

**Articles of Incorporation
for
Village Square at Lea Hill Condominium Association,
A Washington Nonprofit Corporation**

The undersigned incorporator in order to incorporate Village Square at Lea Hill Condominium Association as a nonprofit corporation in accordance with Chapter 24.03 of the Revised Code of Washington hereby signs in duplicate these Articles of Incorporation:

I. NAME

The name of this corporation is VILLAGE SQUARE AT LEA HILL CONDOMINIUM ASSOCIATION.

II. DURATION

The period of duration of this corporation shall be perpetual.

III. PURPOSES

The purposes for which this corporation is organized are to act as the unit owners' association for Village Square at Lea Hill, a Condominium, as created by the Declaration for Village Square at Lea Hill, a Condominium (herein referred to as the Condominium), as recorded or to be recorded in King County, Washington, pursuant to Ch. 64.34 RCW (herein referred to as the Act) and to do all things required and permitted by the Act and as may otherwise be permitted by law, subject to the limitations contained in the Act.

IV. MEMBERSHIPS

There shall be one membership in this corporation for each unit in the Condominium and no more memberships than there are units in the Condominium. One membership in this corporation shall be appurtenant to and for each unit in the Condominium. The owners of a unit in the Condominium, not including the holder of an interest in the unit solely as security for an obligation, shall be the owners and holders of the membership appurtenant to the unit. Title to the membership shall automatically transfer with the title to the unit and to the owners of the unit to which the membership is appurtenant. "Owners of a unit" includes only the vendees, not the vendors, of the unit under a real estate contract. Owners of the units in the Condominium shall be members of the corporation. When a party ceases to be an owner of a unit, the party automatically ceases to be a member of the corporation. Each respective membership shall stand in the name or names of the owners of the unit to which the membership is appurtenant from time to time and the interest of a unit owner in the membership shall be the same as the interest of the owner in the unit to which the membership is appurtenant, all as the interests may appear in the public record, unless the corporation has actual knowledge of persons or parties who have such interests not of public record, in which event the corporation shall recognize the rights of such persons or parties in accordance with their rights.

V. MEMBERSHIP RIGHTS AND OBLIGATIONS

The members, jointly and severally, holding a membership shall pay to the corporation the common maintenance assessments made against the unit to which the membership is appurtenant, as shall be determined by the directors from time to time in accordance with the provisions of the Act and of the Declaration for the Condominium. Each membership shall have a vote as provided in the Declaration for the Condominium, which vote shall be exercised as provided in the bylaws of the corporation. The membership's vote may be exercised in person or by proxy in the manner provided in the bylaws. In accordance with the provisions of the Declaration for the Condominium, the Declarant named therein or persons designated by the Declarant shall have the right to appoint and remove officers and members of the board of directors of the corporation or the Declarant may require the Declarant's approval as a condition to taking certain actions by the corporation.

VI. REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation is 6510 Southcenter Blvd., Suite 1, Tukwila, Washington 98188, and the name of the initial registered agent of this corporation at such address is Schneider Homes, Inc.

VII. DIRECTORS

The initial board of directors shall be constituted of three directors. The names and addresses of the persons who are to serve as the initial directors are: Harry J. Schneider, Murray D. Dick and Johanna M. Colman, each of whose address is 6510 Southcenter Blvd., Suite 1, Tukwila, Washington 98188.

The members of the initial board of directors shall serve for an initial term ending when the right of the Declarant or persons designated by the Declarant to appoint members of the board of directors and officers terminates as set forth in the Declaration for the Condominium, provided that not later than 60 days after the conveyance of 25 percent of the units created by the Declaration for the Condominium to others than the Declarant, one of the members of the initial board of directors shall be replaced by a director elected by the vote of the members other than the Declarant or an affiliate of the Declarant. The Declarant shall have the right to designate which member of the initial board of directors shall be replaced.

VIII. INCORPORATOR

The name and address of the incorporator is Schneider Homes, Inc., 6510 Southcenter Blvd., Suite 1, Tukwila, Washington 98188.

IX. DISSOLUTION

In the event of dissolution of the corporation, after payment and satisfaction of the liabilities of the corporation, the net assets of the corporation shall be distributed among persons and parties holding its respective memberships in the proportion that the interest in the common elements of the Condominium is allocated to the unit to which the membership is appurtenant.

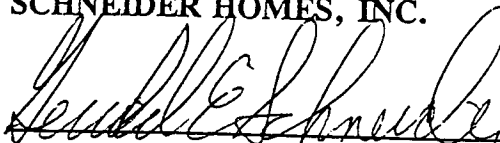
X. INDEMNIFICATION OF OFFICERS AND DIRECTORS

No director shall be personally liable to the corporation or to any of its members for monetary

damages for conduct as a director; provided that this provision shall not eliminate or limit the liability of a director for acts or omissions that involve intentional misconduct by the director or a knowing violation of law by a director or 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. In addition to and without limiting the foregoing, to the full extent permitted by law, each officer and director of this corporation shall be indemnified by the corporation from and on account of any liability for acts or omissions occurring during the course of business or activities undertaken on behalf of the corporation. This indemnification shall include indemnification against all costs and expenses, including attorneys' fees, litigation costs, civil penalties, fines and other charges incurred incident thereto. However, this indemnification shall not apply in any action by or on behalf of the corporation against an officer or director in which action the officer or director has been adjudged liable to the corporation or to any proceeding charging improper personal benefit to the officer or director, whether or not involving action in the officer's or director's official capacity, in which proceeding the officer or director has been adjudged liable on the basis of the officer's or director's improper receipt of a personal benefit. To the extent that it is necessary for the directors to implement this indemnification, at the request of an officer or director, the directors shall take such action as is appropriate and allowable to implement this indemnification.

DATED: May 18, 2000.

SCHNEIDER HOMES, INC.



Gerald E. Schneider, President

Consent to Serve as Registered Agent

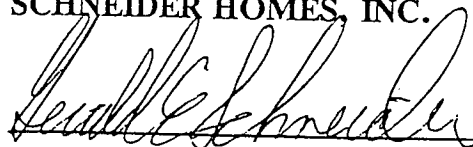
Schneider Homes, Inc. hereby consents to act as Registered Agent for:

Village Square at Lea Hill Condominium Association,
a Washington nonprofit corporation.

We understand that as agent for the corporation, it will our my responsibility to receive service of process in the name of the corporation, to forward all mail to the corporation; and to immediately notify the office of the Secretary of State in the event of our resignation, or of any changes in the registered office address of the corporation for which we are agent.

DATED: May 18, 2000.

SCHNEIDER HOMES, INC.



Gerald E. Schneider, President

6510 Southcenter Blvd., Suite 1
Tukwila, WA 98188