

ARTICLES OF CONSOLIDATION
OF DOMESTIC CORPORATIONS INTO
FAIRWAY NINE II CONDOMINIUM ASSOCIATION, INC.

Pursuant to Chapter 3 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 Fairway 9 Condominiums Phase IV Association, Inc., an Idaho non-profit membership corporation, Fairway 9 Condominiums Phase V Association, Inc., an Idaho non-profit membership corporation, and Fairway 9 Condominiums Phase VI Association, Inc., an Idaho non-profit membership corporation. The name of the new corporation into which the consolidating corporations propose to be consolidated is Fairway Nine II 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 "Fairway Nine II 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 their assets of every nature, kind and description to the consolidating corporations. All consolidating corporations will contribute an equal proportionate share of cash and assessments receivable, based upon square footage of condominium units, to the new corporation. This will be accomplished either by special assessment or preferably adjusting capital

reserve allocations that would provide cash within one year. Once equal proportions have been contributed by each corporation, then all cash accounts will merge, and all accounting will be maintained as one association in the new corporation.

(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 Fairway 9 Condominiums Phase IV, recorded as Instrument No. 301343 in the records of Blaine County, Idaho; the condominium declarations for Fairway 9 Condominiums Phase V, recorded as Instrument No. 314100 in the records of Blaine County, Idaho; and the condominium declarations of Fairway 9 Condominiums Phase VI, recorded as Instrument No. 322259 in the records of Blaine County, Idaho, and the 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 Fairway 9 Condominiums Phase IV, Fairway 9 Condominiums Phase V, and Fairway 9 Condominiums Phase VI in accordance with the * above-described condominium declarations.

(d) All memberships of the consolidating corporations will be exchanged for memberships in the new corporation, but the new memberships shall have one vote each, regardless of the size of the condominium unit. As there will be 28 condominium units in the new corporation, there will likewise be 28 membership votes in the new corporation.

(e) The 1990 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.

(f) Commencing in 1991, the new corporation shall make equal assessments on its members based upon the square footage of each condominium unit so that the assessments for all like units shall be equal in amount.

(g) The initial Board of Directors of the new corporation who will execute the Articles of Incorporation will be five (5) in number. 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.

(h) 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 Fairway 9 Condominiums Phase IV, Phase V, and Phase VI, 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 which shall have one vote per membership, regardless of the size of the condominium unit. There shall be no exchange in whole or in 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 and from future assessments.

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>
Fairway 9 Condominiums Phase IV Association, Inc.	<u>10</u>	All One Class	10
Fairway 9 Condominiums Phase V Association, Inc.	<u>14</u>	All One Class	14
Fairway 9 Condominiums Phase VI Association, Inc.	<u>4</u>	All One Class	4

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>
Fairway 9 Condominiums Phase IV Association, Inc.	<u>10</u>	<u>0</u>	<u>100%</u>	<u>0%</u>
Fairway 9 Condominiums Phase V Association, Inc.	<u>10</u>	<u>0</u>	<u>71.4%</u>	<u>0%</u>
Fairway 9 Condominiums Phase VI Association, Inc.	<u>4</u>	<u>0</u>	<u>75%</u>	<u>0%</u>

DATED this _____ day of _____, 1991.

FAIRWAY 9 CONDOMINIUMS PHASE IV
ASSOCIATION, INC.

By Marshall Watson
Its President

ATTEST:

James D. Huber
Secretary

FAIRWAY 9 CONDOMINIUMS PHASE V
ASSOCIATION, INC.

By Marshall Watson
Its President

ATTEST:

James D. Huber
Secretary

FAIRWAY 9 CONDOMINIUMS PHASE VI
ASSOCIATION, INC.

By Marshall Watson
Its President

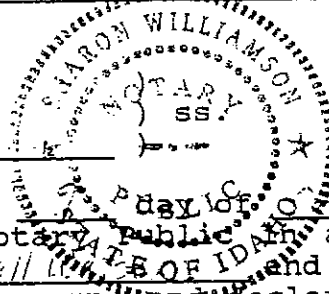
ATTEST:

James D. Huber
Secretary

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO

County of _____



On this 27 day of October, 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared Marshall [unclear] and _____, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Fairway 9 Condominiums Phase IV, IV & V Association, 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 27 day of October, 1991.

By Sharon Williamson
Notary Public for Idaho
Residing at _____, Idaho

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO Washington)
County of King) ss.

On this 2nd day of DECEMBER, 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared JAMES D. HUBER and _____, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Fairway 9 Condominiums Phase V, IV & V Association, 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 2nd day of December, 1991.

By Leidson Miller
Notary Public for Idaho
Residing at Mill Creek, Idaho WA

VERIFICATION AND ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 1991, before me, the undersigned, a Notary Public in and for said state, personally appeared _____ and _____, being by me first duly sworn, and declared that they are the President and Secretary, respectively, of Fairway 9 Condominiums Phase VI Association, 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 _____ day of _____, 1991.

By _____
Notary Public for Idaho
Residing at _____, Idaho

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Sun Valley, recorded in the records of Blaine County, Idaho, as Instrument No. 142929 as amended.

Section 10.3 Prohibition of Damage and Certain Activities. Nothing shall be done or kept in any Unit or in the Common Area or any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or increase the rate of insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Area or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body. No damage to or waste of the Common Area or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees; provided, however, that any invitee of the Declarant shall not under any circumstances be deemed to be an invitee of any other Owner. No noxious, destructive, or offensive activity shall be carried on in any Unit or in the Common Area or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project.

Section 10.4 Animals. The Association may by rules or regulations prohibit or limit the raising, breeding, or keeping of animals, livestock, or poultry in any Unit or on the Common Area or any part thereof.

Section 10.5 Rules and Regulations. No Owner shall violate the rules and regulations for the use of the Units and of the Common Area as adopted from time to time by the Association.

Section 10.6 Maintenance of Interiors. Each Owner shall keep the interior of his Unit, including, without limitation, interior walls, windows, glass, ceilings, floors, and permanent fixtures and appurtenances thereto, in a clean, sanitary, and attractive condition and good state of repair; shall keep the Limited Common Area designated for use in connection with his Unit in clean, sanitary, and attractive condition; and shall keep the heating equipment and water heater serving his Unit exclusively in a good state of maintenance and repair.

Section 10.7 Structural Alterations. No structural alterations to any Unit shall be made, and no plumbing, electrical, or similar work within the Common Area shall be done by any Owner without the prior written consent of the Association, except that an Owner may do such work as may be appropriate to maintain and repair Limited Common Area appurtenant to such Owner's Unit. Provided the review and approval of plans and specifications by the Association is first obtained, any Owner may construct a new deck or enlarge or repair an existing deck