

FILED/EFFECTIVE
FEB 4 2 43 PM '00

SECRETARY OF STATE
SIXTH FLOOR
BOISE, IDAHO 83726

ARTICLES OF MERGER

MERGING

HOME MORTGAGE LTD., INC., NATIONAL MORTGAGE OF TWIN FALLS, INC., AND NATIONAL MORTGAGE OF HAILEY, INC.,
all Idaho corporations,

WITH AND INTO

NATIONAL MORTGAGE OF IDAHO, INCORPORATED,
an Idaho corporation

*In accordance with Section 30-1-1101 of the
Idaho Business Corporation Act*

NATIONAL MORTGAGE OF IDAHO, INCORPORATED, an Idaho corporation, DOES
HEREBY CERTIFY as follows:

1. The constituent corporations (the "Constituent Corporations") in the merger (the "Merger") are Home Mortgage Ltd., Inc., an Idaho corporation ("Home Mortgage"), National Mortgage of Twin Falls, Inc., an Idaho corporation ("Twin Falls"), and National Mortgage of Hailey, Inc., an Idaho corporation ("Hailey") (Home Mortgage, Twin Falls and Hailey are referred to collectively as the "Disappearing Corporations") and National Mortgage of Idaho, Incorporated ("National Mortgage" or the "Surviving Corporation").
2. An Agreement and Plan of Merger (the "Merger Plan") has been duly authorized and approved by the Board of Directors of each of the Constituent Corporations in accordance with Section 30-1-1101 of the Idaho Business Corporation Act (the "IBCA"). The Merger Plan is attached hereto as Exhibit A and is incorporated herein by this reference.
3. Pursuant to the Merger Plan, the Disappearing Corporations are being merged with and into National Mortgage, with National Mortgage being the Surviving Corporation in the Merger.
4. The shareholders of National Mortgage, the Surviving Corporation in the Merger, were not required to approve the Merger pursuant to the provisions of Section 30-1-1103(7) of the IBCA.
5. No stock has been issued with respect to Twin Falls and Hailey; therefore, no shareholder approval is required for Twin Falls and Hailey.

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6. The Merger Plan has been approved and adopted by the shareholders of Home Mortgage, as required by Section 30-1-1103 of the IBCA. The vote of the shareholders of Home Mortgage is as follows:

- There were 1,000 shares of common stock, no par value of Home Mortgage entitled to be cast on the Merger Plan;
- One hundred percent (100%) of the outstanding common shares were cast for the adoption of the Merger Plan and approval of the Merger.

7. The Merger shall become effective as of 12:01 a.m., Mountain Time on the later of (i) the date a copy of these Articles of Merger are filed with the Idaho Secretary of State, or (ii) the date these Articles of Merger are filed with the Idaho Secretary of State.

IN WITNESS WHEREOF, National Mortgage of Idaho, Incorporated, has caused these Articles of Merger to be executed by its duly authorized President this 31 day of January, 2000.

**NATIONAL MORTGAGE OF IDAHO,
INCORPORATED**

By: _____

Bonnie Ann Moore
Bonnie Ann Moore
President

AGREEMENT AND PLAN OF MERGER

Effective January 1, 2000, National Mortgage of Idaho, Incorporated, an Idaho corporation ("National Mortgage"), Home Mortgage Ltd., Inc., an Idaho corporation ("Home Mortgage"), National Mortgage of Twin Falls, Inc., an Idaho corporation ("Twin Falls"), and National Mortgage of Hailey, Inc., an Idaho corporation ("Hailey") agree as follows:

1. BACKGROUND.

1.1 Agreement and Plan of Merger. National Mortgage, Home Mortgage, Twin Falls and Hailey have entered into this Agreement and Plan of Merger ("Plan of Merger") which provides for the merger of Home Mortgage, Twin Falls and Hailey with and into National Mortgage.

1.2 Board Approval. The Boards of Directors of National Mortgage, Home Mortgage, Twin Falls and Hailey, respectively, and the Shareholder of Home Mortgage, have approved the merger of Home Mortgage, Twin Falls and Hailey with and into National Mortgage and the consummation of the transactions contemplated by this Plan of Merger, upon the terms and subject to the conditions set forth in this Plan of Merger. No capital stock has been issued in either Twin Falls or Hailey.

2. THE MERGER.

2.1 The Merger. Upon the terms and subject to the conditions of this Plan of Merger, at the Effective Time (as defined in Section 2.2), in accordance with the Idaho Business Corporation Act, as amended ("IBCA"), Home Mortgage, Twin Falls and Hailey shall be merged with and into National Mortgage and the separate existence of each of Home Mortgage, Twin Falls and Hailey shall thereupon cease ("Merger"). National Mortgage shall be the surviving corporation in the Merger (sometimes identified herein as the "Surviving Corporation").

2.2 Effective Time of the Merger. The Merger shall become effective as of 12:01 AM, Mountain Time on the date a copy of this Plan of Merger and the requisite Articles of Merger pursuant to Section 30-1-1105 of the IBCA and any other documents necessary to effect the Merger in accordance with the IBCA are filed with the Secretary of State of the State of Idaho (the "Effective Time").

2.3 Effects of Merger. The Merger shall have the effects set forth in Section 30-1-1106 of the IBCA and all other applicable laws.

3. SURVIVING CORPORATION.

3.1 Articles of Incorporation. At the Effective Time, the Articles of Incorporation of National Mortgage, as in effect immediately prior to the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation until duly amended.

3.2 Bylaws. At the Effective Time, the Bylaws of National Mortgage, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until duly amended.

3.3 Directors and Officers. At and after the Effective Time, the directors and officers of National Mortgage immediately prior to the Effective Time shall be the directors and officers of the Surviving Corporation, in each case until their respective successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Surviving Corporation's Articles of Incorporation and Bylaws.

4. SHARES.

4.1 Cancellation of Home Mortgage Shares. Upon the Effective Time, each share of stock of Home Mortgage issued and outstanding immediately prior to the Effective Time shall (without further action of Home Mortgage or the Surviving Corporation) thereupon be cancelled.

4.2 No Change to National Mortgage Shares. Upon the Effective Time, each shareholder of National Mortgage, the Surviving Corporation, will hold the same number of shares immediately after the Merger as held immediately prior to the Merger.

5. INTERPRETATION.

5.1 Amendment. This Plan of Merger may be amended by an instrument in writing signed on behalf of each of the parties.

5.2 Notices. All notices and other communications ("Notices") under this Plan of Merger (i) shall be in writing, and (ii) shall be addressed or delivered to the following relevant address or at such other address as shall be given in writing by a party to the other:

5.2.1 If to National Mortgage: Bonnie Ann Moore
President
National Mortgage of Idaho, Incorporated
1547 Palos Verdes, Suite 251
Walnut Creek, CA 94596

with copy to:

Brian L. Ballard
Hawley Troxell Ennis & Hawley LLP
877 West Main Street, Suite 1000
P.O. Box 1617
Boise, Idaho 83702

**5.2.2 If to Home Mortgage,
Twin Falls or Hailey:**

Bonnie Ann Moore
President
Home Mortgage Ltd., Inc.
1547 Palos Verdes, Suite 251
Walnut Creek, CA 94596

Notices complying with the provisions of this Section shall be deemed to have been delivered (i) upon the date of delivery if delivered in person or by facsimile, or (ii) on the date of the postmark on the return receipt if deposited in the United States Mail, with postage prepaid for certified or registered mail, return receipt requested.

5.3 Interpretation. This Plan of Merger (and the other documents and instruments referenced in this Plan of Merger) (i) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, regarding the subject matter of the agreements, (ii) shall not be assigned by operation of law or otherwise without the prior written consent of the other parties, and (iii) shall be governed in all respects, including validity, interpretation and effect, by the laws of the State of Idaho (without giving effect to the provisions thereof relating to conflicts of law); *provided, however*, that the Merger shall be governed by the laws of the State of Idaho and the State of Wyoming, as applicable.

5.4 Counterparts. This Plan of Merger may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

5.5 Parties in Interest. This Plan of Merger shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective permitted successors and assigns. Nothing in this Plan of Merger, express or implied, is intended to confer upon any other person any rights, benefits or remedies of any nature whatsoever under or by reason of this Merger Plan.

IN WITNESS WHEREOF, the undersigned have caused this Agreement and Plan of Merger to be duly executed by their authorized officers, as of the dates set forth below, effective as of January 1, 2000.

NATIONAL MORTGAGE OF IDAHO,
INCORPORATED

Dated: 1-31, 2000

By: Bonnie Ann Moore
Bonnie Ann Moore, President

HOME MORTGAGE LTD., INC.

Dated: 1-31, 2000

By: Bonnie Ann Moore
Bonnie Ann Moore, President

NATIONAL MORTGAGE OF TWIN FALLS, INC.

Dated: 1-31, 2000

By: Bonnie Ann Moore
Bonnie Ann Moore, President

NATIONAL MORTGAGE OF HAILEY, INC.

Dated: 1-31, 2000

By: Bonnie Ann Moore
Bonnie Ann Moore, President