

FILED

ARTICLES OF MERGER

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SECRETARY OF STATE
STATE OF IDAHO

PURSUANT TO THE PROVISIONS of Idaho Code §30-3-101, the undersigned nonprofit corporations have adopted the following Articles of Merger for the purpose of merging them into one of such corporations:

1. A Plan of Merger was approved by each of the undersigned nonprofit corporations, a copy of which is attached hereto as Exhibit A, and by this reference made a part hereof.

2. As to each of the undersigned corporations, the Plan of Merger was adopted by the undersigned corporations at a joint meeting of its members held on December 26, 1997. There is one class of members for each corporation. The number of members outstanding, number of votes entitled to be cast by the members, and the total numbers of votes cast for and against the plan is attached hereto as Exhibit B, and by this reference made a part hereof. The number cast for the plan by the members of each corporation was sufficient for approval.

The effective date of the merger is January 1, 1998.

IN WITNESS WHEREOF, these Articles of Merger have been executed on the day and year first above written.

Arrowwood Condominiums Phase I
Association, Inc.

By *Richard K. ...*
President

By *Patricia Morrow*
Secretary

Arrowwood Condominiums Phase II
Association, Inc.

By *Richard K. ...*
President

By *Patricia Morrow*
Secretary

IDAHO SECRETARY OF STATE

02/17/1998 09:00

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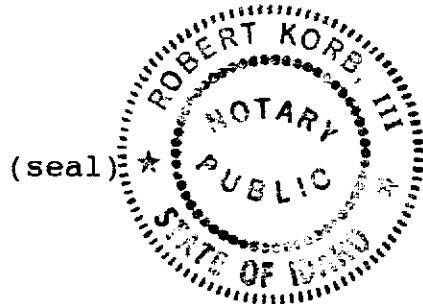
1 @ 30.00 = 30.00 MERGER

C 112655

STATE OF IDAHO)
) ss.
County of Blaine)

On this 27th day of January, 1998, before me, the undersigned, a Notary Public in and for said State, personally appeared Richard H. Kassebaum and Patricia Morrow, President and Secretary of Arrowwood Condominiums Phase I Association, Inc., and President and Secretary of Arrowwood Condominiums Phase II Association, Inc., and known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Robert Korb
NOTARY PUBLIC for Idaho
Residing at Ketchum
Commission Expires 4-16-2003

EXHIBIT A

PLAN OF MERGER

This Agreement made this 5th day of December, 1997, by and between Arrowwood Condominiums Phase I Association, Inc., an Idaho nonprofit corporation, and Arrowwood Condominiums Phase II Association, Inc., an Idaho nonprofit corporation.

RECITALS

1. Arrowwood Condominiums Phase I Association, Inc., is the management body of Arrowwood Condominiums Phase I, Blaine County, Idaho, and Arrowwood Condominiums Phase II Association, Inc., is the management body of Arrowwood Condominiums Phase II, Blaine County, Idaho.

2. Arrowwood Condominiums Phase I and Arrowwood Condominiums Phase II are similar condominium projects containing an aggregate of thirty eight (38) condominium units and are adjacent to one another.

3. The Associations' and their respective boards desire to merge and be consolidated for convenience, to avoid duplication of management duties and to reduce costs as provided hereinafter.

FOR VALUABLE CONSIDERATION RECEIVED, the parties agree as follows:

1. Upon the approved by 2/3 of the votes cast or a majority of the voting power of the members of each Association at a meeting called for such purposes, the Associations shall be merged into the surviving nonprofit corporation Arrowwood Condominiums Phase II Association, Inc., and subsequently its name changed to Arrowwood Condominiums Association, Inc.

2. The Articles of Incorporation and Bylaws of Arrowwood Condominiums Phase II Association shall be the Articles and Bylaws of Arrowwood Condominium Phase I Association, Inc. following the effective date of the merger until the same shall be altered or amended.

a. The directors of Arrowwood Condominiums Phase I and Phase II in office on the effective date of the merger shall continue in office and shall constitute the directors of Arrowwood Condominiums Phase II Association, Inc., for the term elected until their respective successors shall be elected or appointed and qualified.

b. On the effective date of the merger Arrowwood Condominiums Phase II Association, Inc. shall possess all the rights, authority, and powers of Arrowwood Condominiums Phase I

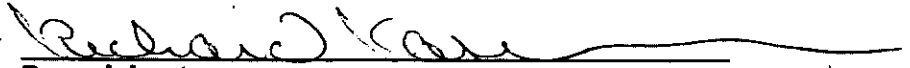
Association, Inc., and all the property and all debts due and in all and every other interest of belonging to or due to Arrowwood Condominiums Phase I Association, Inc., which shall be deemed to be transferred to and vested in Arrowwood Condominiums Phase II Association, Inc., without further act or deed.

c. On the effective date of the merger, Arrowwood Condominiums Phase II Association, Inc., shall be deemed responsible and liable for all the liabilities and obligations of Arrowwood Condominiums Phase I Association, Inc. and any claims existing by or against such corporation may be prosecuted to judgment as if the merger had not taken place, or Arrowwood Condominiums Phase II Association, Inc., may be substituted in place of Arrowwood Condominiums Phase I, Association, Inc. The rights of creditors shall not be impaired by this merger.

3. All condominium owners of Arrowwood Condominiums Phase I and Phase II shall be members of Arrowwood Condominiums Phase II Association, Inc., as provided by its Articles and Bylaws and the allocation of common area and voting rights for both Phase I and Phase II shall be as set forth on Exhibit B as amended by the Amendment to Condominium Declarations for Arrowwood Condominiums Phase I and Phase II, a copy of which is attached hereto as Exhibit A and by this reference made a part hereof.

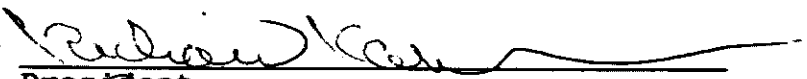
IN WITNESS WHEREOF, this agreement has been executed on the day and year first above written.

Arrowwood Condominiums Phase I
Association, Inc.

By 
President

By 
Secretary

Arrowwood Condominiums Phase II
Association, Inc.

By 
President

By 
Secretary

EXHIBIT "B"

Number of Members:

Phase I -- 16 Members
Phase II -- 22 members

Number of Votes entitled to be cast:

Phase I -- 10,000 votes
Phase II -- 10,000 votes

Votes cast for the plan:

Phase I -- 10,000 votes
Phase II -- 10,000 votes

Votes cast against the Plan:

Phase I -- -0- votes
Phase II -- -0- votes