

279947

**ARTICLES OF MERGER
Merger Sheet**

MERGING: -----

V.P. HOMES, INC., a Texas corporation, not qualified in Florida

INTO

PALM HARBOR HOMES, INC., a Florida corporation, 279947.

File date: March 27, 1997 , effective March 29, 1997

Corporate Specialist: Karen Gibson

Document Number Only

279947

FILED

97 MAR 27 PM 4:30

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

C T CORPORATION SYSTEM

Requestor's Name

660 East Jefferson Street

Address

Tallahassee, Florida 32301

City

State

Zip

Phone

600002126586--7
-03/28/97--01003--012
*****70.00 *****70.00

CORPORATION(S) NAME

Palm Harbor Homes, Inc

into

V.P. Homes, Inc

EFFECTIVE DATE

3-29-97

Profit

NonProfit

Limited Liability Company

Foreign

Amendment

Dissolution/Withdrawal

Merger

Mark

Limited Partnership

Reinstatement

Limited Liability Partnership

Certified Copy

Annual Report

Reservation

Photo Copies

Other

Change of R.A.

Fictitious Name

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Merger Today's date Please!
3/28

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EFFECTIVE DATE
3-29-97

ARTICLES OF MERGER
OF
DOMESTIC PARENT CORPORATION
AND FOREIGN SUBSIDIARY CORPORATION

FILED
97 MAR 27 PM 4:30
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to the provisions of Sections 607.1104 and 607.1105 of the Florida Business Corporation Act, the undersigned domestic corporation, Palm Harbor Homes, Inc., a Florida corporation (sometimes referred to herein as the "Company"), adopts the following Articles of Merger for the purpose of merging V.P. Homes, Inc., a Texas corporation (sometimes referred to herein as the "Subsidiary") and wholly-owned subsidiary of the Company, into the Company:

1. The names of the merging corporations and the states under the laws of which they are respectively organized are:

<u>Name of Corporation</u>	<u>State of Organization</u>
Palm Harbor Homes, Inc. (parent)	Florida
V.P. Homes, Inc. (subsidiary)	Texas

2. Palm Harbor Homes, Inc. shall be the corporation surviving the merger and shall continue its corporate existence under the laws of the State of Florida. The laws of the State of Texas, under which the Subsidiary is organized, permit the merger specified in these Articles.

3. The only outstanding shares of stock of the Subsidiary are 1,000 common shares, \$0.01 par value each, all of which are owned by the Company. Shareholder approval is not required.

4. There is attached hereto as Exhibit A a copy of the Agreement and Plan of Merger (the "Plan") and the Plan is incorporated herein by this reference. The Plan was approved by the Board of Directors of the Company on March 21, 1997 in the manner prescribed by the Florida Business Corporation Act and the Texas Business Corporation Act.

5. The Plan was delivered on or about March 21, 1997 to the Company, the sole shareholder of record of the Subsidiary. The Company has executed a waiver of the thirty day (30) waiting requirement as permitted by Section 607.1104 of the Florida Business Corporation Act.

6. The merger will become effective on March 29, 1997 at 8:00 a.m. in accordance with the provisions of 607.0123(2) of the Florida Business Corporation Act.

IN WITNESS WHEREOF, these Articles of Merger are dated to be effective as set forth above.

PALM HARBOR HOMES, INC.,
a Florida corporation

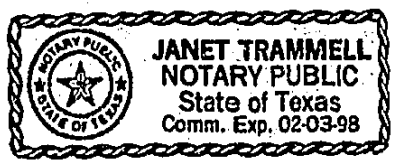
By: Lee Posey
Lee Posey, Chairman of the Board and
Chief Executive Officer

V. P. HOMES, INC.,
a Texas corporation

By: Lee Posey
Lee Posey, Chairman of the Board and
President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Lee Posey, being first duly sworn on oath, says that he is the Chairman of the Board and Chief Executive Officer of Palm Harbor Homes, Inc., a Florida corporation, that he makes this affidavit for and on behalf of said corporation for the reason that affiant is the Chairman of the Board and Chief Executive Officer thereof, that he has read the above and foregoing Articles of Merger, knows the contents thereof, and that the statements contained therein are true and correct.



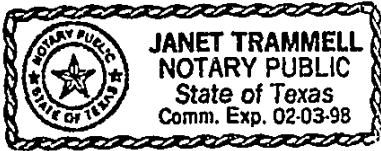
Janet Trammell
Notary Public, State of Texas

Janet Trammell
Printed Name of Notary Public

2-3-98
Commission Expires

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Lee Posey, being first duly sworn on oath, says that he is the Chairman of the Board and President of V.P. Homes, Inc., a Texas corporation, that he makes this affidavit for and on behalf of said corporation for the reason that affiant is the Chairman of the Board and President thereof, that he has read the above and foregoing Articles of Merger, knows the contents thereof, and that the statements contained therein are true and correct.



Janet Trammell
Notary Public, State of Texas

Janet Trammell
Printed Name of Notary Public

2-3-98
Commission Expires

D1995A/47222-1

EXHIBIT A

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Merger Agreement") is made as of this 21 day of March, 1997, by and between V.P. Homes, Inc., a Texas corporation with its principal place of business located at 15303 Dallas Parkway, Suite 800, Dallas, Texas 75248 (the "Subsidiary"), and Palm Harbor Homes, Inc., a Florida corporation with its principal place of business located at 15303 Dallas Parkway, Suite 800, Dallas, Texas 75248 (the "Corporation").

WHEREAS, the authorized capital stock of the Subsidiary consists of 1,000,000 common shares, \$.01 par value per share ("Subsidiary Common Stock"), 1,000 shares of which are issued and outstanding and owned in their entirety by the Corporation; and

WHEREAS, the Board of Directors of the Corporation deems the merger provided for herein to be desirable and in the best interests of the Corporation and the Subsidiary and by resolutions duly adopted, has approved and adopted this Merger Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements and covenants contained herein, the parties hereto agree as follows:

ARTICLE I

Section 1.1. At the Effective Time (as defined below), the Subsidiary shall be merged into the Corporation (the "Merger") in accordance with the provisions of this Agreement and the Texas Business Corporation Act and the Florida Business Corporation Act, and the separate existence of the Subsidiary shall thereupon cease. The Corporation shall be the corporation surviving the Merger (and in that capacity is sometimes referred to as the "Surviving Corporation") and shall continue its corporate existence under the laws of the State of Florida.

Section 1.2. The Merger shall become effective (the "Effective Time") on the later of March 29, 1997 or the date and at the time when duly executed Articles of Merger shall have been filed with the appropriate governmental authorities in the States of Texas and Florida.

Section 1.3. At the Effective Time, the Corporation, as the Surviving Corporation, (i) shall continue to possess all of its property, rights, privileges, immunities, powers and purposes and shall succeed to all of the property, rights, privileges, immunities, powers and purposes of the Subsidiary, and (ii) shall continue to be subject to all of its liabilities, obligations and penalties and shall succeed to all of the liabilities, obligations and penalties of the Subsidiary, all as more fully provided under the applicable provisions of the Texas Business Corporation Act and the Florida Business Corporation Act.

Section 1.4. The Surviving Corporation agrees that it may be served with process in the State of Texas in any proceeding for enforcement of any obligation of the Subsidiary as well as for enforcement of any obligation of the Surviving Corporation arising from the Merger, including any suit or other proceeding to enforce the right of any shareholder as determined in

appraisal proceedings and the Surviving Corporation irrevocably appoints the Secretary of State of Texas as its agent to accept service of process in any suit or other proceedings and specifies 15303 Dallas Parkway, Suite 800, Dallas, Texas 75248, as the address to which a copy of such process shall be mailed by the Secretary of State of Texas, unless the Surviving Corporation shall have designated in writing to the Secretary of State of Texas a different address for such purpose.

Section 1.5. If any shareholder of the Subsidiary lawfully elects to exercise or pursue his right of dissent from any of the corporate actions referred to in this Merger Agreement with respect to the shares of Subsidiary Common Stock owned by such shareholder, the Surviving Corporation will promptly pay to such dissenting shareholder the amount, if any, to which he shall be entitled under the provisions of the Texas Business Corporation Act with respect to the rights of dissenting shareholders.

ARTICLE II

Section 2.1. The Articles of Incorporation of the Corporation as in effect immediately before the Effective Time shall be the Articles of Incorporation of the Surviving Corporation after the Effective Time until further amended in accordance with law.

Section 2.2. The Bylaws of the Corporation, as in effect at the Effective Time, shall be the Bylaws of the Surviving Corporation.

Section 2.3. The directors of the Corporation at the Effective Time shall be the directors of the Surviving Corporation, to hold office subject to the Bylaws of the Surviving Corporation.

Section 2.4. The officers of the Corporation at the Effective Time shall continue as the officers of the Surviving Corporation, to hold office subject to the Bylaws of the Surviving Corporation.

ARTICLE III

Section 3.1. At the Effective Time, by virtue of the Merger and without any action on the part of the holders thereof:

(a) All of the outstanding shares of Subsidiary Common Stock, being the 1,000 shares of Subsidiary Common Stock now held by the Corporation, shall be cancelled and exchanged for no property or other consideration of the Corporation.

(b) Each share of common stock, par value \$0.01 per share, of the Corporation outstanding immediately prior to the Effective Time shall be and remain one share of common stock of the Surviving Corporation.

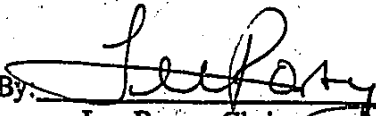
ARTICLE IV

Section 4.1. This Merger Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the parties hereto.


Section 4.2. Subject to applicable law, this Merger Agreement may be amended, modified, or supplemented only by written agreement of the Corporation and the Subsidiary at any time before the Effective Time.

IN WITNESS WHEREFORE, the Subsidiary and the Corporation have caused this Agreement to be executed on their behalf by their respective officers hereunto duly authorized all as of the date first above written.

PALM HARBOR HOMES, INC.

By: 
Lee Posey, Chairman of the Board and
Chief Executive Officer

V.P. HOMES, INC.

By: 
Lee Posey, Chairman of the Board and
President

D1995A/47225-1

JOSEPH CHARLES
& ASSOC., INC.

INVESTMENT BANKERS
MEMBER NASD ♦ SIPC

March 21, 1997

292621

Florida Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, Florida 32314

Re: Joseph Charles & Associates, Inc. (Corporation # 292621)
In Reference to Letter Number 897A00012529

To Whom It May Concern:

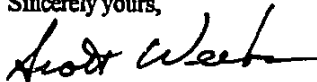
Please be advised that the correct mailing address for Joseph Charles & Associates, Inc.
(Corporation # 292621) is as follows:

Joseph Charles & Associates, Inc.
5550 Glades Rd. # 206
Boca Raton, Florida 33431

Phone 561-391-9090

If anyone should have any questions concerning this reply please feel free to call me
at 561-391-9090 ext. 131.

Sincerely yours,



Scott Weeks

OT
3-24

5550 Glades Road, Suite 206
Boca Raton, Florida 33431
407 . 391.9090 800 . 284.9995