



Department of State.

CERTIFICATE OF MERGER OR CONSOLIDATION

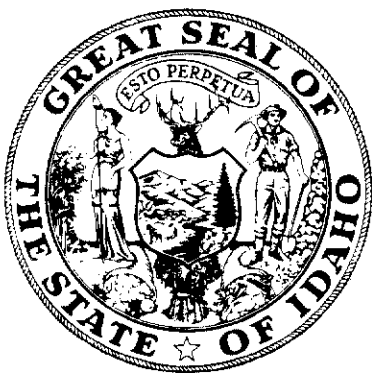
I, PETE T. CENARRUSA, Secretary of State of the State of Idaho hereby certify that duplicate originals of Articles of Consolidation of BLUFF CONDOMINIUM ASSOCIATION PHASE I, INC., BLUFF CONDOMINIUM ASSOCIATION PHASE II, INC., and BLUFF CONDOMINIUM ASSOCIATION PHASE III, INC.

into BLUFF CONDOMINIUM ASSOCIATION, INC.,

duly signed and verified pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this certificate of consolidation, and attach hereto a duplicate original of the Articles of Consolidation.

Dated March 18, 19 87.



Pete T. Cenarrusa

SECRETARY OF STATE

Corporation Clerk

ARTICLES OF CONSOLIDATION
OF DOMESTIC CORPORATIONS INTO
BLUFF CONDOMINIUM ASSOCIATION, INC.

Pursuant to Chapter III of Title 30, Idaho Code, and Section 30-1-74 of the Idaho Business Corporation Act, the undersigned corporations adopt the following Articles of Incorporation for the purpose of consolidating them into a new corporation:

FIRST: The following Plan of Consolidation was approved by the board of directors and the members of each of the undersigned Idaho non-profit membership corporations in the manner prescribed by the Idaho Business Corporation Act:

1. NAMES OF CONSOLIDATING AND NEW CORPORATIONS. The names of the corporations proposing to consolidate are Bluff Condominium Association Phase I, Inc., an Idaho non-profit membership corporation; Bluff Condominium Association Phase II, Inc., an Idaho non-profit membership corporation; and Bluff Condominium Association Phase III, Inc., an Idaho non-profit membership corporation. The name of the new corporation into which the consolidating corporations propose to be consolidated is Bluff Condominium Association, Inc., an Idaho non-profit membership corporation.

2. CONSENT TO USE OF NAME. The consolidating corporations hereby consent to the use of the name of "Bluff Condominium Association" by the new corporation.

3. TERMS AND CONDITIONS OF PROPOSED CONSOLIDATION. The terms and conditions of the proposed consolidations are as follows:

(a) The consolidating corporations will convey to the new corporation all of the assets of every nature, kind and description to the consolidating corporations. The cash assets of each consolidating corporation shall be credited to the expense account for maintaining the common area of that Phase of the Bluff Condominiums.

(b) The new corporation will assume all of the debts, obligations, and liabilities of the consolidating corporations including the rights, powers and obligations under the condominium declarations for Bluff Condominiums Phase I, recorded as Instrument No. 209715 in the records of Blaine County, Idaho;

the condominium declarations for Bluff Condominiums Phase II, recorded as Instrument No. 216417 in the records of Blaine County, Idaho; and the condominium declarations of Bluff Condominium Phase III, recorded as Instrument No. 220844 in the records of Blaine County, Idaho, and a new corporation will indemnify and hold harmless the consolidating corporations of and from any further liability for said debts and obligations.

(c) This new corporation will immediately assume responsibility for the maintenance of all "common areas" of Bluff Condominiums Phase I, Bluff Condominiums Phase II, and Bluff Condominiums Phase III in accordance with the above-described condominium declarations.

(d) All memberships of the consolidating corporations will be exchanged for memberships in the new corporation which shall carry the same voting rights with the same number of votes as each existing membership now has in the consolidating corporations. The number of votes of each new membership in the new corporation will be computed in the manner prescribed by the condominium declaration of the Bluff Condominium Phase in which the member is an owner. As the number of votes of each member of the consolidating corporations will be the same in the new corporation, and as there are presently ten thousand (10,000) votes in each of the consolidating corporations, there will be a total of thirty thousand (30,000) votes in the new corporation.

(e) The 1986 assessments of the consolidating corporations shall remain unchanged as heretofore levied by the consolidating corporations, and collected by the consolidating corporations or by the new corporation after consolidation. Such collected assessments shall be the property of the new corporation.

Commencing in 1987 the new corporation shall maintain expense books and make separate assessments for each Phase I, Phase II and Phase III of the Bluff Condominiums. The new corporation will assess the owner-members of Phase I for the expenses of Phase I, and will assess the owner-members of Phase II for the expenses of Phase II, and will assess owner-members of Phase III for the expenses of Phase III of the Bluff Condominiums. General expenses of the new corporation, and the costs of this consolidation, will be assessed one-third (1/3) to the owner-members of each Phase I, Phase II and Phase III of the Bluff Condominiums.

(f) The initial board of directors of the new corporation who will execute the Articles of Incorporation will be three (3) in number, one of whom shall be a representative of each of the three consolidating corporations. All future members of the board of directors of the new corporation shall be elected in number and in the manner prescribed by the Bylaws of the new corporation and pursuant to Idaho law.

(g) It is intended by this proposed consolidation that the new corporation shall have all of the rights, powers, and obligations of the "ASSOCIATION" under the declarations for Bluff Condominiums Phase I, Phase II and Phase III, as a "successor and assign" of the consolidating corporations pursuant to Section 2.10 of each of the above-described condominium declarations.

4. MANNER OF CONVERTING MEMBERSHIPS. Every membership in each of the three (3) consolidating corporations shall be exchanged and converted into a new membership of the new corporation and the voting rights of each new membership shall be the same as the voting rights now held in the consolidating corporation. There shall be no exchange in whole or part for cash or other property.

5. ARTICLES OF INCORPORATION OF NEW CORPORATION. The Articles of Incorporation of the new corporation are attached hereto as Exhibit "A" and incorporated by reference herein.

6. EXPENSES OF CONSOLIDATION. All expenses of this consolidation including legal fees shall be paid for by the new corporation from the assets of the consolidating corporations conveyed to the new corporation.

SECOND: As to each of the undersigned corporations, the number of votes of memberships outstanding and the designation of each class entitled to vote as a class on such plan are as follows:

<u>Name of Corporation</u>	<u>Number of Memberships Outstanding</u>	<u>Designation of Class</u>	<u>Votes Entitled to Vote</u>
Bluff Condominium Phase I, Inc.	44	All One Class	10,000
Bluff Condominium Phase II, Inc.	30	All One Class	10,000
Bluff Condominium Phase III, Inc.	28	All One Class	10,000

THIRD: As to each of the undersigned corporations, the board of directors approved the above plan of consolidation and the total number of votes of membership which were voted for and against such plan are as follows:

<u>Name of Corporation</u>	<u>Membership Voted For</u>	<u>Membership Voted Against</u>	<u>Total Votes For</u>	<u>Total Votes Against</u>
Bluff Condominium Phase I, Inc.	29	4	7647	2353
Bluff Condominium Phase II, Inc.	16	5	7134	2866
Bluff Condominium Phase III, Inc.	17	7	8435	1565

Dated this 31st day of December, 1986.

BLUFF CONDOMINIUM PHASE I, INC.

By CTJweee
Its President

ATTEST:

By Gary Wilson
Its Secretary

BLUFF CONDOMINIUM PHASE II, INC.

By CTJweee
Its President

ATTEST:

By Gary Wilson
Its Secretary

BLUFF CONDOMINIUM PHASE III, INC.

By CTJweee
Its President

ATTEST:

By Gary Wilson
Its Secretary

ARTICLES OF CONSOLIDATION - 4.

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO)

County of Ada)

ss.

On this 10th day of February, 1987, before me, the undersigned, a Notary Public in and for said state, personally appeared CT Jewell and Gary Atkin, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Bluff Condominium Association Phase I, Inc., an Idaho corporation, and further declared that they signed the foregoing document as officers of said corporation, and that the statements therein contained are true.

SUBSCRIBED AND SWORN TO Before me this 10th day of February, 1987.

By Robert A. [Signature]
Notary Public for Idaho
Residing at Bonanza, Idaho.

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO)

County of Ada)

ss.

On this 10th day of February, 1987, before me, the undersigned, a Notary Public in and for said state, personally appeared CT Jewell and Gary Atkin, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Bluff Condominium Association Phase II, Inc., an Idaho corporation, and further declared that they signed the foregoing document as officers of said corporation, and that the statements therein contained are true.

SUBSCRIBED AND SWORN TO Before me this 10th day of February, 1987.

By Robert A. [Signature]
Notary Public for Idaho
Residing at Bonanza, Idaho.

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO)

County of Ada)

ss.

On this 10th day of February, 1986, before me, the undersigned, a Notary Public in and for said state, personally appeared CT Jewell and Gary Atkins, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Bluff Condominium Association Phase III, Inc., an Idaho corporation, and further declared that they signed the foregoing document as officers of said corporation, and that the statements therein contained are true.

SUBSCRIBED AND SWORN TO Before me this 10th day of February, 1987.

By

Robert M. E
Notary Public for Idaho

Residing at Boise, Idaho.

ARTICLES OF INCORPORATION
OF
BLUFF CONDOMINIUM ASSOCIATION, INC.

WHEREAS Articles of Consolidation of Domestic Corporations have been filed following approval of the Board of Directors and members of the three consolidating corporations of the plan of consolidation, all in accordance with the provisions of Title 30, Chapter 1 of the Idaho Code, now, therefore, the following Articles of Incorporation are hereby certified, declared and adopted.

ARTICLE I

The name of the corporation is: BLUFF CONDOMINIUM ASSOCIATION, INC.

ARTICLE II

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

ARTICLE III

This corporation shall be a non-profit membership corporation.

ARTICLE IV

The location and post office address of the registered office of this corporation shall be Ranch Clubhouse, Morningstar Rd., Elkhorn at Sun Valley, Idaho, 83353, and its registered agent at that address shall be Charles Williamson.

ARTICLE V

This corporation is formed to be a Management Body as permitted by the provisions of the Idaho Condominium Property Act, Idaho Code, Title 55, Chapter 15 and its powers are and shall be consistent with the provisions of this Act.

ARTICLE VI

(A) The nature of the business and the object and purpose of this corporation shall be as follows:

(a) This corporation (hereinafter referred to as the Association) shall be the "Management Body" as defined in Section 55-1503, Idaho Code, and as provided for in the terms and conditions of the Condominium Declarations for Bluff Condominiums, recorded as Instrument Nos. 209715, 216417, and 220844, in the records of Blaine County, Idaho, (hereinafter collectively referred to as the "Declarations") executed by the Bluff Development Company, which delegate and authorize this Association to exercise certain functions as the Management Body.

(b) The Association shall have the power to have, exercise and enforce all rights and privileges, and to assume, incur, perform, carry out and discharge all duties, obligations and responsibilities of a Management Body as provided for in the Idaho Condominium Property Act and in the Declarations, as such Declarations are originally executed or, if amended, as amended. The Management Body shall have the power to adopt and enforce rules and regulations covering the use of any condominium project or any area or units thereof, to levy and collect the annual and special assessments and charges against the condominiums and the members thereof and in general to assume and perform all the functions to be assumed and performed by the Management Body as provided for in the Declarations. It shall have the power to transfer, assign or delegate such duties, obligations or responsibilities to other persons or entities as permitted or provided for in the Idaho Condominium Property Act, the Declarations, or in an agreement executed by the Association with respect thereto. The Management Body shall actively foster, promote, and advance the interest of owners of condominium units within the condominium project.

(B) In addition to the foregoing, where not inconsistent with either the Idaho Condominium Property Act (Chapter 15, Title 55, Idaho Code) or Title 10, Idaho Code, the corporation shall have the following powers:

(a) The authority set forth in Title 30 of the Idaho Code relating to the organization and conduct of general business corporations.

(b) To buy, sell, acquire, hold or mortgage or enter into security agreements, pledge, lease, assign, transfer, trade and deal in and with all kinds of personal property, goods, wares and merchandise of every kind, nature and description.

(c) To buy, sell, lease, let, mortgage, exchange or otherwise acquire or dispose of lands, lots, houses, buildings and real property, hereditaments and appurtenances of all kinds and wheresoever situated, and of any interest and rights therein, to the same extent as natural persons might or could do, and without limit as to amount.

(d) To borrow money, to draw, make, accept, enforce, transfer and execute promissory notes, debentures and other evidences of indebtedness, and for the purpose of securing any of its obligations or contracts, to convey, transfer, assign, deliver, mortgage and/or pledge all or any part of the property or assets, real or personal, at any time owned or held by this corporation.

(e) To have one or more offices to carry on all or any part of its operations and business, and to do all and everything necessary, suitable, convenient or proper for the accomplishment of any of the purposes, or the attainment of any one or more of the objects herein named, or which shall at any time appear conducive or expedient for the protection or benefit of the Association, and which now or hereafter may be authorized by law, and this to the same extent and as fully as natural persons might or could do, as principals, agents, contractors, trustees or otherwise, and either alone or in connection with any firm, person, association or corporation.

(f) The foregoing clauses are to be construed both as objects and powers. As hereby expressly provided, an enumeration herein of the objects, powers and purposes shall not be held to restrict in any manner the general powers of the corporation. The corporation shall have the power to do all acts that are necessary and convenient to obtain the objects and purposes herein set forth to the same extent and as fully as any natural person could or might do, within the framework of the Idaho Condominium Property Act, these Articles of Incorporation, and the general corporation laws of the state of Idaho.

ARTICLE VII

MEMBERSHIP CERTIFICATES, VOTING POWER, AND DETERMINATION OF PROPERTY RIGHTS AND INTERESTS

Section 1. Each member shall be entitled to receive a certificate of membership, which certificate shall state the number of votes he is entitled to cast as a member of the Association.

Section 2. There shall be one membership in the corporation for each condominium in Bluff Condominiums Phase I, Bluff Condominiums Phase II, and Bluff Condominiums Phase III as established in the Declarations. The members of the corporation must be and remain owners of condominiums within the project set forth in the Declarations recorded in Blaine County, state of Idaho, and the Association shall include all owners of condominiums within the project. If title to a condominium is held by more than one person, the membership relating to that condominium shall be shared by all such persons in the same proportionate interest and the same type of tenancy in which the title to the condominium is held.

Section 3. No person or entity other than an owner may be a member of the Association. A member shall not assign or transfer his membership certificate except in connection with the transfer or sale of a condominium. Every person or entity who is an owner of any condominium unit included in any condominium project for which the Association has been or may be designated as a Management Body shall be required to be a member of the Association and remain a member so long as such person or entity shall retain the ownership of the condominium unit. Membership in the Association is declared to be appurtenant to the title of the condominium unit upon which such membership is based and automatically shall pass with the sale or transfer of the title of the unit. Members shall not have preemptive rights to purchase other memberships in the Association or other condominium units in the project.

Section 4. The voting rights and interests of a member of the Association shall be determined by the owner member's percentage interest in the "common area" of the Bluff Condominium Phase project described in the Declarations, as the term "Common Area" is defined in Section 55-1503 of the Idaho Code; therefore, the voting rights and interests of each member owner will not in all cases be equal. The Declarations, or an exhibit attached thereto, set forth the percentage interest of each member in the "common area" of the Bluff Condominium Phase in which he is an owner, which interest depends upon the number and type of condominium units. The voting rights and interests of new members shall be determined in the same way as such percentage interests and rights were determined for old members.

Section 5. The total number of votes that attach to membership certificates shall be exercised by the members of the corporation from and after the date of the incorporation. Each member shall be entitled to vote the same percentage of 10,000 votes as he is given percentage in the "common area" of the particular phase of the Bluff Condominiums in which he is an owner. As there are three (3) phases of the Bluff Condominiums, there are 30,000 votes of members of the Association.

ARTICLE VIII

Each member shall be liable for the payment of Assessments provided for in the Declarations and for the payment and discharge of the liabilities of the corporation as provided for in the Declarations, the Idaho Condominium Property Act (Title 55, Chapter 15) and as set forth in the Bylaws of the Corporation; PROVIDED, the costs and expenses for maintaining the "common area" of each Phase of the Bluff Condominiums shall be assessed against the owner-members of that Phase of the Bluff Condominiums. The general expenses of the Corporation, and the costs of this incorporation and consolidation, shall be assessed one-third (1/3) to the owner-members of each Phase I, Phase II and Phase III of the Bluff Condominiums based upon their respective number of votes as determined under Sections 4 and 5 of Article VII of these Articles of Incorporation.

ARTICLE IX

The Bylaws of this Corporation may be altered, amended, or new Bylaws adopted by any regular or any special meeting of the corporation called for that purpose by the affirmative vote of two-thirds (2/3) of the members present at such meeting. The Bylaws may also be amended or repealed, or new Bylaws adopted, at any meeting of the Board of Directors by the vote of at least a majority of the entire Board; provided that any Bylaw adopted by the Board may be amended or repealed by the stockholders in the manner set forth above.

Any proposal to amend or repeal these Bylaws or to adopt new Bylaws shall be stated in the notice of the meeting of the Board of Directors or the members, or in the waiver of notice thereof, as the case may be, unless all the directors or the members are present at such meeting.

ARTICLE X

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 corporation and the members thereof including the liability of the members for the payment of assessments, the Bylaws may incorporate by reference the provisions of the Declarations recorded in Blaine County, state of Idaho, provided that a true and correct copy of such Declarations is attached to and made a part of the Bylaws of the corporation.

ARTICLE XI

The business and affairs of the Association shall be managed and controlled by a Board of Directors. The original Board

of Directors shall be three (3); however, the Bylaws of the Association may provide for an increase or decrease in their number, provided that the number of directors shall not be greater than nine (9) or less than three (3). The names and addresses of the initial Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
C. T. Jewell	2025 Harrison Blvd. Boise, Idaho 83702
Gary D. Atkins	6062 Morris Hill Lane Boise, Idaho 83704
Holmes Lundt	6062 Morris Hill Lane Boise, Idaho 83704

ARTICLE XII

No part of the net earnings of the Association shall inure (other than by acquiring, constructing or providing management, maintenance and care of property held by the Association, commonly held by the members of the Association or located in the development and owned by members of the Association, and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any private member or individual.