2001, as evidenced by a copy of the Secretary of State filing attached hereto. All homeowners in the Lakeland Estates Subdivision are members of Lakeland.
2. Lakeland is responsible for managing and maintaining the common areas in the Lakeland Estates Subdivision, including three aesthetic and recreation ponds located within the subdivision.
3. Lakeland understands that a water right from the Idaho Department of Water Resources is necessary to authorize use of these ponds and possibly a mitigation plan that will require the transfer of the nature of use of irrigation rights historically associated with land in the subdivision.
4. Lakeland Village, LLC currently is developing a new subdivision adjacent to Lakeland Estates Subdivision that will share a common water delivery system for the ponds in the Lakeland Estates Subdivision.
5. Based on all of the above, Lakeland hereby authorizes Lakeland Village, LLC to file an Application for Permit with the Idaho Department of Water Resources that will authorize the ponds in the Lakeland Estates Subdivisions. Lakeland also authorizes New Union Ditch Company, Limited to file a transfer affecting lands in the subdivision that will convert a portion of New Union's water right, represented by shares owned by Lakeland, from irrigation to groundwater recharge.

A handwritten signature in black ink, appearing to read 'Ron Bath', is written over a horizontal line.

Ron Bath
President, Lakeland Estates
Homeowners Association

JUL 18 10 10 AM '01

SECRETARY OF STATE

FILED/EFFECTIVE

IDAHO SECRETARY OF STATE
07/18/2001 05:00
CK: 38436 CT: 1626 FH: 48044
1 @ 38.00 = 38.00 INC MON # 2

ARTICLES OF INCORPORATION

OF

LAKELAND ESTATES HOMEOWNER'S ASSOCIATION, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

The undersigned, for the purpose of forming a non-profit corporation under the laws of the State of Idaho in compliance with the provisions of Title 30, Chapter 3, Idaho Code, does hereby certify, declare and adopt the following Articles of Incorporation:

ARTICLE I
NAME

The name of the corporation shall be LAKELAND ESTATES HOMEOWNER'S ASSOCIATION, INC. (the "Association").

ARTICLE II
TERM

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

ARTICLE III
NON-PROFIT

The Association shall be a non-profit, membership corporation.

ARTICLE IV
REGISTERED AGENT

The location and street address of the initial registered office of the Association shall be 913 West River Street, Suite 200, Boise, Idaho 83702, and Ronald W. Bath is hereby appointed the initial registered agent of the Association.

ARTICLE V
PURPOSE AND POWERS OF THE ASSOCIATION

The Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which the Association is formed are to exercise all of the powers and

C139926

privileges and perform all of the Association's duties and obligations as set forth in the LAKELAND ESTATES (STANDARD SUBDIVISION) DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, recorded in the official records of Ada County, Idaho, as Instrument No. 99016901, as amended and supplemented from time to time (the "Declaration"), and the Project Documents identified therein, including, without limitation, the following powers:

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

(B) 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 Association under the limitations imposed by the Declaration;

(C) 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;

(D) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property, provided that any such merger, consolidation or annexation shall comply with the requirements of the Declaration; and

(E) 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, the Declaration, the Project Documents and any amendments and supplements thereto.

ARTICLE VI MEMBERSHIP

During the existence of this corporation, every Owner, including Grantor, shall be a Member of the Association. No Owner shall have more than one membership in the Association for each Lot owned.

ARTICLE VII VOTING RIGHTS

Voting Members. Each Owner, including the Grantor, shall be entitled to one (1) vote for each Lot owned by such Owner.

ARTICLE VIII
BOARD OF DIRECTORS

The affairs of the Association shall be controlled by the Board of Directors (individually "Directors") to carry out all of the powers and duties of the Association as set forth herein, and shall be selected as follows:

(a) Selection of Directors. The Board shall consist of not less than three (3) Directors nor more than seven (7) Directors appointed by the Members of the Association.

(b) Number of Directors. The number of Directors may be changed by amendment of the Bylaws of the Association, 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 as follows:

Ronald W. Bath	913 West River Street, Suite 200 Boise, Idaho 83702
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Teri Ann Bath	913 West River Street, Suite 200 Boise, Idaho 83702
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David Fillmore	913 West River Street, Suite 200 Boise, Idaho 83702
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ARTICLE IX
ASSESSMENTS

Each Member shall be liable for the payment of Assessments pursuant to the Declaration and as set forth in the Bylaws of the Association.

ARTICLE X
BYLAWS

The Bylaws of this Association may be altered, amended, or new Bylaws adopted at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative votes of more than fifty percent (50%) of the total voting power of the Association. 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 Association, and the Members for the payment of Assessments, the Bylaws may incorporate by reference the provisions of the Declaration.

ARTICLE XI
DISSOLUTION

The Association shall only be dissolved at a regular meeting, or a special meeting of the Association called for that purpose, by the affirmative votes of no less than two-thirds of the total voting power of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the real property and other assets of the Association shall be distributed as follows: (i) dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created; or (ii) granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes. Notwithstanding any other provisions of these Articles, the Association shall not carry on any other activities not permitted by any organization exempt from federal income tax under Section 528 of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States internal revenue law).

ARTICLE XII
AMENDMENTS

Amendment of these Articles of Incorporation may be made at any regular meeting, or any special meeting of the Association called for that purpose, by the affirmative votes of more than two-thirds (2/3) of the total voting power of the Association as cast by the Association Delegates, and, if required by the Declaration, the consent of holders of first mortgages on Lot(s) who have requested in writing that the Association provide them notice of proposed actions which affect their interests. No amendment which is inconsistent with the provisions of the Declaration or the Project Documents shall be valid.

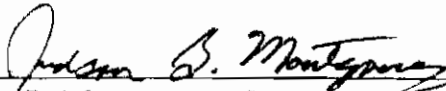
ARTICLE XIII
MEANING OF TERMS

Except as otherwise defined herein, all terms appearing herein initially capitalized shall have the same meanings as are ascribed to such terms in the Declaration.

ARTICLE XIV
INCORPORATION

Judson B. Montgomery, 277 N. 6th Street, Suite 200, Boise, Idaho 83702, shall be the incorporator of the Association.

IN WITNESS WHEREOF, I have hereunto set my hand and seal effective this 17th day of July, 2001.



Judson B. Montgomery, Incorporator