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THE UNITED STATES
CORPORATION
COMPANY

ACCOUNT NO. : 072100000032

REFERENCE : 345447 4329325

AUTHORIZATION : Patricia Pujols

COST LIMIT : \$ 87.50

ORDER DATE : April 28, 1997

ORDER TIME : 9:57 AM

ORDER NO. : 345447-005

CUSTOMER NO: 4329325

CUSTOMER: Ms. Gerry Milligan
Brant Moore Macdonald & Wells,
P. O. Box 4548

Jacksonville, FL 32201-4548

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FILED
9 APR 28 AM 11:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DOMESTIC AMENDMENT FILING

NAME: LEISURE INN, INC.

EFFECTIVE DATE:

XX ARTICLES OF AMENDMENT
 RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY
 PLAIN STAMPED COPY
 CERTIFICATE OF GOOD STANDING

CONTACT PERSON: W. Charles Earnest

EXAMINER'S INITIALS:

WCHAM
KRG
4/28

ARTICLES OF AMENDMENT
LEISURE INN, INC.

FILED
97 APR 28 AM 11:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

These Articles of Amendment are filed pursuant to Florida Statute Section 607.1006, to reflect an amendment to the Articles of Incorporation of Leisure Inn, Inc., and in connection therewith, the undersigned officers, acting upon authority of the Board of Directors of Leisure Inn, Inc., and upon authority of all of the shareholders of this Corporation, hereby set forth as follows:

1. The name of this Corporation is Leisure Inn, Inc.
2. The Articles of Incorporation of Leisure Inn, Inc. have been amended by deleting Article II in its entirety and by substituting in lieu thereof the following restatement of Article II:

The sole purpose of the corporation is to acquire, own, hold, maintain, and operate a hotel located at 1300 Ponce de Leon Boulevard, St. Augustine, Florida 32084 (the "Project"), together with such other activities as may be necessary or advisable in connection with the ownership of the Project. Notwithstanding anything contained herein to the contrary, the corporation shall not engage in any business, and it shall have no purpose, unrelated to the Project and shall not acquire any real property or own assets other than those related to the Project and/or otherwise in furtherance of the purposes of the corporation.

3. The Articles of Incorporation of Leisure Inn, Inc. have been further amended by the addition of the following as Article XII:

The corporation shall at all times observe the applicable legal requirements for the recognition of the corporation as a legal entity separate from any affiliates (as defined below), including, without limitation, as follows:

(a) The corporation shall maintain its principal executive office and telephone and facsimile number separate from that of any Affiliate and shall conspicuously identify such office and numbers as its own. Additionally, the corporation shall use its own separate stationary, invoices and checks which reflects its separate address, telephone number and facsimile number, as appropriate.

(b) The corporation shall maintain its corporate records and books and accounts separate from those of any Affiliate or any other entity. The corporation shall prepared unaudited quarterly and annual financial statements, and the corporation's financial statements shall substantially comply with generally accepted accounting principles.

(c) The corporation shall maintain its own separate bank accounts, payroll and correct, complete and separate books of account.

(d) The corporation shall hold itself out to the public (including any Affiliate's creditors) under the corporation's own name and as a separate and distinct corporate entity and not as a department, division or otherwise of any Affiliate.

(e) All customary formalities regarding the corporate existence of the corporation, including holding meetings of or obtaining the consent of its Board of Directors, as appropriate, and its stockholders and maintaining current and accurate minute books separate from those of any Affiliate, shall be observed.

(f) The corporation shall act solely in its own corporate name and through its own duly authorized officers and agents. No Affiliate shall be appointed or act as agent of the corporation.

(g) Investments shall be made in the name of the corporation directly by the corporation or on its behalf by brokers engaged and paid by the corporation or its agents.

(h) Except as required by Daiwa Securities America Inc. or its successors or assigns (collectively, the "Lender"), the corporation shall not guarantee or assume or hold itself out or permit itself to be held out as having guaranteed or assumed any liabilities or obligations of any Affiliate, nor shall it make any loan to any Affiliate.

(i) The corporation is and will be solvent and shall pay its own liabilities, indebtedness and obligations of any kind, including all administrative expenses, from its own separate assets.

(j) Assets of the corporation shall be separately identified, maintained and segregated. The corporation's assets shall at all times be held by or on behalf of the corporation and if held on behalf of the corporation by another entity, shall at all times be kept identifiable (in accordance with customary usages) as assets owned by the corporation. This restriction requires, among other things, that corporate funds shall not be commingled with those of any Affiliate and it shall maintain all accounts in its own name and with its own tax identification number, separate from those of any Affiliate.

(k) The corporation shall not take any action if, as a result of such action, the corporation would be required to register as an investment company under the Investment Company Act of 1940, as amended.

(l) The corporation shall at all times be adequately capitalized to engage in the transactions contemplated at its formation.

(m) All data and records (including computer records) used by the corporation or any Affiliate in the collection and administration of any loan shall reflect the corporation's ownership interest therein.

(n) None of the corporation's funds shall be invested in securities issued by any Affiliate.

"Affiliate" means any person or entity other than the corporation (i) which owns beneficially, directly or indirectly, more than 50 percent of the outstanding shares of the common stock or which is otherwise in control of the corporation, (ii) of which more than 50 percent of the outstanding voting securities are owned beneficially, directly or indirectly, by any person or entity described in clause (i) above, or (iii) which is controlled by any person or entity described in clause (i) above; provided that for the purposes of this definition the term "control" and "controlled by" still have the meanings assigned to them in Rule 405 under the Securities Act of 1933, as amended.

The corporation shall not, without the affirmative vote of 100 percent of the Board of Directors, institute proceedings to be adjudicated bankrupt or insolvent; or consent to the institution of bankruptcy or insolvency

proceedings against it; or file a petition seeking, or consent to, reorganization or relief under any applicable federal or state law relating to bankruptcy; or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the corporation or a substantial part of its property; or make any assignment for the benefit of creditors; or admit in writing its inability to pay its debts generally as they become due; or take any corporate action in furtherance of any such action.

Additionally, the corporation shall not, without the affirmative vote of 100 percent of its Board of Directors (o) liquidate or dissolve the corporation in whole or in part, (p) consolidate, merge or enter into any form of consolidation with or into any other entity, nor convey, transfer or lease its assets substantially as an entirety to any person or entity nor permit any entity to consolidate, merge or enter into any form of consolidation with or into the corporation, nor convey, transfer or lease its assets substantially as an entirety to any person or entity, and (q) amend or modify these Articles of Incorporation.


Notwithstanding anything to the contrary, the corporation may not amend Articles II and this Article XII, so long as any indebtedness remains outstanding to the Lender by the corporation, unless the Lender consents to such amendment in writing. Such consent of the Lender is a prerequisite to such amendment becoming effective.

4. The name of the corporation is hereby changed to Leisure Inns, Inc.

5. In accordance with Florida Statute Section 607.1003, the referred to amendment was adopted by the Board of Directors on April 10, 1997 by all the shareholders comprising the only voting group in accordance with Florida Statute Section 607.0704. The number of votes cast for the Amendment by the stockholders is sufficient for approval of the Amendment by all voting groups of the Corporation.

6. Upon the filing of these Articles of Amendment by the Department of State, the above referred to amendment shall become effective and the Articles of Incorporation of Leisure Inn, Inc. shall be deemed to be amended accordingly.

DATED this 24th day of April, 1997.



President



Secretary : Office

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