

LAW OFFICES OF DAREN RUBENFELD, P. A.

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February 6, 1998

Florida Secretary of State
Bureau of Commercial Recording
409E Gaines Street
Tallahassee, FL 32399

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-02/13/98--01003--010
*****87.50 *****87.50

RE: Saxon Enterprises, Inc.

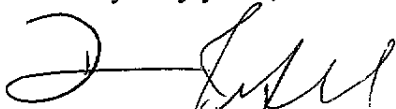
Dear Representative:

Enclosed please find a check in the amount of \$87.50 for recording as follows:

\$35.00	Articles of Amendment
\$52.50	Certified Copy of Amendment

If you have any questions or concerns, please feel free to call me.

Very truly yours,


Daren Rubinfeld, Esq.

Enclosures

DR/mr

APPROVED
AND
FILED
98 FEB -9 PM 1:50
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

~~CM~~ CORAMEND
CM

H66880

rec'd. 2/9/98
BPR Amend 2/9/98
*Cert Copies

ARTICLES OF AMENDMENT

Of

SAXON ENTERPRISES, INC.

Pursuant to Florida Statutes Section 607.1006 , the Articles of Incorporation of the above-named Corporation are hereby amended as follows:

1. **ARTICLE II: NATURE OF BUSINESS** is hereby amended to read as follows:

ARTICLE II: PURPOSE

The Corporation's business and purpose shall consist solely of the following:

- (i) The acquisition, ownership, operation and management of the real estate project known as Saxon located in Orange City, Volusia County, Florida (the "Property"), pursuant to and in accordance with these Articles of Incorporation; and
- (ii) to engage in such other lawful activities permitted to corporations by the General Corporation Laws of the State of Florida as are incidental, necessary or appropriate to the foregoing.

2. **ARTICLE IX: LIMITATIONS ON AUTHORITY** is hereby added and amended to read as follows:

ARTICLE IX: LIMITATIONS ON AUTHORITY.

Notwithstanding any other provision of these Articles and any provision of law that otherwise so empowers the Corporation, and so long as any obligations secured by the Property pursuant to the first lien mortgage (the "Mortgage") remain outstanding and not paid in full, the Corporation shall not, without the unanimous consent of the Board of Directors, do any of the following:

- (i) engage in any business or activity other than those set forth in Article II;
- (ii) incur any indebtedness or assume or guaranty and indebtedness of any other entity, other than the Mortgage and indebtedness permitted therein and normal trade accounts payable in the ordinary course of business;
- (iii) dissolve or liquidate, in whole or in part;
- (iv) consolidate or merge with or into any other entity or convey or trade or lease its property and assets substantially as an entirety to any entity;

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- (v) institute proceedings to be adjudicated bankrupt or insolvent, or consent to the institution or bankruptcy or insolvency proceedings against the Corporation, or file a petition seeking or consenting 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 property of the property of the Corporation 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 corporate action in furtherance of any such action; or
- (vi) Amend Articles II, IX or X of these Articles of Incorporation.

So long as any obligation secured by the Mortgage remains outstanding and not paid in full, the Corporation shall have no authority to take any action in items (i) through (iv) and (vi) above without the written consent of the holder of the Mortgage.

3. **ARTICLE X: SEPARATEDNESS/OPERATIONS MATTERS** is hereby added and amended to read as follows:

ARTICLE X: SEPARATEDNESS/OPERATIONS MATTERS.

The Corporation shall:

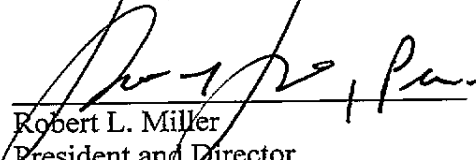
- (a) maintain books and records and bank accounts separate from those of any other person;
- (b) maintain its bank accounts and all its other assets separate from those of any other person or entity.
- (c) hold regular Board of Director and stockholder meetings, as appropriate, to conduct the business of the Corporation, and observe all other Board of Director formalities;
- (d) hold itself out to creditors and the public as a legal entity separate and distinct from any other entity;
- (e) prepare separate tax returns and financial statements, or if part of a consolidated group, then it will be shown as a separate member of such group;

- (f) allocate and charge fairly and reasonably any common employee or overhead shared with affiliates;
- (g) transact all business with affiliates on an arm's-length basis and to enter into transactions with affiliates on a commercially reasonable basis;
- (h) conduct business in its own name, and use separate stationery, invoices and check;
- (i) not commingle its assets or funds with those of any other person; and
- (j) not assume, guarantee or pay the debts or obligations of any other person.
- (k) to pay its own liabilities and expenses only out of its own fund;
- (l) to pay salaries of its own employees from its own funds;
- (m) to maintain sufficient number of employees in light of its contemplated business operations;
- (n) not to hold out its credit as being available to satisfy the obligations of nay other person or entity.
- (o) not to acquire the obligations or securities of its affiliates or owners, including partners, members or shareholders, as appropriate;
- (p) not to make loans to any other person or entity or to buy or hold evidence of indebtedness issued by any other person or entity (other than cash and investment grade securities);
- (q) not to pledge its assets for the benefit of nay other person or entity other than the holder of the Mortgage;
- (r) to correct any known misunderstanding regarding its separate identity;
- (s) not identify itself as a division of any other person or entity; and
- (t) to maintain adequate capital in light of it's contemplated business operations.

4. The foregoing amendment was adopted on January 30, 1998.

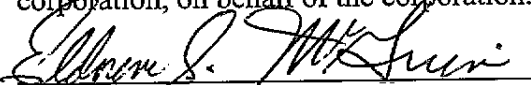
5. The number of votes cast for the amendment by the shareholders was sufficient for approval.

IN WITNESS WHEREOF, we, the undersigned, have executed these Articles of Amendment, this 30th day of January, 1998.


Robert L. Miller
President and Director
Saxon Enterprises, Inc.

STATE OF FLORIDA
COUNTY OF MARTIN

The foregoing instrument was acknowledged before me this 31st day of January, 23, 1998, by Robert L. Miller as President Director, of Saxon Enterprises, Inc., a Florida corporation, on behalf of the corporation.


Notary Public, State of Florida at Large

NOTARY PUBLIC - STATE OF FLORIDA
ELDORENE S. MCGUINN
COMMISSION # CC858724
EXPIRES 6/25/2001
BONDED THRU ASA 1-888-NOTARY1

My Commission Expires: _____.