

Gardner ET AL
Requestor's Name

PG 2000024117
City/State/Zip Phone #
Office Use Only

CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):

1. Pebble Hill Apartments, INC.
(Corporation Name) (Document #)
2. _____
(Corporation Name) (Document #)
3. _____
(Corporation Name) (Document #)
4. _____
(Corporation Name) (Document #)

FILED
98 MAR 13 PM 3:53
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

- Walk in Pick up time _____ Certified Copy
 Mail out Will wait Photocopy Certificate of Status

NEW FILINGS	
<input checked="" type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/ Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

200002457332--9
-03/16/98--01001--012
****122.50 ****122.50

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

RECEIVED
98 MAR 13 PM 3:29
DIVISION OF CORPORATION

3/13/98

Examiner's Initials

ARTICLES OF INCORPORATION
OF
PEBBLE HILL APARTMENTS, INC.

The undersigned Incorporator, for the purpose of forming a corporation under the Florida Business Corporation Act, hereby adopts the following Articles of Incorporation.

FILED
98 MAR 13 PM 3:53
SECRETARY OF STATE
TALLAHASSEE FLORIDA

ARTICLE I

Name

The name of the corporation shall be PEBBLE HILL APARTMENTS, INC.

ARTICLE II

Principal Office

The street address and mailing address of the initial principal office of this corporation is:

1318 N. Monroe Street, Suite E
Tallahassee, Florida 32303

ARTICLE III

Corporate Duration

The duration of the corporation is perpetual unless otherwise amended by the shareholders.

ARTICLE IV

Corporate Purposes

(A) Except as provided below in this Article IV, the sole

purpose of the corporation is to own, manage, and operate the **Pebble Hill Apartments** located at 2353 Mission Road, Tallahassee, Florida. The corporation shall not engage in any business other than the ownership, management and operation of the **Pebble Hill Apartments**. The corporation shall only be entitled to place a single mortgage on the **Pebble Hill Apartments**. This Article shall not be amended for so long as the Note and Mortgage given to WMF Capital Corp. (the "Loan") shortly after the date hereof remain unpaid.

(B) If the above-identified Loan is never consummated, the corporation shall be authorized to transact any lawful business and the above paragraph (A) shall not apply. If the above-identified Loan is consummated but subsequently discharged, the corporation shall be authorized to transact any lawful business and the above paragraph (A) shall not apply.

ARTICLE V

Operation

The following provisions shall be applicable for so long as any amount due under the Loan remains outstanding. The Corporation shall conduct its affairs in accordance with the following provisions:

- a. The Corporation does not own and will not own any encumbered asset other than the Pebble Hill Apartments, and incidental personal property necessary for the operation of the Pebble Hill Apartments;

- b. The Corporation will not enter into any contract or agreement with any shareholder or director of the Corporation except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms-length basis with third parties;
- c. The Corporation will not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than the Loan; no other debt may be secured (senior, subordinate or pari passu) by the Pebble Hill Apartments;
- d. The Corporation will not make any loans or advances to any third party (including any Shareholder or Director);
- e. The Corporation has done or caused to be done and will do all things necessary to preserve its existence, will not, nor will any director or shareholder thereof, amend, modify, or otherwise change its Articles of Incorporation or Bylaws in a manner which adversely affects the Corporation's existence as a single purpose entity;
- f. The Corporation will maintain books and records and bank accounts separate from those of its affiliates, if any, Shareholder or Director;
- g. The Corporation will be, and at all times will hold itself out to the public as a legal entity, separate and distinct from any other entity;
- h. The Corporation will file its own tax returns;

- i. The Corporation will not seek the dissolution or winding up, in whole or in part, of the Corporation;
- j. The Corporation will not commingle the its funds and other assets with those of any shareholder, director, or any other person;
- k. The Corporation has and will maintain its assets in such a manner that it is not costly or difficult to segregate, ascertain or identify its individual assets from those of any shareholder, director, or any other person;
- l. The Corporation does not and will not hold itself out to be responsible for the debts or obligations of any other person;
- m. The Corporation shall maintain separate accounts and separate corporate records and books of account;
- n. The Board of Directors of the Corporation shall include an independent director (the "Independent Director").
 - (i) The Independent Director shall be a person who is not and for the prior two years has not been (a) a stockholder, shareholder, partner, officer or employee of the Corporation, or any subsidiaries or affiliates thereof (b) a member of the immediate family of any such stockholder, director, partner, officer, employee or other director of the Corporation, or any subsidiaries or affiliates thereof. As used herein, the term "affiliate" means any person controlling, under common control with, or controlled by the person in question, and the term

"control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise.

(ii) In the event that the Independent Director resigns, or such position is otherwise vacated, no action requiring the unanimous affirmative vote of the Board of Directors of the Corporation shall be taken until a successor Independent Director is elected and qualified and approves such action. In the event of the death, incapacity, or resignation of the Independent Director, or a vacancy for any other reason, a successor Independent Director shall be appointed by the remaining directors.

o. Notwithstanding any other provision of these Articles of Incorporation and any provision of law that otherwise so empowers the Corporation, until such time as the Loan has been discharged, the Corporation shall not, without the unanimous affirmative vote of the members of its Board of Directors, do any of the following:

(a) amend, alter, change or repeal any provision of these Articles of Incorporation;

(b) dissolve or liquidate, in whole or in part, consolidate or merge with or into any other entity or convey, sell or transfer its properties and assets substantially as an entirety to any entity, or cause the Corporation to dissolve, wind up or liquidate, in whole or in part or merge with or into any other entity or

convey, sell or transfer its properties and assets substantially as an entirety to any entity, so long as the Loan shall be in effect;

(c) engage in any business or activity other than as set forth in this Articles of Incorporation;

(d) sell, transfer, exchange, convey, encumber or otherwise dispose of any or all of the Corporation's assets;

(e) file a voluntary petition or otherwise initiate or consent to proceedings to be adjudicated insolvent or seeking an order for relief as a debtor under the United States Bankruptcy Code, as amended (11 U.S.C. §§ 101, et seq.) (the "Bankruptcy Code"), or file or consent to the filing of any petition seeking any composition, reorganization, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy laws or any other present or future applicable federal, state or other statute or law relative to bankruptcy, insolvency or other relief for debtors; or seek or consent to the appointment of any trustee, receiver, conservator, assignee, sequestrator, custodian, liquidator (or other similar official) of the Corporation or of all of any substantial part of the properties and assets of the Corporation, or make or consent to any general assignment for the benefit of creditors, or admit in writing its inability to pay its debts generally as they become due, or declare or effect a moratorium on its debt or take any corporate action in furtherance of any

such action; or

- p. The Corporation shall (i) observe all corporate formalities, including the maintenance of current minute books, (ii) maintain its own separate and distinct books of account and corporate records, (iii) cause its financial statements to be prepared in accordance with generally accepted accounting principles in a manner that indicates the separate existence of the Corporation and its assets and liabilities, (iv) pay all its liabilities out of its own funds, (v) in all dealings with the public, identify itself, and conduct its own business, under its own name and as separate and distinct entity, (vi) independently make decisions with respect to its business and daily operations, (vii) maintain an arm's length relationship with its affiliates, (viii) pay the salaries of its own employees, (ix) allocate fairly and reasonably any overhead for shared office space, (x) use separate stationary, invoices and checks, (xi) at all times remain solvent, (xii) file its own tax return and (xiii) maintain adequate capital sufficient to carry out these enumerated covenants.
- q. The Corporation shall not (i) commingle its assets with those of, or pledge its assets for the benefit of, any other person, (ii) assume or guarantee, or hold out its credit as being available to satisfy, the liabilities of any other person, (iii) acquire obligations or securities of, or make loans or advances to, any affiliate.
- r. The Corporation shall not amend, alter, change or repeal

any provision contained in these Articles of Incorporation, or add or insert any other provisions herein except in accordance with the terms and provisions of the Loan. All rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to these Articles of Incorporation in its present form or as amended are granted subject to the rights reserved in this paragraph.

- s. Any indemnification that the Corporation extends to its directors and officers shall (i) be fully subordinate to any and all obligations imposed by the Loan and (ii) not constitute a claim against the Corporation so long as the Loan shall be in effect.
- t. In the event of any conflict between these Articles of Incorporation and the Bylaws of the Corporation, the provisions of the Articles of Incorporation shall control. This Article shall not be amended for so long as any amount due under the Loan remains outstanding.

ARTICLE VI

Capital Stock

The number of shares of stock that this corporation is authorized to have outstanding at any one time is five hundred (500) shares of common stock having a par value of One Dollar (\$1.00) per share.

ARTICLE VII

Initial Registered Agent and Address

The name and address of the initial registered agent is **TODD A. PATTERSON**, 1318 N. Monroe Street, Suite E, Tallahassee, Florida 32303.

ARTICLE VIII

Directors

The number of directors constituting the corporation's initial board of directors is three (3). The name and address of each person who is to serve as a member of the initial board of directors is:

Name	Address
Todd A. Patterson	1318 N. Monroe St., Ste E Tallahassee, Florida 32303
Rose M. Patterson	1318 N. Monroe St., Ste E Tallahassee, Florida 32303
William D. Crona	2727 Apalachee Parkway Tallahassee, Florida 32301

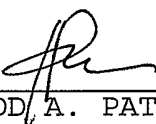
ARTICLE IX

Incorporator

The name and street address of the Incorporator to these Articles of Incorporation are

Todd A. Patterson	1318 N. Monroe St., Ste. E Tallahassee, Florida 32303
-------------------	--

The undersigned has executed these Articles of Incorporation this 13th day of March, 1998.



TODD A. PATTERSON, Incorporator

STATE OF FLORIDA,
COUNTY OF LEON.

BEFORE ME, the undersigned authority, personally appeared TODD A. PATTERSON, who, first being duly sworn by me, and to me well known to be the individual described in the foregoing Articles of Incorporation, acknowledged to and before me that he executed the same for the purposes expressed therein.

WITNESS my hand and official seal on this 13th day of March, 1998.



CHRISTINA L. BISCHOFF
MY COMMISSION # CC475291 EXPIRES
July 26, 1999
BONDED THRU TROY FAIN INSURANCE, INC.

Christina L. Bischoff

NOTARY PUBLIC
My Commission Expires:

CERTIFICATE OF DESIGNATION
REGISTERED AGENT/REGISTERED OFFICE

1. The name of the corporation is **PEBBLE HILL APARTMENTS, INC.**
2. The name and address of the registered agent and registered office of the corporation is **TODD A. PATTERSON, 1318 N. Monroe Street, Suite E, Tallahassee, Florida 32303.**

[Signature]

TODD A. PATTERSON, President

Date: March 13, 1998

FILED
98 MAR 13 PM 3:53
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATING TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATIONS OF MY POSITION AS REGISTERED AGENT.



TODD A. PATTERSON, Registered Agent
Date: March 13, 1998

H:\DATA\CHARLES\PATTERSO\PEBBLE\ARTICLES.INC

FILED
98 MAR 13 PM 3:53
SECRETARY OF STATE
TALLAHASSEE, FLORIDA