

391904

Division of Corporations

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MERGER OR SIARE EXCHANGE
THE SURF CLUB APARTMENTS, INC.

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ARTICLES OF MERGER

of

SC SURF CLUB APARTMENTS LLC
(a Florida limited liability company)

into

THE SURF CLUB APARTMENTS, INC.
(a Florida corporation)

SC SURF CLUB APARTMENTS LLC, a Florida limited liability company ("Merger Subsidiary") and **THE SURF CLUB APARTMENTS, INC.**, a Florida corporation (the "Surviving Corporation") hereby adopt the following Articles of Merger:

1. The Surviving Corporation and **SC PROPERTY ACQUISITION LLC** (the "Company"), are parties to that certain Agreement and Plan of Merger, dated as of June 28, 2013 (the "Agreement"). The Merger Subsidiary is a wholly-owned subsidiary of the Company.

2. The Agreement provides for the merger of the Merger Subsidiary with and into the Surviving Corporation (the "Merger") on the terms set forth therein and in the Plan of Merger attached hereto as Exhibit "A" (the "Plan of Merger").

3. The Plan of Merger was adopted and approved by the written consent of the sole Manager and sole member of the Merger Subsidiary on December 18, 2013, which constituted a sufficient number of votes to approve the *Plan of Merger*.

4. The Plan of Merger was adopted and approved (a) by the affirmative vote of the Board of Directors of the Surviving Corporation, at a special meeting of the Surviving Corporation's Board of Directors held on June 28, 2013, and (b) by the shareholders holding ninety-five and 9/10 percent (95.9%) of the shares of common stock of the Surviving Corporation, at a special meeting of the Surviving Corporation shareholders held on June 28, 2013, which, in each case, constituted a sufficient number of votes to approve the Plan of Merger.

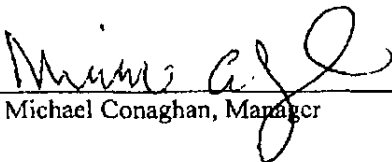
5. The Merger will become effective at 12:01 a.m. on December 18, 2013.

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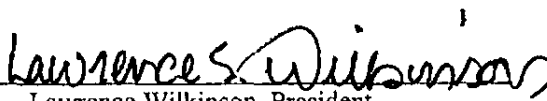
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IN WITNESS WHEREOF, these Articles of Merger have been executed by a duly authorized officer of each of the Merger Subsidiary and the Surviving Corporation as of this 18th day of December, 2013.

SC SURF CLUB APARTMENTS LLC,
a Florida limited liability company, by
SC Property Acquisition, LLC, its Manager, by
Fort Property Managers I., L.C., its Manager, by
Fort Capital Management, L.L.C., its Manager

By: 
Michael Conaghan, Manager

THE SURF CLUB APARTMENTS, INC.

By: 
Lawrence Wilkinson, President

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EXHIBIT "A" TO ARTICLES OF MERGER

PLAN OF MERGER

of

SC SURF CLUB APARTMENTS LLC
(a Florida limited liability company)

into

THE SURF CLUB APARTMENTS, INC.
(a Florida corporation)

THIS PLAN OF MERGER (this "Plan") is made and entered into effective as of the 18 day of December, 2013, by and among **SC PROPERTY ACQUISITION LLC**, a Florida limited liability company (the "Company"), **SC SURF CLUB APARTMENTS LLC**, a Florida limited liability company (the "Merger Subsidiary") and **THE SURF CLUB APARTMENTS, INC.**, a Florida corporation ("Co-Op"). Capitalized terms used in this Plan and not otherwise defined herein shall have the meanings set forth in Annex A attached hereto.

Article 1
The Merger

1.1 The Merger. Upon the terms and subject to the conditions set forth herein, on the Closing Date, the Parties agree to the following and agree to undertake the following actions:

(a) The Merger Subsidiary is wholly-owned subsidiary of the Company.

(b) The Merger Subsidiary will merge with and into Co-Op, with Co-Op to be the surviving corporation in the Merger (the "Surviving Corporation").

(c) As a result of the Merger all outstanding stock certificates ("Certificates") and Proprietary Leases ("Proprietary Leases") of the Co-Op and the Co-Op owners (the "Co-Op Shareholders") as of the Closing Date, (as determined based on the Closing Census to be delivered pursuant to Section 7.2(c) of the Agreement), shall be cancelled and be automatically converted into the right to receive a Proportionate Share of the Merger Consideration pursuant to Article 2 of the Agreement and a new Certificate shall be issued to the Company such that, as a result of the Merger, the Company will be the sole and exclusive owner of the Surviving Corporation and the Surviving Corporation will be the fee simple owner of the Building and the Real Property free of all Liens other than the Permitted Liens. As of the Effective Time, the Shareholders shall cease to have any rights as shareholders of the Co-op.

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(d) In addition to the additional Shareholder Post-Closing Rights identified in Section 1.2 of the Agreement, immediately upon the Closing, the Company will cause the Co-Op (as the Surviving Corporation) to issue to each of the Shareholders a lease, in the form of Exhibit A hereto (the "New Leases"), which will allow each Shareholder to continue to occupy his or her respective unit for a period of up to two (2) years, including any additional unit owned by Shareholder, whether occupied or not, so long as unit owner continues to pay its Proportionate Share (i.e., Violet Storer, Ann Bora, Larry Wilkinson) subject to such Shareholder's payment of his or her proportionate share of the annual operating expenses, utilities and association expenses attributable to his or her unit, except that no property tax shall be included among such operating expenses. For these purposes, a Shareholder's "proportionate share" shall be calculated as though all Shareholders remained in occupancy at the Building (i.e., a Shareholder's proportionate share will not increase as occupancy in the Building decreases). Each Shareholder's New Lease may be terminated at any time by the Shareholder without further liability upon thirty (30) days' prior written notice. The New Leases will be provided by the Company and the Co-Op as an accommodation, and neither the Company nor the Co-Op shall have any liability to any Shareholder or other person who takes possession of or occupies a unit in the Building pursuant to a New Lease by virtue of any pre-existing or after-arising condition in such unit (e.g., mold, inoperative appliances, etc.). So long as any Shareholders continue to occupy the Building pursuant to their New Leases during the referenced two (2) year period, the Company will use commercially reasonable efforts, to the extent lawful, to ensure that its leasing activities do not unreasonably affect the safety and/or residential character of the Building in a material adverse fashion.

(c) At the Effective Time all Proprietary Leases shall automatically terminate and each Shareholder, by virtue of the Merger and without further action on his or her part, shall be deemed to have consented to the appointment and authorization of the Shareholders' Representative.

(d) At the Effective Time the current articles of incorporation attached as Exhibit C to this Plan will become the articles of incorporation of the Surviving Corporation and the by-laws attached as Exhibit D to this Plan will become the bylaws of the Surviving Corporation (the "Amended and Restated By-Laws").

(e) At the Effective Time the directors of the Merger Subsidiary immediately prior to the Effective Time will become the directors of the Surviving Corporation, and the officers of the Merger Subsidiary immediately prior to the Effective Time will become the officers of the Surviving Corporation, in each case until their respective successors are duly elected or appointed or qualified.

Article 2 Merger Consideration

2.1 Merger Consideration. For purposes of the Agreement, the "Merger Consideration" will be an amount equal to thirty-five million five hundred thousand dollars (\$35,500,000.00) plus Buyer shall pay all Legal Fees pursuant to the terms of the Retainer Agreement between Surf Club Apts and Zarco, Einhorn, Salkowski & Brito P.A. (ZESB) at 3% of the Total Purchase Price Consideration (the "Base Amount") plus the Contingent Consideration, if any, as determined pursuant to Section 2.2 hereof less the amount of the Closing Liabilities to be paid at Closing

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pursuant to Section 2.3(a) hereof. The Merger Consideration shall be allocated and paid in accordance with Section 2.3 below, and shall not be renegotiated or reduced for any reason by either Party.

2.2 Contingent Consideration.

(a) The Base Amount was agreed to on the assumption that the Redevelopment will result in the Building consisting of not more than fourteen (14) residential floors. In the event that the Redevelopment consists of fourteen (14) or fewer residential floors within the Building, the Base Amount shall remain unchanged and shall not be reduced. In the event the Redevelopment results in construction of more than fourteen (14) residential floors in the Building, the Merger Consideration will be increased by an amount, (the "First Contingent Consideration"), equal to \$2,000,000 for each such additional residential floor constructed; provided, however, it is acknowledged and agreed that the scope of the Redevelopment shall be at the sole and absolute discretion of the Company and the Company shall have no obligation to construct or maximize the number of residential floors contained in the Redevelopment. The First Contingent Consideration set forth herein shall be paid by the Company or its assignees within fifteen (15) days of obtaining final site plan approvals (including expiration of all appeal periods for all related land use, zoning, environmental, and similar approvals required) for the Building which allows for construction of more than fourteen (14) residential floors as contemplated pursuant to this Section 2.2(a).

(b) In addition, in the event the Company or its Affiliate sells the Building and the Real Property prior to Redevelopment and during the period prior to the date that is the three (3) year anniversary of the Agreement Date to an unrelated third party, then the Merger Consideration will be increased by an amount, (the "Second Contingent Consideration" and together with the First Contingent Consideration, the "Contingent Consideration"), equal to fifty percent (50%) of the net profits realized by the Company or its Affiliate (as applicable) by such sale; provided, however, that this provision will not apply and the Second Contingent Consideration will not be payable in the case of any Tax Mitigation Transaction or any joint venture, strategic partnership, or similar arrangement entered into by the Company or its Affiliate for purposes of facilitating the Redevelopment.

(c) The Company shall not, directly or indirectly, whether through the use of an Affiliate or otherwise, take any act or engage in any transaction in connection with the Redevelopment or otherwise intended to circumvent its obligation to pay the Contingent Consideration on the terms and conditions contained in this Section 2.2

2.3 Payment of Merger Consideration. The Company will pay the Merger Consideration as follows:

(a) At the Closing, the Company will pay to the Shareholders' Representative on behalf of each Shareholder as of the Effective Time (as determined based on the Closing Census to be delivered pursuant to Section 7.2(c) of the Agreement) an amount (the "Closing Amount") equal to:

- (i) the Base Amount;

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- (ii) *plus all cash of the Co-Op on hand or located in any of the bank accounts of the Co-Op as of the Closing Date;*
- (iii) *less the amount of the Deposit, which shall be separately released by the Escrow Agent at Closing to the Shareholders' Representative;*
- (iv) *less the amount of the Closing Liabilities to be paid by the Company at Closing;*
- (v) *less the portion of the Closing Amount that would otherwise be allocable to all Shareholders, if any, who do not consent to the Merger and who shall have made a claim for dissenters' rights under applicable Law, plus reasonably estimated costs associated with administration of the claims of such dissenting Shareholders; and*
- (vi) *as adjusted pursuant to Section 2.3(b) below.*

The foregoing amounts and adjustments shall be confirmed by the Parties in a closing statement executed and delivered at Closing and, upon receipt of the Closing Amount together with the Deposit, the Shareholders' Representative shall immediately distribute such amount as follows:

- (1) to each Shareholder his or her Proportionate Share of the Closing Amount *less* (A) each Shareholder's Proportionate Share of the aggregate sum of \$160,000.00 (i.e., \$5,000 multiplied by the number of units in the Building) (collectively, the "Holdback Amount"), which shall be delivered to and held by the Holdback Escrow Agent in accordance with Section 2.4 of the Agreement; (B) all fees and expenses charged by the Shareholders' Representative as provided for in Section 9.1 of the Agreement; and (C) for each Shareholder, the amounts (if any) of all taxes and assessments for real and personal property taxes due but not yet paid for the period prior to the Closing, of all rent and special assessments due but not yet paid to the Co-Op, of all unsatisfied mortgages and liens, and of all unpaid utilities and other expenses due but not yet paid, all with respect to the specific unit leased by such Shareholder from the Co-Op; and
- (2) The amount of any taxes, assessments, rent, special assessments, mortgages, liens, utilities and other expenses with respect to any specific units, which are held back from each Shareholder pursuant to Section 2.3(a)(1)(C) above, shall be disbursed and paid by the Shareholders' Representative (in cooperation with the Co-Op) to satisfy such obligations of the Shareholders at the Closing;

following which the Shareholders' Representative shall provide written evidence of such distributions to the Company.

(b) All taxes and assessments for real and personal property taxes due but not yet paid for the period prior to the Closing and all operating expenses of the Co-Op (including the Real Property

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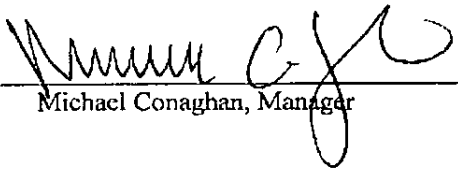
and the Building) during such period (including but not limited to water, sewer, electric, gas, telephone and other utility charges, special assessments and other fees or charges due as of the Closing Date (whether or not invoiced by the provider as of such date)) shall be paid by the Co-Op at the Closing and prorated as of the Closing Date. Estimated utility charges shall be based on 2012 rates (as reasonably agreed by the Parties) if the applicable charges have not been set or billed as of the Closing Date. If for any reason the Closing occurs in 2014 and, prior to the Closing, the 2014 property tax assessment for the Real Property has not been issued, then real property tax prorations shall be based on the 2013 property tax assessment, but the proration will be reconciled at the time of issuance of the 2014 assessment by payment of an appropriate amount to the Company from the Holdback Amount (in the event of an increased assessment) or payment of an additional amount by the Company to the Holdback Amount (in the event of a decreased assessment).

Signatures on Next Page

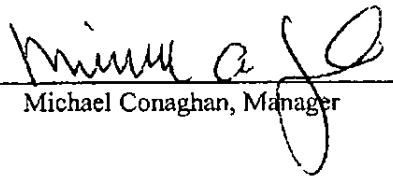
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IN WITNESS WHEREOF, the parties have executed this Plan as of the date first written above.

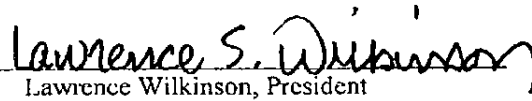
SC SURF CLUB APARTMENTS LLC,
a Florida limited liability company, by
SC Property Acquisition, LLC, its Manager, by
Fort Property Managers L.L.C., its Manager, by
Fort Capital Management, L.L.C., its Manager

By: 
Michael Conaghan, Manager

SC PROPERTY ACQUISITION LLC,
a Florida limited liability company, by
Fort Property Managers L.L.C., its Manager, by
Fort Capital Management, L.L.C., its Manager

By: 
Michael Conaghan, Manager

THE SURF CLUB APARTMENTS, INC.

By: 
Lawrence S. Wilkinson, President

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ANNEX "A" TO PLAN OF MERGER**DEFINED TERMS**

"Affiliate" means, with respect to a particular Person, another Person that directly or indirectly (through one or more intermediaries) controls, is controlled by, or is under common control with, the Person in question.

"Agreement" means the Agreement and Plan of Merger, dated June 28, 2013 between the Company and the Co-Op, including any Annexes, Exhibits and Schedules hereto, as the same may be amended from time to time in accordance with its terms.

"Agreement Date" has the meaning set forth in the preamble of the Agreement.

"Articles of Merger" means the Articles of Merger to be filed pursuant to the Agreement to effectuate the Merger.

"Building" has the meaning set forth in the Recitals of the Agreement.

"Certificates" means the stock certificates of the Co-Op.

"Closing" means the closing of the Contemplated Transaction.

"Closing Census" means the Closing census to be delivered pursuant to the Agreement.

"Closing Date" means the date on which the Closing occurs.

"Closing Liabilities" means the Co-Op's ascertained Liabilities as of the Closing Date, as specifically established in the certificate to be delivered by the Co-Op at Closing in accordance with the Agreement; provided, however, the Closing Liabilities shall not include the operating leases or the executory Liabilities of the Co-Op under its Contracts, to the extent such Liabilities arise from the Company's conduct of the Building and the Real Property after the Closing Date.

"Company" has the meaning set forth in the preamble of the Agreement.

"Contemplated Transaction" means the Merger and the other transactions expressly contemplated by the Agreement or the Transaction Documents.

"Contract" means each lease, license, contract, instrument and agreement, written or oral, to which the Co-Op is a party at the Closing Date, by which the Co-Op is bound or from which the Co-Op benefits.

"Co-Op" has the meaning set forth in the preamble of the Agreement.

"Deposit" means the Company's deposit on account with the Escrow Agent pursuant to the Agreement.

"Dollars" or "\$" means dollars of the United States of America.

"Effective Time" means the Company's deposit on account with the Escrow Agent pursuant to the Agreement.

"Escrow Agent" means Zarco Einhorn Salkowski & Brito, P.A.

"Escrow Agreement" means an Escrow Agreement acceptable in form and content to the Parties

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and their respective counsel.

"Governmental Authority" means any federal, state, local or foreign government or any subdivision, agency, instrumentality, authority, department, commission, board or bureau thereof, provided, in each case, that the relevant action in any given circumstance has the force of Law, or any federal, state, local or foreign court, tribunal or arbitrator of competent jurisdiction.

"Holdback Escrow Agent" means a mutually agreed, reputable third-party banking institution.

"Law" means any provision of any federal, state, local or foreign law, statute, ordinance, charter, constitution, treaty, code, rule, regulation or guidelines, or any order, decree or ruling.

"Liability" or "Liabilities" means any debt, liability or obligation of any nature, whether secured, unsecured, recourse, non-recourse, liquidated, unliquidated, accrued, absolute, fixed, contingent, ascertained, unascertained, known, unknown or otherwise.

"Lien" means any security interest, lien, charge, mortgage, deed, assignment, pledge, hypothecation, claim, encumbrance, easement, restriction or interest of another Person of any kind or nature.

"Merger" has the meaning set forth in the Recitals of the Agreement.

"New Leases" has the meaning set forth in Section 1.1(d) of the Agreement.

"Party" or "Parties" means the Co-Op, the Company and, as applicable, the Shareholders' Representative.

"Permitted Liens" shall have the meaning set forth in the Agreement.

"Person" means any corporation, partnership, joint venture, limited liability company, organization, entity, authority, or individual.

"Proportionate Share" means the percentage of the Merger Consideration to be distributed to each of the Shareholders pursuant to Section 2.3 hereof as determined by dividing (a) the number of Shares held by the recipient Shareholder by (ii) 1000.

"Proprietary Leases" has the meaning set forth in Section 1.1(c) of the Agreement.

"Real Property" means the real property and associated improvements and fixtures described on Schedule 4.8 of the Agreement together with all appurtenances, rights, privileges, development rights and easements location on, above or under such real property or benefiting, belonging or pertaining to the Land, and all right, title and interest of the Co-Op in and to such real property.

"Redevelopment" means the Company's contemplated redevelopment of the Property.

"Schedules" means the disclosure schedules that are attached to and part of the Agreement.

"Shareholders" means the shareholders of the Co-Op as of the Agreement Date and the Closing Date (as applicable in the context in which such term is used).

"Shareholders' Representative" has the meaning set forth in Section 9.1 of the Agreement.

"Tax" means, collectively, any tax imposed by any Governmental Authority, including all income taxes, alternative or add on minimum tax, gross receipts, sales, use, ad valorem, franchise capital, capital, profits, license, withholding, payroll, employment, excise, unemployment, insurance, social security, severance, stamp, occupation, premium, property, environmental, windfall profit, customer

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duty transfer, documentary or other tax, governmental fee or like assessment or charge of any kind whatsoever, any information, reporting or backup withholding obligation, liability or penalty, together with any interest or any penalty, addition to tax or additional amount imposed by any Governmental Authority responsible for the imposition of such taxes.

“Tax Mitigation Transaction” means any Section 1031 exchange transaction or other transaction or series of transactions undertaken or arranged by the Company or any assignee of the Company for the purpose of mitigating the tax impact of the Contemplated Transaction.

“Transaction Documents” means, other than the Agreement, all documents, agreements, certificates and similar items to be delivered in connection with the Contemplated Transactions.

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EXHIBIT "A" TO PLAN OF MERGER

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF THE SURVIVING CORPORATION**

(attached)

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AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

THE SURF CLUB APARTMENTS, INC.

Pursuant to Section 607.1007 of the Florida Business Corporation Act (the "Act"), The Surf Club Apartments, Inc. (the "Corporation") hereby sets forth the following Amended and Restated Articles of Incorporation which: (a) were adopted by the Board of Directors and the shareholders of the Corporation at a special meeting of the Corporation held on December 18, 2013 by a sufficient number of votes to duly approve the adoption, and (b) amends and restates the Corporation's Articles of Incorporation filed with the Secretary of the State of Florida on November 29, 1971, as amended (the "Articles"). The Articles are hereby amended and restated, effective on the date of filing of these Amended and Restated Articles of Incorporation with the Secretary of the State of Florida, to read in their entirety as follows:

I.

That the name of the corporation is:

THE SURF CLUB APARTMENTS, INC.

II.

That the general nature of the business to be transacted by this corporation shall be as follows:

A. To acquire title to the following described property situate, lying and being in Dade County, Florida, to-wit:

Lots 1, 2, and 3, in Block 2, Altos Del Mar Number 4, as recorded in Plat Book 10, at Page 63, of the Public Records of Dade County, Florida,

together with all improvements thereon consisting of a thirty-four unit apartment building, together with a manager's apartment and accessory facilities and to operate the same as a cooperative apartment building for the benefit of the stockholders.

B. To lease each of the thirty-four apartment units to the stockholders in the manner provided in these Articles of Incorporation and the By-Laws of this corporation. The total operating costs and extraordinary expenses of the corporation, including, but not limited to, expenses of maintenance, management, repair, insurance, taxes, utilities and reserves for depreciation, building and rebuilding, and also for interest and the retirement of any debt should such be incurred at any time, shall be paid by the stockholders prorata in accordance with the number of shares owned by each.

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C. To buy, lease, build and otherwise acquire and dispose of such additional buildings and facilities either on or off the above described property as may from time to time be desirable.

D. To buy, sell, lease and otherwise acquire and dispose of all personal property that may be necessary or desirable to carry out the purposes of this corporation.

E. To have all powers and authority granted to a corporation under the general laws of the State of Florida not in conflict with the specified powers and limitations set forth in these Articles of Incorporation.

III.

That the amount of authorized stock of this corporation shall be One Thousand (1,000) shares of common stock of the par value of One Dollar (\$1.00), all to be issued fully paid and shall be paid for only in call or in property. The corporation shall have a lien on all stock issued to guarantee the performance of the stockholder for the payment of all charges and the performance of all covenants under the terms and conditions of these Articles of Incorporation, the By-Laws and the Proprietary Leases to the respective apartments.

IV.

A. The 1,000 shares of capital stock shall be allocated among the thirty-four apartments as follows:

<u>Apt.</u>	<u>Shares</u>	<u>Apt.</u>	<u>Shares</u>	<u>Apt.</u>	<u>Shares</u>	<u>Apt.</u>	<u>Shares</u>
1A	45	2A	39	3A	40	4A	42
1B	38	2B	39	3B	40	4B	41
1C	25	2C	35	3C	35	4C	36
1D	29	2D	30	3D	32	4D	32
1E	33	2E	34	3E	35	4E	37
1F	17	2F	17	3F	19	4F	19
1J	10	2J	11	3J	12	4J	12
		2G	29	3G	31	4G	32
		2H	22	3H	24	4H	28

The stock shall be issued only in blocks as hereinabove set forth and each block shall be issued only in conjunction with the issuance of a proprietary lease to the cooperative apartment to which such block of stock is allocated, except, however, in the event all of the thirty-four apartments are owned by the same person in which case the stock and proprietary lease for both apartments may be combined into a single certificate and accompanying proprietary lease and shall be considered as a single apartment while so jointly owned. Each block of stock shall entitle the owner thereof to lease, in accordance with the terms and conditions of a uniform proprietary lease, the apartment to which such block of stock has been allocated. The stock and proprietary lease shall be inseparable, and jointly shall represent ownership of the apartment.

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B. Each share of stock shall entitle the registered owner thereof to one vote for each share. Such vote may be cast in person or by proxy, in all matters whereupon the stockholders shall be entitled to vote.

C. This Article IV shall not be amended or rescinded except upon the unanimous approval of all of the stockholders.

V.

The Board of Directors may establish a Membership Committee consisting of one or more stockholders with authority to approve applicants to lease or purchase apartments. In order to carry out the cooperative features of this corporation, and to assure that said apartment building shall always be occupied by a group of compatible people, the Board of Directors is hereby given the absolute and uncontrolled right to accept or reject any proposed or prospective tenant and no reason need ever be given, and neither this corporation nor any director, officer or stockholder shall be held accountable in any manner whatsoever for failing to approve any proposed or prospective tenant. No transfer or attempted or purported transfer of any stock in this corporation and the proprietary lease issued in connection therewith, whether by reason of death, or by operation of law, or by virtue of any legal proceedings or otherwise, and regardless of any consideration that may have passed, shall be recognized by this corporation unless and until such transferee shall have made application for, and been approved by the Board of Directors. Ownership of an apartment shall be transferred upon the books of the corporation to a qualified and approved transferee when the outstanding stock certificate and accompanying proprietary lease have been properly endorsed and delivered to the corporation, or to the transfer agent, and all fees and costs have been paid. A new stock certificate and proprietary lease shall then be issued in the name of such qualified and approved transferee. The By-Laws and the proprietary lease may contain further provisions governing the rights and duties of tenants and stockholders not inconsistent with these Articles of Incorporation.

VI.

That the term for which this corporation shall exist shall be perpetual, provided, however, the corporation may be dissolved, notwithstanding the restrictions to amend Article IV, at any time upon the written consent of the owners of not less than 750 shares of stock.

VII.

Except for Article IV, these Articles of Incorporation may be amended from time to time by the written consent of the holders of not less than 750 shares of stock.

VIII.

That the place of business and principal office of this corporation shall be 9133 Collins Avenue, Surfside, Dade County, Florida, and the mailing address of the corporation shall be c/o The Surf Club, 9011 Collins Avenue, Surfside, Florida, 33154, or such other address as may from time to time be filed with the Secretary of State, State of Florida, Tallahassee, Florida.

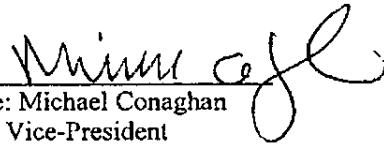
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XII.

That name of the registered agent of this Corporation is Corporation Company of Miami. The street address of the initial registered office of this Corporation is 201 South Biscayne Boulevard, Suite 1500 (WGM), Miami, Florida 33131.

IN WITNESS WHEREOF, the undersigned has executed these Amended and Restated Articles of Incorporation this 18 day of December, 2013.

The Surf Club Apartments, Inc.

By: 
Name: Michael Conaghan
Title: Vice-President


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ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in Article XII of these Amended and Restated Articles of Incorporation, the undersigned hereby agrees to act in this capacity and further agrees to comply with the provisions of all statutes relative to the proper and complete discharge of his/her/its duties.

Dated this 18 day of December, 2013.

CORPORATION COMPANY OF MIAMI,

By: 
Name: RAUL J. SALAS
Title: PRESIDENT

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EXHIBIT "B" TO PLAN OF MERGER

**AMENDED AND RESTATED BYLAWS
OF THE SURVIVING CORPORATION**

(attached)

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THE SURF CLUB APARTMENTS, INC.
AMENDED AND RESTATED BY-LAWS

ARTICLE I.

NAME AND LOCATION

- Section 1. The name of the corporation shall be THE SURF CLUB APARTMENTS, INC.
- Section 2. Its principal place of business shall be located at 9133 Collins Avenue, Surfside, Dade County, Florida.
- Section 3. Other offices for the transaction of business shall be located at such places as the Board of Directors may from time to time determine.

ARTICLE II.

- Section 1. The number of shares of capital stock shall be One Thousand (1,000) shares of Common Stock, of the par value of One Dollar (\$1.00). Said stock shall be allocated to and among the individual apartments as set forth in the Articles of Incorporation.
- Section 2. All certificates of stock shall be signed by the President and a Director, and shall be sealed with the corporate seal.
- Section 3. Stock shall be issued only in blocks as set forth in the Articles of Incorporation, and with each block of stock there shall be issued a proprietary lease granting to the stockholder the exclusive right to the use and occupancy of a particular apartment in accordance with the terms and conditions thereof and of the Articles of Incorporation and these By-Laws. The proprietary lease to each apartment shall refer to the particular certificate of stock issued in connection therewith and each certificate of stock shall refer to the particular apartment(s) covered by the proprietary lease issued in connection therewith. Upon the proper transfer of the stock and accompanying proprietary lease, the corporation shall issue a new certificate and a new proprietary lease to the new owner.
- Section 4. Stock and the accompanying proprietary lease shall be transferred only in the manner as provided in the Articles of Incorporation, these By-Laws, the stock certificates and proprietary leases.
- Section 5. The corporation shall have a first lien on all shares of its stock and accompanying proprietary lease for any and all indebtedness of the respective owner(s) thereof to the corporation.
- Section 6. Transfer of the ownership of an Apartment shall be made on the books of the corporation only by the person named in the Certificate as the owner thereof, or

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by attorney, lawfully constituted in writing, and upon the surrender of the Certificate duly endorsed and the accompanying proprietary lease. The stockbooks of the corporation shall be closed against transfer for a period of ten days before the date of each annual meeting of the stockholders.

- Section 7. In the event of the loss of any stock certificate or accompanying proprietary lease, or both, the registered owner thereof shall apply to the Board of Directors for the issuance of a duplicate certificate or proprietary lease, or both, as the case may be. The Board of Directors shall consider the circumstances of each request and may require that evidence of such loss be shown, and may further require that the corporation be indemnified for any loss or injury that it might sustain by reason of the issuance of a duplicate certificate or proprietary lease, or both. The terms and conditions of such indemnity agreement shall be such as the Board of Directors shall deem proper under the circumstances.

ARTICLE III.

STOCKHOLDERS' MEETINGS

- Section 1. All meetings of the stockholders, both annual and special, shall be held at 9133 Collins Avenue, Surfside, Florida, or at such other place as the Board of Directors shall determine.
- Section 2. An annual meeting of the stockholders shall be held on the first Tuesday in March in each year at 2:00 P.M. At such meeting the stockholders shall review the budget for the current fiscal year and may make recommendations concerning the same to the Board of Directors. At such meeting the stockholders shall elect Directors to serve for the ensuing year and until their successors shall be elected and qualified and shall transact any other business that may properly come before the meeting. The date and hour of the annual meeting may be changed from time to time by the Board of Directors or by the Stockholders.
- Section 3. Special meetings of the stockholders may be called by the President and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors or at the request in writing of the stockholders owning 500 or more shares of stock. Such written request for the call of a Special Meeting shall state the purpose of such meeting.
- Section 4. Written notice of the annual meeting shall be mailed or delivered in person not less than fifteen days nor more than sixty days prior to the meeting, and notice of special meetings shall be mailed or delivered in person not less than ten days nor more than thirty days prior to the date of such meeting. Mailed notices shall be sent to the addresses of the stockholders shown on the books of the corporation or delivered in person.
- Section 5. At every meeting of the stockholders the owner of each apartment shall be entitled to cast one vote for each share of stock registered in the name of such stockholder, which vote may be cast either in person or proxy. All proxies shall be in writing,

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and shall be signed by the record stockholder and shall clearly state the person or persons authorized to act for the stockholder. Proxies may be limited to one or more meetings, and the authority of the proxy may be limited to vote only as directed, but any such limitations shall be clearly set forth in the proxy. All proxies shall be filed with the Secretary at, or prior to, the meeting and shall be entered in the minutes of the meeting.

Section 6. Any matter that may properly be brought before the stockholders at any stockholders' meeting may be brought before the stockholders by petition which shall be presented to each and every stockholder, and when approved in writing by stockholders owning more than 500 shares of stock, the same shall be considered the act of the stockholders to the same extent as though voted upon in open meeting. Such petition must provide space for objecting stockholders to sign. Stockholders not available for signing the original petition shall be mailed a certified copy thereof and shall be allowed fifteen days to return the same indicating the approval or disapproval of such stockholders.

Section 7. Stockholders owning more than 500 shares of stock present in person or by proxy shall be required to constitute a quorum at any meeting of stockholders. If, however, such number shall not be present, the stockholders in attendance in person or by proxy shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until the required number of stockholders shall be in attendance. At such adjourned meeting, at which the requisite amount of stock shall be represented, any business shall be transacted which might have been transacted at the meeting as originally called.

ARTICLE IV.

DIRECTORS

Section 1. From the issuance of the Articles of Incorporation until the first meeting of the stockholders, the property and business of this corporation shall be managed by a Board of Directors consisting of the person(s) named in said Articles of Incorporation. At the first meeting of the stockholders there shall be elected director(s) who shall serve until their successors shall be elected and qualified. Subject to the terms of the Articles of Incorporation, the number of Directors may be increased or decreased from time to time by stockholders owning more than 500 shares of stock, but such change shall not affect the members then holding office.

Section 2. Regular meetings of the Board of Directors may be held without notice, at such time and place as shall from time to time be determined by the Board. The annual meeting of the Board of Directors shall be held as soon as it is practical to do so after the annual meeting of the stockholders.

Section 3. Special meetings of the Board may be called by the President on not less than three days' notice to each Director, either personally, by telephone, by mail or by

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telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice upon the written request of a majority of the Directors. By unanimous consent of the Directors, special meetings of the Board may be held without notice at any time and place.

- Section 4. At all meetings of the Board of Directors a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors except as may be otherwise specifically provided by Statute or by the Articles of Incorporation or by these By-Laws.
- Section 5. Without the necessity of a meeting, two-thirds or more of the full Board of Directors who shall agree in writing may approve a proposed tenant-stockholder, and may also act for the corporation in all matters except as may otherwise be required by the laws of the State of Florida or by Articles of Incorporation or by other provisions of these By-Laws.
- Section 6. Directors need not be stockholders.
- Section 7. Directors shall receive no compensation for services as a Director. This prohibition shall not be construed to prevent a Director from receiving compensation from the corporation for other services to the corporation.
- Section 8. At the annual meeting of the Directors they shall elect the officers. All officers shall serve at the pleasure of the Board of Directors and may be removed at any time by two-thirds or more of the full Board of Directors.
- Section 9. Vacancies in the Board of Directors may be filled by a majority of the remaining Directors in attendance at any regular or special meeting.
- Section 10. The Board of Directors may by resolution appoint a member of the Board as an Executive Committee to manage the business of the corporation during the interim between meetings of the Board.
- Section 11. The Board of Directors may by resolution appoint one or more members of the Board as an Examining Committee to investigate and interview prospective purchasers and tenants of apartments and to submit the findings and recommendations to the Board. This committee may be given authority to approve prospective tenant-stockholders.
- Section 12. The Board of Directors may by resolution establish a Membership Committee consisting of one or more stockholders with the authority of the Examining Committee and also with authority to approve applicants to lease or purchase apartments.
- Section 13. At the annual meeting of the stockholders, the Board of Directors shall submit a financial report of the corporation's operation for the preceding year and also

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submit a budget for the operation of the corporation for the current year. There shall also be included a report of the general conditions of all the physical assets of the corporation.

ARTICLE V.

OFFICERS

- Section 1. The officers of this corporation shall be a President and, if appointed by the Board of Directors, a Secretary and a Treasurer, who shall be elected for the term of one year, and shall hold office until their successors are duly elected and qualified. An officer need not be a director or stockholder of the corporation. The same person may hold two or more offices.
- Section 2. The President shall preside at all Directors and Stockholders meetings, and shall have general supervision over the affairs of the corporation and over the other officers; shall sign all stock certificates and written contracts of the corporation; and shall perform such other duties as are incident to his office.
- Section 3. The Secretary, if appointed, shall issue notice of all Directors and Stockholders meetings, and shall attend and keep the minutes of the same; shall have charge of all corporate records, books and papers not specifically in the custody of the Treasurer; shall be the custodian of the corporation seal; shall attest with his signature and impress with the corporate seal all stock certificates, proprietary leases and other contracts requiring the corporate seal, and shall perform such other duties as are incident to his office. In the absence of a Secretary the President shall perform the foregoing duties.
- Section 4. The Treasurer, if appointed, shall have the custody of all money and securities of the corporation, and may be required to give bond, in such sum and with such sureties as the Directors may designate. He shall keep such records and make such reports as the Directors may require; and shall perform such other duties as are incident to his office. In the absence of a Treasurer the President shall perform the foregoing duties.
- Section 5. The Board of Directors may create the offices of Vice President, Assistant Secretary and Assistant Treasurer and establish their duties.

ARTICLE VI.

FINANCES

- Section 1. The corporation shall be run and operated on a cooperative basis.
- Section 2. The fiscal year shall commence on the 1st day of January of each year and terminate on the 31st day of December.

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- Section 3. The funds of the corporation shall be deposited in such bank or banks as the Board of Directors shall designate, and shall be withdrawn only as provided by resolution of the Board of Directors.
- Section 4. The Board of Directors shall prepare and submit to the annual meeting of the stockholders a budget of the estimated cash requirements for the corporation during the current fiscal year. The stockholders may discuss the budget and may make recommendations concerning it, but the final approval shall rest exclusively with the Board of Directors. The annual budget shall be adopted by the Board of Directors at their annual meeting, and a copy thereof shall be sent to each stockholder: The total annual budget shall be divided by one thousand, and against each share of stock there shall be assessed one one-thousandth part thereof. The owner of each apartment shall be required to pay the assessment so levied upon all of the stock allocated in the Articles of Incorporation to such apartment. These payments shall be due and payable as determined by the Board of Directors.
- Section 5. For all purposes the last annual budget shall continue until amended or a new budget is adopted by the Board of Directors.
- Section 6. Whenever in the opinion of the Board of Directors an unbudgeted expense has been, or should be, incurred, the Board of Directors shall levy a special assessment to cover such expense, and the amount thereof shall have the same force and effect, and shall be assessed and collected in the same manner as regular annual assessments. The date or dates for payment shall be determined by the Board of Directors.

ARTICLE VII.

AUTOMOBILE PARKING SPACES

- Section 1. The Board of Directors shall allocate parking space for one automobile to each apartment owner. The Board of Directors may from time to time make such regulations as may be necessary or desirable for the control of traffic and parking.

ARTICLE VIII.

CONSENT OF STOCKHOLDERS

- Section 1. The corporation shall not enter into any contract for the purchase or lease of real or personal property, or for the sale thereof, involving more than Five Thousand Dollars (\$5,000); or execute any mortgage; or assume any mortgage; without first obtaining the written consent of the owners of more than 500 shares of stock.

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ARTICLE IX.

PROPRIETARY LEASE

Section 1. The Board of Directors shall establish a uniform proprietary lease setting forth the terms and conditions governing the use and occupancy of each apartment by the respective owners. The provisions of the proprietary lease, the Articles of Incorporation, the stock certificate and these By-Laws shall constitute the contract between this corporation and the apartment owners. The proprietary lease shall be uniform and may be modified only upon the written consent of the owners of more than 750 shares of stock.

ARTICLE X.

MANAGEMENT

Section 1. The management of the apartment building and grounds shall be by the Board of Directors. The Board of Directors may employ such persons or enter into contracts for the management and maintenance of the apartment building and grounds as they may deem desirable.

Section 2. The Board of Directors may, at their discretion, impose a fee to be paid upon the transfer of ownership of each apartment and/or the sublease of any apartment.

Section 3. The Board of Directors shall establish rules and regulations governing the subleasing of apartments by the owners thereof, provided such rules and regulations shall not conflict with the terms of the proprietary lease, the Articles of Incorporation or these By-Laws.

ARTICLE XI.

HOUSE RULES

Section 1. The Board of Directors shall establish uniform rules and regulations for the conduct of the occupants and guests of the apartment building and grounds. The House Rules and Regulations may be modified or amended by a two-thirds or greater vote of the full Board of Directors at the annual meeting, or at any regular or special meetings provided written notice of the proposed changes shall be given each Director not less than ten days prior to the meeting.

ARTICLE XII.

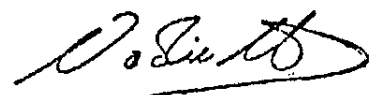
AMENDMENTS

Section 1. These By-Laws may be amended from time to time upon the written consent of the owners of not less than 750 shares of stock.

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Adopted this 18 day of December, 2013.

ATTEST:



Nadim Ashi, President



Nadim Ashi, Sole Director