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DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

Sunshine State Corporate Compliance Company

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ENTITY NAME ELM CAPITAL, INC.

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Certificate of Status

****PLEASE OBTAIN THE FOLLOWING FOR THE ABOVE ENTITY****

Certified Copy of Arts & Amendments

Certificate of Good Standing

****APOSTILLE / NOTARIAL CERTIFICATION****

COUNTRY OF DESTINATION _____

NUMBER OF CERTIFICATES REQUESTED _____

TOTAL OWED \$25.00

ACCOUNT #: I20160000072

S. R. M.

Please call Tina at the above number for any issues or concerns. Thank you so much!

**ARTICLES OF AMENDMENT TO THE
ELECTRONIC ARTICLES OF INCORPORATION
OF
ELM CAPITAL, INC.**

Pursuant to the provisions of Section 607.1006, Florida Statutes, ELM CAPITAL, INC., a Florida corporation (the "**Corporation**"), adopts the following articles of amendment to its Electronic Articles of Incorporation, to be effective as of 12:01 a.m. September 10, 2021.

The Corporation is the general partner of Elm Properties, L.P., a California limited partnership ("**Elm Properties**") and 1807, L.P., a California limited partnership ("**1807**", together with Elm Properties, the "**Borrowers**"). The Borrowers are obtaining loan (the "**Loan**") from Arbor Private Label, LLC, a Delaware limited liability company and its successors and assigns ("**Lender**"), secured by a security instrument encumbering 571 South Coronado Street, Los Angeles, California and (ii) 1807 11th Street, Manhattan Beach California (collectively, the "**Mortgaged Property**"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement, which evidenced the Loan.

FIRST: The Electronic Articles of Incorporation are hereby amended by adding the following new Article VIII:

"ARTICLE VIII

Until all indebtedness in connection with Loan, is paid in full, Corporation will remain a "**Single Purpose Entity**". Capitalized terms in this Article XIII not otherwise defined herein shall have the meanings ascribed to such terms in the documents evidencing the Loan with Lender.

As a Single Purpose Entity, Corporation:

- (i) shall not acquire or lease any real property, personal property, or assets other than the Borrowers;
- (ii) shall not acquire, own, operate, or participate in any business other than acting as the general partner of the Borrowers;
- (iii) shall not commingle its assets or funds with those of any other Person;
- (iv) shall maintain its financial statements, accounting records, and other partnership, real estate investment trust, limited liability company, or corporate books, records and documents, as the case may be, separate from those of any other Person (unless (i) the Corporation's assets have been included in a consolidated financial statement of an Affiliate prepared in accordance with generally accepted accounting principles. (ii) appropriate notation shall be made on such consolidated financial statement to indicate the separate

identity of the Corporation and that the Corporation's assets and credit are not available to satisfy the debts and other obligations of the applicable Affiliate or any other Person, and (iii) Corporation's assets, liabilities and net worth shall also be listed on Corporation's own separate balance sheet);

- (v) shall not assume, guaranty, or pledge its assets to secure the liabilities or obligations of any other Person (except in connection with the Mortgage Loan or other mortgage loans that have been paid in full or collaterally assigned to Lender) or hold out its credit as being available to satisfy the obligations of any other Person;
- (vi) shall not make loans or advances to any other Person;
- (vii) shall not enter into, or become a party to, any transaction with any Affiliate, except in the ordinary course of business and on terms which are no more favorable to any such Affiliate than would be obtained in a comparable arm's-length transaction with an unrelated third party;
- (viii) shall not merge into or consolidate with any Person, or dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure;
- (ix) shall not (A) fail to observe all organizational formalities necessary to maintain its separate existence, or fail to preserve its existence as an entity duly organized, validly existing and in good standing (if applicable) under the applicable Legal Requirements of the jurisdiction of its organization or formation, or (B) amend, modify, terminate or fail to comply with the provisions of its organizational documents, in each case without the prior written consent of Lender;
- (x) shall not own any subsidiary (other than the Borrowers), or make any investment in, any Person;
- (xi) shall not maintain its assets in such a manner that it will be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;
- (xii) shall not fail to (i) file its own tax returns separate from those of any other Person, except to the extent that the Corporation is treated as a "disregarded entity" for tax purposes and is not required to file separate tax returns under applicable Legal Requirements, and (ii) pay any taxes required to be paid under applicable Legal Requirements;
- (xiii) shall not fail to (i) hold itself out to the public as a legal entity separate and distinct from any other Person, (ii) conduct its business

solely in its own name or (iii) correct any known misunderstanding regarding its separate identity;

- (xiv) shall not, without the unanimous written consent of all of its partners or members, as applicable, and the written consent of all directors or managers, take any Material Action or action that might cause such entity to become insolvent;
- (xv) shall not fail to fairly and reasonably allocate shared expenses (including, without limitation, shared office space and services performed by an employee of an Affiliate) among the Persons sharing such expenses;
- (xvi) shall not fail to intend to remain solvent or fail to pay its own liabilities (including, without limitation, salaries of its own employees) only from its own funds; *provided, however, that the foregoing shall not require the Corporation's members, partners or shareholders to make additional capital contributions to the Corporation;*
- (xvii) shall not acquire obligations or securities of its partners, members, shareholders or other affiliates, as applicable;
- (xviii) shall not fail to maintain a sufficient number of employees (if any) in light of its contemplated business operations;
- (xix) shall not fail to maintain and use separate stationery, invoices and checks bearing its own name;
- (xx) shall not have any of its obligations guaranteed by an Affiliate, except as contemplated by the Loan Documents; and
- (xxi) shall not identify itself as a department or division of any other Person."

SECOND: The amendment set forth in these Articles of Amendment was adopted on September 2, 2021 by the board of directors and approved on September 2, 2021 by a sufficient number of votes of the Corporation's shareholders.

THIRD: The amendment set forth in these Articles of Amendment shall be effective as of 12:01 a.m. on September 10, 2021.

[Signatures on following page]

IN WITNESS WHEREOF, the Corporation, by and through its undersigned officers thereunto duly authorized, have executed these Articles of Amendment this 2nd day of September, 2021 and affirm that the statements made herein are true under penalty of perjury.



Edward L. Marriott, President



Edward L. Marriott, Secretary

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