

**ARTICLES OF INCORPORATION FOR
THE SUNCADIA FUND
FOR
COMMUNITY ENHANCEMENT**

JULY 19, 2004

STATE OF WASHINGTON

602 374 367

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ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
THE MOUNTAINSTAR RESORT FUND
FOR
COMMUNITY ENHANCEMENT

Pursuant to the provisions of Section 24.03 of the Revised Code of Washington, the undersigned Washington nonprofit corporation adopts the following Articles of Amendment to its Articles of Incorporation:

1. The original name of the corporation is The MountainStar Resort Fund for Community Enhancement.
2. Article 1 of the Articles of Incorporation is amended in its entirety to read as follows:

ARTICLE 1
NAME

The name of this Corporation is The Suncadia Fund for Community Enhancement (hereinafter referred to as "the Fund").

3. The corporation has no members that have voting rights. The foregoing amendment was adopted by the Board of Trustees of the corporation pursuant to Consent in Lieu of Special Meeting dated June 28, 2004, in accordance with the provisions of RCW 24.03.165.

EXECUTED as of June 28, 2004.

THE MOUNTAINSTAR RESORT FUND
FOR COMMUNITY ENHANCEMENT

By W G H
Name: WILLIAM G. HUNT
Its: PRES.

UNITED STATES OF AMERICA

The State of



Washington

Secretary of State

I, SAM REED, Secretary of State of the State of Washington and custodian of its seal,
hereby issue this

CERTIFICATE OF INCORPORATION

to

**THE MOUNTAINSTAR RESORT FUND FOR COMMUNITY
ENHANCEMENT**

a/an WA Non-Profit Corporation. Charter documents are effective on the date indicated
below.

Date: 3/9/2004

UBI Number: 602-374-367

APPID: 52342



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

Sam Reed, Secretary of State

602-374-367

**ARTICLES OF INCORPORATION
OF
THE MOUNTAINSTAR RESORT FUND
FOR
COMMUNITY ENHANCEMENT**

FILED
SECRETARY OF STATE
MAR 09 2004
STATE OF WASHINGTON

For the purpose of forming a nonprofit corporation under Chapter 24.03 of the Revised Code of Washington, the undersigned adopts the following Articles of Incorporation:

**ARTICLE 1.
NAME**

The name of the corporation is The MountainStar Resort Fund for Community Enhancement (the "Fund").

**ARTICLE 2.
DURATION**

The Fund shall have perpetual duration.

**ARTICLE 3.
PURPOSES AND POWERS**

The Fund does not contemplate pecuniary gain or profit, direct or indirect.

3.1. In way of explanation and not of limitation, the purposes for which the Fund is formed are to be and constitute the organization of that name described in the Amended and Restated Covenant for Community Enhancement of MountainStar Resort (hereinafter, the "Covenant"), recorded in the records of Kittitas County, Washington, to perform all obligations and duties of the Fund, and to exercise all rights and powers of the Fund, as specified therein, in the Bylaws of the Fund ("Bylaws"), and as provided by law.

3.2. In furtherance of its purposes, the Fund shall have the following powers, which, unless indicated otherwise by the Covenant or Bylaws, may be exercised by the Board:

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 Covenant, including, without limitation, the following:

(a) to impose and collect Community Enhancement Fees and other charges to be levied pursuant to the Covenant;

(b) to own, manage, and maintain the Fund's Community Property as provided for in the Covenant or any other property for which the Fund by rule, regulation, declaration, or contract has a right or duty to own, manage or maintain;

(c) to enforce covenants, conditions, or restrictions affecting any property to the extent the Fund may be authorized to do so under the Covenant or Bylaws;

(d) 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 Fund, with or in association with any other association, corporation, or other entity or agency, public or private;

(e) to provide activities, services and programs for the common good and general welfare of MountainStar Resort and surrounding areas of Kittitas County;

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

(g) to do all other acts or things necessary or appropriate to the ordinary and necessary to fulfilling the mission of the Fund as set forth in the Covenant.

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 permitted by law. The powers specified in each of the paragraphs of this Article are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provisions of this Article.

ARTICLE 4. MEMBERSHIP

The Fund shall have no members.

ARTICLE 5.
REGISTERED AGENT AND OFFICE

The initial registered office of the Fund is 500 Galland Building, 1221 Second Avenue, Seattle, WA 98101-2925, and the initial registered agent at such address is Hillis Clark Martin & Peterson, P.S.

ARTICLE 6.
BOARD OF TRUSTEES

The business and affairs of the Fund shall be conducted, managed, and controlled by a Board of Trustees. Declarant shall appoint an interim board of five (5) Trustees, who shall serve as the Board until replaced by Declarant or until their successors take office. The names and addresses of the initial Trustees are as follows:

George C. Cockill
P.O. Box 887
Roslyn, WA 98941

William G. Hunt
P.O. Box 887
Roslyn, WA 98941

James J. Collins
P.O. Box 887
Roslyn, WA 98941

Christopher Kelsey
P.O. Box 887
Roslyn, WA 98941

Del E. Goehring
P.O. Box 887
Roslyn, WA 98941

The number of Trustees, method of election or appointment, 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 7.
LIABILITY OF TRUSTEES

To the fullest extent that the Washington Nonprofit Corporation Act, as it exists on this date or as it may be amended, permits the limitation or elimination of the liability of directors (i.e., Trustees herein), no Trustee of the Fund shall be personally liable to the Fund, any owners of real property in MountainStar Resort, any community or owners association having jurisdiction over property within MountainStar Resort, or their respective members for any damage, loss or prejudice suffered or claimed on account of any action or failure to act in the performance of his or her duties, except for acts of gross negligence or intentional wrongful acts. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any Trustee of the Fund for or with respect to any acts or omissions of such Trustee occurring prior to such

amendment or repeal. In the event any Trustee of the Fund is made a party to any proceeding because the individual is or was a Trustee or officer of the Fund, the Fund shall indemnify such individual against liability and expenses incurred to the maximum extent permitted by law.

ARTICLE 8. DISSOLUTION

8.1. The Fund may be dissolved only upon a resolution duly adopted by the Board and the consent of the Declarant so long as the Declarant owns any property subject to the Covenant or which may be unilaterally subjected to the Covenant by the Declarant in accordance with the terms therein. In the event the Fund is at any time dissolved, it shall automatically be succeeded by an unincorporated entity of the same name.

8.2. In the event of dissolution, liquidation, or winding up of the Fund, subject to the Covenant, the Fund's assets remaining after payment, or provisions of payment, of all known debts and liabilities of the Fund shall be divided among and distributed to those persons or entities obligated under the Covenant to pay assessments to the Fund in accordance with their respective rights therein.

ARTICLE 9. MERGER AND CONSOLIDATION

The Fund may merge or consolidate only upon a resolution duly adopted by the Board and the consent of the Declarant so long as the Declarant owns any property subject to the Covenant or which may be unilaterally subjected to the Covenant by the Declarant.

ARTICLE 10. AMENDMENTS

These Articles may be amended only upon a resolution duly adopted by the Board and the consent of the Declarant so long as the Declarant owns any property subject to the Covenant or which may be unilaterally subjected to the Covenant by the Declarant.

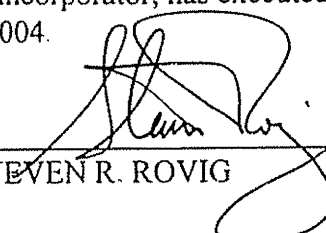
ARTICLE 11. INCORPORATOR

The name and address of the sole incorporator is Steven R. Rovig, HILLIS CLARK MARTIN & PETERSON, P.S., 500 Galland Building, 1221 Second Avenue, Seattle, Washington 98101-2925.

**ARTICLE 12.
DEFINITIONS**

Unless otherwise defined herein, the words used in these Articles shall have the same meaning as set forth in the Covenant, unless the context shall prohibit.

IN WITNESS WHEREOF, the undersigned incorporator, has executed these Articles of Incorporation this 8th day of March, 2004.



STEVEN R. ROVIG

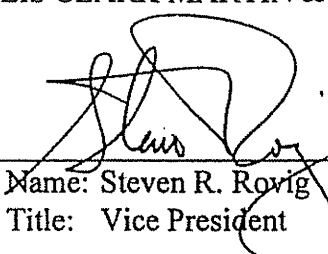
CONSENT TO SERVE AS REGISTERED AGENT

Hillis Clark Martin & Peterson, P.S., hereby consents to serve as Registered Agent in the State of Washington for The MountainStar Resort Fund for Community Enhancement. It is understood that, as Registered Agent for the Fund, Hillis Clark Martin & Peterson, P.S., will have the responsibility to receive service of process in the name of the Fund; to forward all mail to the Fund; and to immediately notify the office of the Secretary of State in the event of its resignation, or of any changes in the registered office address of the Fund for which it is Registered Agent.

DATED this 8th day of March, 2004.

HILLIS CLARK MARTIN & PETERSON, P.S.

By


Name: Steven R. Rowig
Title: Vice President

Address: 500 Galland Building
1221 Second Avenue
Seattle, WA 98101-2925

