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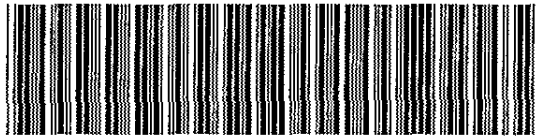
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TALLAHASSEE, FLORIDA

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1680
5/7/03

CT CORPORATION

May 7, 2003

Secretary of State, Florida
409 East Gaines Street
Tallahassee FL 32399

Re: Order #: 5802256 WO
Customer Reference 1: Amy Patterson
Customer Reference 2: CNLR

Dear Secretary of State, Florida:

Please file the attached:

Commercial Net Lease Realty Trust (MD) _____
Misc - Foreign Corporate Filing - Filing Affidavit of Business Trust with copy
of Trust Agreement.
Florida _____

Commercial Net Lease Realty Trust (MD) _____
Certificate of Status/Authorization-Foreign *=Need 2*
Florida _____

Enclosed please find a check for the requisite fees. Please return evidence of filing(s) to my attention.

If for any reason the enclosed cannot be filed upon receipt, please contact me immediately at
(850) 222-1092. Thank you very much for your help.

660 East Jefferson Street
Tallahassee, FL 32301
Tel. 850 222 1092
Fax 850 222 7615

CT CORPORATION

Sincerely,

Brigham Weir
Fulfillment Specialist
Brigham_Weir@cch-lis.com

660 East Jefferson Street
Tallahassee, FL 32301
Tel. 850 222 1092
Fax 850 222 7615

**AFFIDAVIT TO THE FLORIDA SECRETARY OF STATE
TO FILE OR QUALIFY**

COMMERCIAL NET LEASE REALTY TRUST

A Maryland TRUST

In accordance with Section 609.02 of the Florida Statutes, pertaining to
Common Law Declarations of Trust, the undersigned, the trustee
of Commercial Net Lease Realty Trust

(Name of Trust)

Maryland

Trust hereby affirms in order to file or qualify

(State)

Commercial Net Lease Realty Trust

, in the State of Florida.

(Name of Trust)

1. Two or more persons are named in the Trust.
2. The principal address is 450 S. Orange Avenue
Orlando, FL 32801
3. The registered agent and street address in the State of Florida is:
CT Corporation System
1200 South Pine Island Road, Plantation, FL 33324
4. Acceptance by the registered agent: Having been named as registered agent to accept service of process for the above named Declaration of Trust at the place designated in this affidavit, I hereby accept the appointment as registered agent and agree to act in this capacity.

**CONNIE BRYAN
SPECIAL ASSISTANT SECRETARY**

Connie Bryan

(Signature of Registered Agent)

5. I certify that the attached is a true and correct copy of the Declaration of Trust under which the association proposes to conduct its business in Florida.

STATE OF FLORIDA
COUNTY OF ORANGE

NOTARY

Amy J. Patterson

CR2E063(3/00)



Amy J. Patterson
Notary Commission CCB49907
Expires June 27, 2003

Gary M. Balston

Name: gary M. Balston

Trustee

Filing Fee: \$350.00
Certified Copy: \$ 8.75 (optional)

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

03 MAY -7 AM 11:46

FILED

SECTION 1.3 Nature of Trust. The Trust is a real estate investment trust within the meaning of Title 8. The Trust shall not be deemed to be a general partnership, limited partnership, joint venture, joint stock company or, except as provided in Section 1.4, a corporation (but nothing herein shall preclude the Trust from being treated for tax purposes as an association under the Code).

SECTION 1.4 Powers. The Trust shall have all of the powers granted to real estate investment trusts generally by Title 8 or any successor statute and shall have any other and further powers as are not inconsistent with and are appropriate to promote and attain the purposes set forth in this Declaration of Trust.

SECTION 1.5 Definitions. As used in this Declaration of Trust, the following terms shall have the following meanings unless the context otherwise requires:

"Advisor" means the person, if any, appointed, employed or contracted with by the Trust pursuant to Section 4.1.

"Affiliate" or "Affiliated" means, as to any corporation, partnership, trust or other association (other than the Trust), any Person (i) that holds beneficially, directly or indirectly, 5% or more of the outstanding shares or equity interests thereof or (ii) who is an officer, director, partner or trustee thereof or any Person who controls, is controlled by, or is under common control with, such corporation, partnership, trust or other association or (iii) who controls, is controlled by, or is under common control with, such corporation, partnership, trust or other association.

"Mortgages" means mortgages, deeds of trust, or other security interests on or applicable to Real Property.

"Person" means an individual, corporation, partnership, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation with the meaning of Section 509(a) of the Code, joint stock company or other entity, or any government and agency or political subdivision thereof, and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

"Real Property" or "Real Estate" means lands, rights in land (including leasehold interests), and any buildings, structures, improvements, furnishings, fixtures and equipment located on or used in connection with land and rights as interests in land.

"REIT Provisions of the Code" means Sections 856 through 864 of the Code and any successor or other provisions of the Code relating to real estate investment trusts (including provisions as to the attribution of ownership of beneficial interests therein) and the regulations promulgated thereunder.

"Securities" means Shares, any stock, shares or other evidences of equity or beneficial or other interests, voting trust certificates, bonds, debentures, notes or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in, temporary or interim certificates for, receipts for, guarantees of, warrants, options or rights to subscribe to, hold, purchase or acquire any of the foregoing.

"Securities of the Trust" means any Securities issued by the Trust.

"Shareholders" means any holders of Securities issued by the Trust.

"Shares" means transferable shares of beneficial interest of the Trust of any class or series.

"Trustee(s)" means, collectively, the individuals named in Section 2.2 of this Declaration so long as they continue in office and all other individuals who have been duly elected and qualified as trustees of the Trust hereunder.

"Trust Property" means any and all property, real, personal or otherwise, tangible or intangible, which is transferred or conveyed to the Trust or the Trustees (including all rents, income, profits and gains therefrom), which is owned or held by, or for the account of, the Trust or the Trustees.

ARTICLE II

TRUSTEES

SECTION 2.1 Number. The number of Trustees initially shall be three, which number may thereafter be increased or decreased by the Trustees then in office from time to time; however, the total number of Trustees shall be not less than two or more than five. No reduction in the number of Trustees shall cause the removal of any Trustee from office prior to the expiration of his term.

Initial Trustees; Term. The names and addresses of the Trustees who shall serve under the first annual meeting and until their successors are duly elected and qualified are:

<u>Name</u>	<u>Address</u>
Patrick L. Beacl	24 Frank Lloyd Wright Drive Lobby L, 4 th Floor Ann Arbor, MI 48106
W. Ross Martin	24 Frank Lloyd Wright Drive Lobby L, 4 th Floor Ann Arbor, MI 48106
Gary A. Bruder	24 Frank Lloyd Wright Drive Lobby L, 4 th Floor Ann Arbor, MI 48106

At the annual meeting of the Shareholders of the Trust, the successors to Trustees at such meeting shall be elected to hold office for a term expiring not later than the second annual meeting of Shareholders following the year of their election.

SECTION 2.3 Resignation, Removal or Death. Any Trustee may resign by written notice to the remaining Trustees, effective upon execution and delivery to the Trust of such written notice or upon any future date specified in the notice. A Trustee shall resign if such Trustee, at any time, is not an officer of Captec Net Lease Realty, Inc.. A Trustee may be removed, with or without cause, at a meeting of the Shareholders called for that purpose, by the affirmative vote of the holders of not less than two-thirds of the Shares then outstanding and entitled to vote in the election of Trustees. Upon the resignation or removal of any Trustee, or his otherwise ceasing to be a Trustee, he shall automatically cease to have any right, title or interest in and to the Trust Property and shall execute and deliver such documents as the remaining Trustees require for the conveyance of any Trust Property held in his name, and shall account to the remaining Trustees as they may require for all property which he holds as Trustee. Upon the incapacity or death of any Trustee, his legal representative shall perform those acts.

SECTION 2.4 Legal Title. Legal title to all Trust Property shall be vested in the Trust, or any other Person as nominee.

ARTICLE III

POWERS OF TRUSTEES

SECTION 3.1 General. Subject to the express limitations herein or in the Bylaws, (a) the

business and affairs of the Trust shall be managed by or under the direction of the Board of Trustees and (b) the Trustees shall have full, exclusive and absolute power, control and authority over the Trust Property and over the business of the Trust as if they, in their own right, were the sole owners thereof. The Trustees may take any actions as in their sole judgment and discretion are necessary or desirable to conduct the business of the Trust. This Declaration of Trust shall be construed with a presumption in favor of the grant of power and authority to the Trustees. Any construction of this Declaration or determination made in good faith by the Trustees concerning their powers and authority hereunder shall be conclusive. The enumeration and definition of particular powers of the Trustees included in this Article III shall in no way be limited or restricted by reference to or inference from the terms of this or any other provision of this Declaration or construed or deemed by inference or otherwise for any manner to exclude or limit the powers conferred upon the Trustee under the general laws of the State of Maryland as now or hereafter in force.

SECTION 3.2 Specific Powers and Authority. Subject only to the express limitations herein, and in addition to all other powers and authority conferred by this Declaration or by law, the Trustees, without any vote, action or consent by the Shareholders, shall have and may exercise, at any time or times, in the name of the Trust or on its behalf, all of the following powers and authorities:

(a) **Investments.** Subject to Section 8.5, to invest in, purchase or otherwise acquire and to hold real, personal or mixed, tangible or intangible, property of any kind (including, without limitation, Securities and Mortgages), wherever located, or rights or interests therein or in connection therewith; all without regard to whether such property, interests or rights are authorized by law for the investment of funds held by trustees or other fiduciaries, or whether obligations the Trust acquires have a term greater or lesser than the term of office of the Trustees or the possible termination of the Trust; for such consideration as the Trustees may deem proper (including cash, property of any kind or Securities of the Trust), provided, however, that the Trustees shall take such actions as they deem necessary and desirable to comply with any requirement of Title 8 relating to the types of assets held by the Trust.

(b) **Sale, Disposition and Use of Property.** Subject to Article V and Sections 8.5 and 9.3, to sell, rent, lease, hire, exchange, release, partition, assign, mortgage, grant security interests in, encumber, negotiate, dedicate, grant assessments in and options with respect to, convey, transfer (including transfers to entities wholly or partially owned by the Trust or the Trustees) or otherwise dispose of any or all of the Trust Property by deeds (including deeds in lieu of foreclosure with or without consideration), trust deeds, assignments, bills of sale, transfers, leases, mortgages, financing statements, security agreements and other instruments for any of such purposes executed and delivered for and on behalf of the Trust or the Trustees by one or more of the Trustees or by a duly authorized officer, employee, agent or nominee of the Trust, on such terms as they deem appropriate; to give consents and make contracts relating to the Trust Property and its use or other property or matters; to develop, improve, manage, use, alter and otherwise deal with the Trust Property; and to rent, lease or hire from others property of any kind; provided, however, that the Trust may not use or apply land for any purposes not permitted by applicable law.

(c) Financings. To borrow, guarantee, or in any other manner raise money for any purposes, on the terms they determine, and, if appropriate, to evidence the same by issuance of Securities of the Trust, which may have such provisions as the Trustees determine; to reacquire such Securities of the Trust; to enter into other contracts or obligations on behalf of the Trust; to guarantee, indemnify or act as surety with respect to payment or performance of obligations of any Person; to mortgage, pledge, assign, grant security interests in or otherwise encumber the Trust Property, contracts or obligations (including guarantees, indemnifications and suretyships); and to renew, modify, release, compromise, extend, consolidate or cancel, in whole or in part, any obligation to or of the Trust or participate in any reorganization of obligors to the Trust.

(d) Loans. Subject to the provisions of Section 4.5, to lend money or other Trust Property on such terms, for such purposes and to such Persons as they may determine.

(e) Issuance of Securities. To create and authorize the issuance, in shares, units or amounts of one or more types, series or classes, of Securities of the Trust, which may have such voting rights, dividend or interest rates, preferences, subordinations, conversion or redemption prices or rights, maturity dates, distribution, exchange, or liquidation rights or other rights as the Trustees may determine; to issue any type of Securities of the Trust, and any options, warrants, or rights to subscribe therefor, to such Persons for such consideration (or without consideration), at such time or times and in such manner and on such terms as the Trustees determine; to list any of the Securities of the Trust on any securities exchange; to list any of the Securities of the Trust on any securities exchange; and to purchase, redeem or otherwise acquire, hold, cancel, reissue, sell and transfer any Securities of the Trust.

(f) Expenses and Taxes. To pay any charges, expenses or liabilities necessary or desirable, in the sole discretion of the Trustees, for carrying out the purposes of this Declaration and conducting the business of the Trust, including compensation or fees to Trustees, officers, employees and agents of the Trust, and to Persons contracting with the Trust, and any taxes, levies, charges and assessments of any kind imposed upon or chargeable against the Trust, the Trust Property, or the Trustees in connection therewith; and to prepare and file any tax returns, reports or other documents and take any other appropriate action relating to the payment of any such charges, expenses or liabilities.

(g) Collection and Enforcement. To collect, sue for and receive money or other property due to the Trust; to consent to extensions of the time for payment, or to the renewal, of any Securities or obligations; to engage or to intervene in, prosecute, defend, compound, enforce, compromise, release, abandon or adjust any actions, suits, proceedings, disputes, claims, demands, security interests, or matters relating to the Trust, the Trust Property, or the Trust's affairs; to exercise any rights and enter into any agreements and take any other action necessary or desirable in connection with the foregoing.

(h) Deposits. To deposit funds or Securities constituting part of the Trust Property in banks, trust companies, savings and loan associations, financial institutions and other depositories, whether or not such deposits will draw interest, subject to withdrawal on such terms

and in such manner as the Trustees determine.

(i) Allocation; Accounts. To determine whether moneys, profits or other assets of the Trust shall be charged or credited to, or allocated between, income and capital, including whether or not to amortize any premium or discount and to determine in what manner any expenses or disbursements are to be borne as between income and capital (regardless of how such items would normally or otherwise be charged to or allocated between income and capital without such determination); to treat any dividend or other distribution on any investment as, or apportion it between, income and capital; in their discretion to provide reserves for depreciation, amortization, obsolescence or other purposes in respect of any Trust Property in such amounts and any such methods as they determine; to determine what constitutes net earnings, profits or surplus; to determine the method or form in which the accounts and records of the Trust shall be maintained; and to allocate to the Shareholder's equity account less than all of the consideration paid for Shares and to allocate the balance to paid-in capital or capital surplus.

(j) Valuation of Property. To determine the value of all or any part of the Trust Property and of any services, Securities, property or other consideration to be furnished to or acquired by the Trust, and to revalue all or any part of the Trust Property, all in accordance with such appraisal or other information as are reasonable, in their sole judgment.

(k) Ownership and Voting Powers. To exercise all of the rights, power, options and privileges pertaining to the ownership of any mortgages, Securities, Real Estate and other Trust Property to the same extent that an individual owner might, including, without limitation, to vote or give any consent, request or notice or waive any notice, either in person or by proxy or power of attorney, which proxies and powers of attorney may be for any general or special meetings or action, and may include the exercise of discretionary powers.

(l) Officers, etc.; Delegation of Powers. To elect, appoint or employ such officers for the Trust and such committees of the Board of Trustees with such power and duties as the Trustees may determine or the Trust's Bylaws provide; to engage, employ or contract with and pay compensation to any Person (including, subject to Section 8.5, any Trustee and any Person who is an Affiliate of any Trustee) as agent, representative, adviser, member of any advisory board, employee or independent contract (including advisers, consultants, transfer agents, registrars, underwriters, accountants, attorneys at law, real estate agents, property and other managers, appraisers, brokers, architects, engineers, construction managers, general contractors or otherwise) in one or more capacities, to perform such services on such terms as the Trustees, officers or other Persons engaged or employed as aforesaid or to committees of Trustees or to the Adviser, the performance of acts or other things (including granting of consents), the making of decisions and the execution of such deeds, contracts or instruments, either in the names of the Trust, the Trustees or their attorneys or otherwise, as the Trustees may determine; and to establish such committees as they deem appropriate.

(m) Associations. Subject to Section 8.5, to cause the trust to enter into joint ventures, general or limited partnerships, participation or agency arrangements or any other lawful combination, relationships or associations of any kind.

(n) Reorganizations, etc. Subject to Sections 9.2 and 9.3 hereof, to cause to be organized or assist in organizing any Person under the laws of any jurisdiction to acquire all or any part of the Trust Property or carry on any business in which the Trust shall have an interest; to merge or consolidate the Trust with any Person; to sell, rent, lease, hire, convey, negotiate, assign, exchange or transfer all or any part of the Trust Property to or with any Person in exchange for Securities of such Person or otherwise; and to lend money to, subscribe for and purchase the Securities of, and enter into any contracts with, any Person in which the Trust holds, or is about to acquire, Securities or any other interests.

(o) Insurance. To purchase and pay for out of the Trust Property insurance policies insuring the Trust and the Trust Property against any and all risks, and insuring the Shareholders, Trustees, officers, employees and agents of the Trust individually against all claims and liabilities of any nature arising by reason of holding or having held any such statutes, office or position or by reason of any action alleged to have been taken or omitted (including those alleged to constitute misconduct, gross negligence, reckless disregard of duty or bad faith) by any such Person in such capacity, whether or not the Trust would have the power to indemnify such Person against such claim or liability.

(p) Executive Compensation, Pension and Other Plans. To adopt and implement executive compensation, pension, profit sharing, stock option, stock bonus, stock purchase, stock appreciation rights, savings, thrift, dividend reinvestment, retirement, incentive or benefit plans, trusts or provisions, applicable to any or all Trustees, officers, employees, agents of the Trust, or to other Persons who have benefited the Trust, all on such terms and for such purposes as the Trustees may determine.

(q) Distributions. To declare and pay dividends or other distributions to Shareholders, subject to Section 6.4.

(r) Indemnification. In addition to the indemnification provided for in Section 8.4, to indemnify any Person, including any adviser or independent contractor, with whom the Trust has dealings.

(s) Charitable Contributions. To make donations for the public welfare or for community, charitable, religious, educational, scientific, civic or similar purposes, regardless of any direct benefit to the Trust.

(t) Discontinue Operations; Bankruptcy. To discontinue the operations of the Trust (subject to Section 10.2 hereof) to petition or apply for relief under any provision of federal or state bankruptcy, insolvency or reorganization laws or similar laws for the relief of debtors; to permit any Trust Property to be foreclosed upon with or without raising any legal or equitable defenses that may be available to the Trust or the Trustees or otherwise defending or responding to such foreclosure; to confess judgment against the Trust; or to take such other action with respect to indebtedness or other obligations of the Trustees, in such capacity, the Trust Property or the Trust as the Trustees in their discretion may determine.

(u) Termination of Status. To terminate the status of the Trust as a qualified REIT subsidiary of real estate investment trust under the REIT provisions of the Code.

(v) Fiscal Year. Subject to the Code, to adopt, and from time to time change, a fiscal year for the Trust.

(w) Seal. To adopt and use a seal, though the use of a seal shall not be required for the execution of instruments or obligations of the Trust.

(x) Bylaws. To adopt, implement and from time to time amend bylaws of the Trust relating to the business and organization of the Trust which are not inconsistent with the provisions of this Declaration of Trust.

(y) Voting Trust. To participate in, and accept Securities issued under or subject to, any voting trust.

(z) Proxies. To solicit proxies of the Shareholders at the expense of the trust.

(aa) Further Powers. To do all other acts and things and execute and deliver all instruments incident to the foregoing powers, and to exercise all powers which they deem necessary, useful or desirable to carry on the business of the Trust or to carry out the provisions of this Declaration of Trust, even if such powers are not specifically provided hereby.

ARTICLE IV

ADVISER

SECTION 4.1 Appointment. The Trustees are responsible for setting the general policies of the Trust and for the general supervision of its business conducted by officers, agents, employees, advisers or independent contractors of the Trust. However, the Trustees are not required personally to conduct the business of the Trust, and they may (but need not) appoint, employ or contract with any Person (including a Person Affiliated with any Trustee) as an Adviser and may grant or delegate such authority to the Adviser as the Trustees may, in their sole discretion, deem necessary or desirable. The Trustees may determine the terms of retention and the compensation of the Adviser and may exercise broad discretion in allowing the Adviser to administer and regulate the operations of the Trust, to act as agent for the Trust, to execute documents on behalf of the Trust and to make executive decisions which conform to general policies and principles established by the Trustees.

SECTION 4.2 Affiliation and Functions. The Trustees, by resolution or in the Bylaws, may provide guidelines, provisions, or requirements concerning the affiliation and functions of the Adviser.

ARTICLE V

INVESTMENT POLICY

The fundamental investment policy of the Trust is to make investments in such a manner as to comply with the REIT Provisions of the Code and with the requirements of Title 8, with respect to the composition of the Trust's investments and the derivation of its income. Subject to Section 3.2(u) hereof, the Trustees will use their best efforts to carry out this fundamental investment policy and to conduct the affairs of the Trust in such a manner as to continue to qualify the Trust for the tax treatment provided in the REIT Provisions of the Code; however, no Trustee, officer, employee, or agent of the Trust shall be liable for any act or omission resulting in the loss of tax benefits under the Code, except to the extent provided in Section 8.2. The Trustees may change, from time to time, by resolution or in the Bylaws of the Trust, such investment policies as they determine to be in the best interests of the Trust, including prohibitions or restrictions upon certain types of investments.

ARTICLE VI

SHARES

SECTION 6.1 Shares. The beneficial interest in the Trust shall be divided into Shares. The total number of Shares which the Trust has the authority to issue is 850 and shall consist of Common Shares and other types or classes or Securities of the Trust as the Trustees may create and authorize from time to time and designate as representing a beneficial interest in the Trust. Shares may be issued for such consideration as the Trustees determine or, if issued as a result of a Share dividend or Share split, without any consideration, in which case all Shares so issued shall be fully paid and nonassessable by the Trust.

SECTION 6.2 Common Shares. Common Shares ("Common Shares") shall have a par value of \$0.01 per share and shall entitle the holders to one vote per share on a noncumulative basis on all matters upon which Shareholders are entitled to vote pursuant to Section 7.2, and shares of a particular class of issued Common Shares shall have equal dividend, distribution, liquidation and other rights, and shall have no preference, preemptive, appraisal, conversion or exchange rights. The Trustees may classify or reclassify any unissued Common Shares by setting or changing the number, designation, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of any such Common Shares; and, in such event, the Trust shall file for record with the State Department of Assessments and Taxation of Maryland articles supplementary in substance and form as prescribed by Maryland law.

SECTION 6.3 Preferred Shares. The Trustees are hereby expressly granted the authority to authorize from time to time the issuance of one or more series of Preferred Shares ("Preferred Shares") and with respect to any such series to fix the numbers, designations, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications

and terms or conditions of redemption of such series. The Trustees may classify or reclassify any unissued Preferred Shares by setting or changing the number, designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of any such Preferred Shares; and, in such event, the Trust shall file for record with the State Department of Assessments and Taxation of Maryland articles supplementary in substance and form as prescribed by Maryland law.

SECTION 6.4 Dividends or Distributions. The Trustees may from time to time declare and pay to Shareholders such dividends or distributions in cash, property or other assets of the Trust or in Securities of the Trust or from any other source as the Trustees in their discretion shall determine. The Trustees shall endeavor to declare and pay such dividends and distributions as shall be necessary for the Trust to qualify as a qualified REIT subsidiary of a real estate investment trust under the REIT Provisions of the Code; however, Shareholders shall have no right to any dividend or distribution unless and until declared by the Trustees. The exercise of the powers and rights of the Trustees pursuant to this Section shall be subject to the provisions of any class or series of Shares at the time outstanding. The receipt by any Person in whose name any Shares are registered on the records of the Trust or by his duly authorized agent shall be a sufficient discharge for all dividends or distributions payable or deliverable in respect of such Shares and from all liability to see to the application thereof.

SECTION 6.5 General Nature of Shares. All Shares shall be personal property entitling the Shareholders only to those rights provided in this Declaration or in the resolution creating any class or series of Shares. The legal ownership of the Trust Property and the right to conduct the business of the Trust are vested exclusively in the Trustees; the Shareholders shall have no interest therein other than beneficial interest in the Trust conferred by their Shares and shall have no right to compel any partition, division, dividend or distribution of the Trust or any of the Trust Property. The death of a Shareholder shall not terminate the Trust or give his legal representative any rights against other Shareholders, the Trustees or the Trust Property, except the right, exercised in accordance with applicable provisions of the Bylaws, to receive a new certificate for Shares in exchange for the certificate held by the deceased Shareholder.

ARTICLE VII

SHAREHOLDERS

SECTION 7.1 Meetings of Shareholders. There shall be an annual meeting of the Shareholders, to be held at such time and place as shall be determined by or in the manner prescribed in the Bylaws at which the Trustees shall be elected and any other proper business may be conducted. Except as otherwise provided in this Declaration of Trust, special meetings of the Shareholders may be called in the manner provided in the Bylaws. If there are no Trustees, the officers of the Trust shall promptly call a special meeting of the Shareholders for the election of successor Trustees. Any meeting may be adjourned and reconvened as the Trustees determine or as provided in the Bylaws.

SECTION 7.2 Voting Rights of Shareholders. Subject to the provisions of any class or

series of Shares then outstanding, the Shareholders shall be entitled to vote only on the following matters: (a) election or removal of Trustees as provided in Sections 7.1 and 2.3 hereof; (b) amendment of this Declaration of Trust as provided in Section 9.1; (c) termination of the Trust as provided in Section 10.2; (d) reorganization of the Trust as provided in Section 9.2; and (e) merger, consolidation or share exchange of the Trust, or the sale or disposition of substantially all of the Trust Property, as provided in Section 9.3. Except with respect to the foregoing matters, no action taken by the Shareholders shall in any way bind the Trustees.

ARTICLE VIII

LIABILITY OF SHAREHOLDERS, TRUSTEES, OFFICERS, EMPLOYEES AND AGENTS AND TRANSACTIONS BETWEEN THEM AND THE TRUST

SECTION 8.1 Limitation of Shareholder Liability. No Shareholder shall be liable for any debt, claim, demand, judgment or obligation of any kind, against or with respect to the Trust by reason of his being a Shareholder, nor shall any Shareholder, by reason of his status as such, be subject to any personal liability whatsoever, in tort, contract or otherwise, to any Person in connection with the Trust Property or the affairs of the Trust.

SECTION 8.2 Limitation of Trustee and Officer Liability. To the maximum extent that Maryland law in effect from time to time permits limitation of the liability of Trustees and officers of a real estate investment trust, no Trustee or officer of the Trust shall be liable to the Trust or to any Shareholder for money damages. Neither the amendment nor repeal of this Section, nor the adoption or amendment of any other provision of this Declaration of Trust inconsistent with this Section, shall apply to or affect in any respect the applicability of the preceding sentence with respect to any act which occurred prior to such amendment, repeal or adoption. In the absence of any Maryland statute limiting the liability of trustees and officers of a Maryland real estate investment trust for money damages in a suit by or on behalf of the Trust or by any Shareholder, no Trustee or officer of the Trust shall be liable to the Trust or to any Shareholder for money damages except to the extent that (a) the Trustee or officer actually received an improper benefit or profit in money, property, or services, for the amount of the benefit or profit in money, property or services actually received; or (b) a judgment or other final adjudication adverse to the Trustee or officer is entered in a proceeding based on a finding in the proceeding that the Trustee's or officer's action or failure to act was the result of active or deliberate dishonesty and was material to the cause of action adjudicated in the proceeding.

SECTION 8.3 Express Exculpatory Clauses in Instruments. Neither the Shareholders nor the Trustees, officers, employees or agents of the Trust shall be liable under any written instrument creating an obligation of the Trust, and all persons shall look solely to the Trust Property for the payment of any claim under or for the performance of that instrument. The omission of the foregoing exculpatory language from any instrument shall not affect the validity or enforcement of such instrument and shall not render any Shareholder, Trustee, officer, employee or agent liable thereunder to any third party, nor shall the Trustee or any officer, employee or agent of the Trust be liable to anyone for such omission.

SECTION 8.4 Indemnification. To the extent provided in its Bylaws, the Trust shall have the power to indemnify, and to pay or reimburse reasonable expenses to, as such expenses are incurred by, each Shareholder, Trustee, officer, employee or agent (including any person who, while a Trustee of the Trust, is or was serving as the agent of the Trust as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, other enterprise or employee benefit plan) from all claims and liabilities to which such person may become subject by reason of his being or having been a Shareholder, Trustee, officer, or employee or agent.

SECTION 8.5 Transactions Between the Trust and its Trustees, Officers, Employees or Agents. Subject to any express restrictions in this Declaration of Trust or adopted by the Trustees in the Bylaws or by resolution, the Trust may enter into any contract or transaction of any kind (including, without limitation, for the purchase or sale of property or for any type of services, including those in connection with underwriting or other offer or sale of Securities of the Trust) with any Person, including any Trustee, officer, employee or agent of the Trust or any Person Affiliated with a Trustee, officer, employee or agent of the Trust, whether or not any of them has a financial interest in such transaction.

ARTICLE IX

AMENDMENT; REORGANIZATION; MERGER, ETC.:

SECTION 9.1 Amendment

(a) This Declaration of Trust may be amended by the affirmative vote of the holders of not less than a majority of the Shares then outstanding and entitled to vote thereon, except that Sections 2.3, 9.2 and 9.3 hereof, and this subsection or subsection (b) of this Subsection 9.1, may be amended only by the affirmative vote of not less than two-thirds of the Shares then outstanding and entitled to vote.

(b) The Trustees, by a two-thirds vote, may amend the provisions of this Declaration of Trust from time to time to enable the Trust to qualify as a real estate investment trust under the REIT Provisions of the Code or under Title 8.

(c) An amendment to this Declaration of Trust shall become effective as provided in Section 11.5.

(d) This Declaration of Trust may not be amended except as provided in this Section 9.1.

SECTION 9.2 Reorganization. Subject to the provisions of any class or series of Shares at the time outstanding, the Trustees shall have the power to (a) cause the organization of a corporation, association, trust or other organization to take over the Trust Property and carry on the affairs of the Trust; (b) merge the Trust into, or sell, convey and transfer the Trust Property to, any such corporation, association, trust or organization in exchange for Securities thereof or

beneficial interests therein, and the assumption by the transferee of the liabilities of the Trust; and (c) thereupon terminate the Trust and deliver such Securities of beneficial interest ratably among the Shareholders according to the respective rights of the class or series of Shares held by them; provided that any such action shall have been approved by the affirmative vote of the holders of not less than two-thirds of the Shares then outstanding and entitled to vote thereon.

SECTION 9.3 Merger, Consolidation or Sale of Trust Property. Subject to the provisions of any class or series of Shares at the time outstanding, the Trustees shall have the power to (a) merge the Trust into another entity, (b) consolidate the Trust with one or more other entities into a new entity; or (c) sell or otherwise dispose of all or substantially all of the Trust Property; provided, that such action shall have been approved, at a meeting of the Shareholders called for the purpose, by the affirmative vote of the holders of not less than (i) two-thirds, if the Trust is not the surviving entity in any such merger or consolidation or in the event of a proposed sale or disposition of all or substantially all of the Trust Property, or (ii) a majority, in all other cases, of the Shares then outstanding and entitled to vote thereon.

ARTICLE X

DURATION AND TERMINATION OF TRUST

SECTION 10.1 Duration of Trust. The Trust shall continue perpetually unless terminated pursuant to Section 10.2 hereof or pursuant to any applicable provision of Title 8.

SECTION 10.2 Termination of Trust.

(a) Subject to the provisions of any class or series of Shares at the time outstanding, the Trust may be terminated at any meeting of Shareholders called for that purpose, by the affirmative vote of the holders of not less than two-thirds of the Shares outstanding. Upon the termination of the Trust:

(i) The Trust shall carry on no business except for the purpose of winding up its affairs.

(ii) The Trustees shall proceed to wind up the affairs of the Trust and all of the powers of the Trustees under this Declaration of Trust shall continue, including the powers to fulfill or discharge the Trust's contracts, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Property to one or more Persons at public or private sale for consideration which may consist in whole or in part of cash, Securities or other property of any kind, discharge or pay its liabilities and do all other acts appropriate to liquidate its business.

(iii) After paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and agreements as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property, in cash or in kind or partly in each, among the Shareholders according to their respective rights, so that after payment in full

or the setting apart for payment of such preferential amounts, if any, to which the holders of any Shares (other than Common Shares) at the time outstanding shall be entitled, the remaining Trust Property available for payment and distribution to Shareholders shall, subject to any participating or similar rights of Shares (other than Common Shares) at the time outstanding, be distributed ratably among the holders of Common Shares at the time outstanding.

(b) After termination of the Trust, the liquidation of its business, and the distribution to the Shareholders as herein provided, a majority of the Trustees shall execute and file with the Trust's records a document certifying that the Trust has been duly terminated, and the Trustees shall be discharged from all liabilities and duties hereunder, and the rights and interests of all Shareholders shall cease.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1 Governing Law. This Declaration of Trust is executed by the undersigned Trustees and delivered in the State of Maryland with reference to the laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the laws of the State of Maryland without regard to any conflicts of laws provisions.

SECTION 11.2 Reliance by Third Parties. Any certificate shall be final and conclusive as to any Persons dealing with the Trust if executed by an individual who, according to the records of the Trust or of any recording office in which this Declaration of Trust may be recorded, appears to be Secretary or an Assistant Secretary of the Trust or a Trustee, and is certifying to: (a) the number or identity of Trustees, officers of the Trust or Shareholders; (b) the due authorization or the execution of any document; (c) the action or vote taken, and the existence of a quorum, at a meeting of Trustees or Shareholders; (d) a copy of this Declaration or of the Bylaws as a true and complete copy as then in force; (e) an amendment to this Declaration or the Bylaws; (f) the termination of the Trust; or (g) the existence of any fact or facts relating to the affairs of the Trust. No purchaser, lender, transfer agent or other Person shall be bound to make any inquiry concerning the validity of any transaction purporting to be made on behalf of the Trust by the Trustees or by any officer, employee or agent of the Trust.

SECTION 11.3 Provisions in Conflict with Law or Regulations.

(a) The provisions of this Declaration of Trust are severable, and if the Trustees shall determine, with the advice of counsel, that any one or more of such provisions (the "Conflicting Provisions") are in conflict with the REIT Provisions of the Code, Title 8 or other applicable federal or state laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Declaration of Trust, even without any amendment of this Declaration pursuant to Section 9.1; provided, however, that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Declaration of Trust or render invalid or impair any of the remaining provisions of this Declaration of Trust or render invalid or improper any action taken

or omitted prior to such determination. No Trustee shall be liable for making or failing to make such a determination.

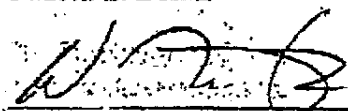
(b) If any provision of this Declaration of Trust shall be held invalid or unenforceable in any jurisdiction, such holding shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Declaration of Trust in any jurisdiction.

SECTION 11.4 Construction. In this Declaration of Trust, unless the context otherwise requires, words used in the singular or in the plural include both the plural and singular and words denoting any gender include all genders. The title and headings of different parts are inserted for convenience and shall not affect the meaning, construction or effect of this Declaration. In defining or interpreting the powers and duties of the Trust and its Trustees and officers, reference may be made, to the extent appropriate and not inconsistent with the Code or Title 8, to Titles 1 through 3 of the Corporations and Associations Article of the Annotated Code of Maryland, the Trust shall be included within the definition of "corporation" for purposes of such provisions.

SECTION 11.5 Recordation. This Declaration of Trust and any amendment hereto shall be filed for record with the State Department of Assessments and Taxation of Maryland and may also be filed or recorded in such other places as the Trustees deem appropriate, but failure to file for record this Declaration or any amendment hereto in any office other than in the State of Maryland shall not affect or impair the validity or effectiveness of this Declaration or any amendment hereto. A restated Declaration shall, upon filing, be conclusive evidence of all amendments contained therein and may thereafter be referred to in lieu of the original Declaration and the various amendments thereto.

IN WITNESS WHEREOF, this Declaration of Trust has been signed as of this 6 day of November, 1998, by the undersigned Trustees, each of whom acknowledges, under penalty of perjury, that this document is his free act and deed, and that to the best of his knowledge, information, and belief, the matters set forth herein are true in all material respects.


Patrick L. Beach


W. Ross Martin


Gary A. Bruder

DEPARTMENT OF ASSESSMENTS AND TAXATION

Charter Division



Director
PAUL B. ANDERSON
Administrator

DOCUMENT CODE 27 BUSINESS CODE 13 COUNTY 74

* P.A. Religious Close Stock Nonstock

Merging (Transferor) _____

Surviving (Transferee) _____

CODE AMOUNT FEE REMITTED

- 10 70 Expedited Fee
- 61 20 Rec. Fee (Arts. of Inc.)
- 20 20 Organ. & Capitalization
- 62 _____ Rec. Fee (Amendment)
- 63 _____ Rec. Fee (Merger, Consol.)
- 64 _____ Rec. Fee (Transfer)
- 66 _____ Rec. Fee (Revival)
- 65 _____ Rec. Fee (Dissolution)
- 75 _____ Special Fee
- 73 _____ Certificate of Conveyance
- 21 _____ Recordation Tax
- 22 _____ State Transfer Tax
- 23 _____ Local Transfer Tax
- 76 _____ Change of P.O., RA or RAA
- 31 _____ Corp. Good Standing
- 600 _____ Returns
- 52 _____ Foreign Qualification
- NA _____ Foreign Registration
- 51 _____ Foreign Name Registration
- 53 _____ Foreign Resolution
- 54 _____ For. Supplemental Cert.
- 56 _____ Penalty
- 50 _____ Cert. of Dual. or Reg.
- 63 _____ Cert. Limited Partnership
- 64 _____ Amendment to Limited Partnership
- 65 _____ Termination of Limited Partnership
- 60 _____ For. Limited Partnership
- 91 _____ Amend/Cancellation, For. Limited Part.
- 67 _____ Limited Part. Good Standing
- 67 _____ Cert. Limited Liability Partnership
- 68 _____ LLP Amendment - Domestic
- 69 _____ Foreign Limited Liability Partnership
- 74 _____ LLP Amendment - Foreign
- 99 _____ Art. of Organization (LLC)
- 98 _____ LLC Amend, Diss, Continuation
- 97 _____ LLC Cancellation
- 96 _____ Registration Foreign LLC
- 94 _____ Foreign LLC Supplemental
- 32 _____ L.C. Good Standing (short)
- 13 41 2 Certified Copy 37

(New Name) _____

- _____ Change of Name
- _____ Change of Principal Office
- _____ Change of Resident Agent
- _____ Change of Resident Agent Address
- _____ Resignation of Resident Agent
- _____ Designation of Resident Agent and Resident Agent's Address
- _____ Change of Business Code
- _____ Adoption of Assumed Name

Other Change(s) _____

CODE 007

ATTENTION: _____

MAIL TO ADDRESS: _____

I.D. NO. D5139662
ACKN. NO. - 10103129773
CAPTEC.NET LEASE REALTY TRUST, INC.