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LIMITED LIABILITY COMPANY

SBR Holding Company, LLC

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(4563)

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**ARTICLES OF ORGANIZATION
FOR
SBR HOLDING COMPANY, LLC**

a Florida Limited Liability Company

The undersigned, being authorized to execute and file these Articles of Organization, hereby certifies that:

**ARTICLE I
NAME**

The name of the limited liability company is: SBR Holding Company, LLC (the "Company").

**ARTICLE II
ADDRESS**

The mailing address and street address of the principal office of the Company is: C/o Malcolm J. Wright, 2462 Sand Lake Rd., Orlando, FL 32809.

**ARTICLE III
DURATION**

The period of duration for the Company shall be perpetual, unless terminated in accordance with the Operating Agreement of the Company or by the written consent of the members of the Company, subject to the other terms of these Articles.

**ARTICLE IV
INITIAL REGISTERED AGENT AND OFFICE**

The name and street address of the initial registered agent of the Company are: Frederick W. Pauzar, 2462 Sand Lake Rd., Orlando, FL 32809.

**ARTICLE V
MANAGEMENT**

This company is to be managed by its members. The names and addresses of the managing members of the Company are as follows:

Malcolm J. Wright
2462 Sand Lake Rd.
Orlando, FL 32809

Frederick W. Pauzar
2462 Sand Lake Rd.
Orlando, FL 32809

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ARTICLE VI OPERATING AGREEMENT

The power to adopt the Operating Agreement of the Company shall be vested in the members of the Company. The power to alter, amend, or repeal the Operating Agreement of the Company shall be exercised by the members of the Company according to the terms thereof and the other terms of these Articles.

ARTICLE VII SPECIAL PURPOSE

Notwithstanding any other provision of these Articles, any contrary or inconsistent provision in the operating agreement of the Company or any other document or instrument governing the affairs of the Company, or any provision of law that otherwise so empowers the Company, so long as the loan in the initial principal amount of \$9,000,000.00 (the "Loan") and any other obligations set forth in that certain Loan Agreement dated June 30, 2005 by and between South Beach Resorts, LLC, a Florida limited liability company (the "LLC"), and Marathon Structured Finance Fund L.P., a Delaware limited partnership (the "Lender"), or any other Loan Document remain outstanding and not discharged in full, without the prior written consent of the Lender, the Company shall comply with the following provisions:

1. The business and purpose of the Company shall consist solely of: (i) acquiring a membership interest in and acting as the managing member of the LLC, which is engaged solely in the ownership, operation and management of the real estate project known as Boulevard Hotel, located in Miami Beach, Florida (the "Property"), and the development, marketing and sale of residential condominium units in the Property, pursuant to and in accordance with these Articles and the LLC's Articles of Organization, as amended; and (ii) engaging in such other lawful activities permitted to corporations by the limited liability company laws of the State of Florida as are incidental, necessary or appropriate to the foregoing.

2. The Company and the LLC shall have no authority to:

(a) conduct its affairs in any manner contravening or inconsistent with the provisions of this ARTICLE VII;

(b) dissolve or liquidate the Company or LLC or consent to any such dissolution or liquidation;

(c) sell or lease, or otherwise dispose of all or substantially all of the assets of the Company or the LLC;

(d) withdraw as the managing member of the LLC; or

(e) amend, modify or alter this ARTICLE VII.

3. The Company shall have no authority, unless such action has been approved by a unanimous vote of all of the Company's members and, in the case of the

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LLC, the unanimous vote of all other members of the LLC, to file or consent to the filing of any voluntary or involuntary bankruptcy or insolvency petition with respect to the Company or the LLC or otherwise initiate or consent to proceedings to have the Company or the LLC adjudicated bankrupt or insolvent, or consent to the institution of bankruptcy or insolvency proceedings against the Company or the LLC, or file a petition seeking or consenting to reorganization or relief of the Company or the LLC as debtor under any applicable federal or state law relating to bankruptcy, insolvency, or other relief for debtors with respect to the Company or the LLC; or seek or consent to the appointment of any trustee, receiver, conservator, assignee, sequestrator, custodian, liquidator (or other similar official) of the Company or the LLC or of all or any substantial part of the properties and assets of the Company or the LLC, or make any general assignment for the benefit of creditors of the Company or the LLC, or admit in writing the inability of the Company or the LLC to pay its debts generally as they become due or declare or effect a moratorium on the Company's or the LLC's debt or take any corporate action in furtherance of any such action.

4. The Company has heretofore conducted and shall at all times hereafter conduct its business and operations in strict accordance and compliance with the following provisions:

(a) the Company has not and shall not own any asset or property other than (i) its interest in the LLC, and (ii) incidental personal property necessary for the ownership or operation of its interest in the LLC;

(b) the Company has not and shall not engage in any business or activity other than those set forth in Paragraph 1 of this Article and has not and shall not cause or permit the LLC to engage in any business or activity other than the ownership, management and operation of the Property; the Company has conducted and operated and will conduct and operate its business as presently conducted and operated;

(c) the Company has not and shall not enter into or be a party to, or cause or permit the LLC to enter into or be a party to, any transaction, contract or agreement with any guarantor of the Loan (a "Guarantor") or with any Affiliate, except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arms-length basis with unrelated third parties;

(d) the Company has not incurred and will not, and has not and will not cause or permit the LLC to incur any indebtedness other than (i) the Loan, and (ii) unsecured trade payables and operational debt not evidenced by a note and in an aggregate amount not exceeding \$500,000.00; provided, however that such trade payables shall (x) not be outstanding more than sixty (60) days past the date incurred and (y) be incurred in the ordinary course of business. No indebtedness other than the Loan may be secured (subordinate or pari passu) by the Property.

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(e) the Company has not and shall not, and has not and shall not permit the LLC to make any loans or advances to any Guarantor, Affiliate or other person or entity;

(f) the Company has remained and shall remain solvent and shall pay its debts from its assets as the same shall become due;

(g) the Company has done and shall do all things necessary to preserve its and the LLC's existence, and the Company has not and shall not, nor shall the Company cause or permit the LLC to amend, modify or otherwise change the partnership certificate, partnership agreement, articles of organization and operating agreement, trust or other organizational documents of the Company, LLC or a Guarantor in a manner which would adversely affect the Company's or the LLC's existence as a single-purpose entity;

(h) the Company has maintained and shall maintain its and, separately, the LLC's financial statements, accounting records, books and records, bank accounts and other entity documents separate from those of their respective Affiliates, any constituent party of the LLC or any other person or entity, and the Company has filed and will file its own tax returns, and cause the LLC to file its own tax returns. The Company has maintained and shall maintain its and, separately, the LLC's books, records, resolutions and agreements as official records;

(i) the Company has been and shall be, and at all times has held and will hold itself out to the public as, a legal entity separate and distinct from any other entity (including any Affiliate, any constituent party of the LLC or any Guarantor), shall correct any known misunderstanding regarding its identity or status as a separate entity, has conducted and shall conduct business in its own name, has held and shall hold its assets in its own name, has maintained and shall maintain and utilize a separate telephone number and separate stationery, invoices and checks, has allocated and shall allocate fairly and reasonably any overhead for shared office space and has not and shall not identify itself as a division or part of any Affiliate or other person or entity, or any Affiliate or other person or entity as a division or part of the Company;

(j) the Company has preserved and kept and shall preserve and keep in full force and effect its existence, good standing and qualification to do business in the state in which the Property is located and the Company has observed and will observe all corporate formalities;

(k) the Company has maintained and shall maintain adequate capital and a sufficient number of employees for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations. The Company has paid and will pay the salaries of its own employees;

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(l) the Company has not and shall not seek or consent to the dissolution or winding up, in whole or in part, of the Company or the LLC, nor shall the Company merge with or be consolidated into any other entity or cause or permit the LLC to be merged with or consolidated into any other entity, or acquire, or cause or permit the LLC to acquire, by purchase or otherwise, all or substantially all of the business assets of, or any stock or beneficial ownership of, any entity;

(m) the Company has not and shall not commingle the funds or any other assets of the Company with those of any Affiliate, any Guarantor, any constituent party of the LLC or any other person or entity, and the Company has paid and shall pay its own liabilities out of its own funds and assets;

(n) the Company has maintained and shall maintain its and, separately, the LLC's assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its or the LLC's individual assets from those of any constituent party of the LLC, Affiliate, Guarantor or any other person or entity;

(o) the Company has not and shall not, and has not and shall not permit the LLC to assume, guarantee, become obligated for or hold itself out to be responsible for, or hold out its credit as being available to satisfy, or pledge its assets as security for, the debts or obligations of any other person or entity;

(p) the Company shall not own any subsidiary, or make any investment in any person or entity, except for the LLC;

(q) the Company shall not pledge its assets for the benefit of any other person or entity;

(r) the managing members of the Company shall consider the interests of the creditors of the Company and the LLC in connection with all company decisions and actions; and

(s) the Company shall not acquire obligations or securities of any Guarantor or Affiliate.

As used in this Article, the following words shall have the following meanings:

"Affiliate" shall mean, as to any Person, any other Person that (i) owns directly or indirectly ten percent (10%) or more of all equity interests in such Person, and/or (ii) is in control of, is controlled by or is under common control with such Person, and/or (iii) is a director or executive officer of such Person, and/or (iv) is the spouse, issue or parent of such Person. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management, policies, or activities of such Person, whether through ownership of voting securities, by contract or otherwise.

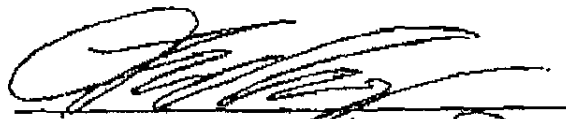
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"Loan Documents" shall mean the Loan Agreement and any other documents, agreements and instruments now or hereafter evidencing, securing or delivered to Lender in connection with the Loan.

The foregoing provisions of this Article shall govern over any contrary or inconsistent provision of these Articles, the by-laws of the Company or any other document or instrument governing the affairs of the Company.

IN WITNESS WHEREOF, the undersigned managing member has executed the foregoing Articles of Organization this 28th day of June, 2005.



Print: Frederick W. Pauzar

Managing Member

**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT**

Pursuant to the provisions of Section 608.415, Florida Statutes, SBR Holding Company, LLC, a Florida limited liability company (the "Company"), hereby submits the following statement designating the registered agent and registered office in the State of Florida.

1. The name of the Company is: SBR Holding Company, LLC.
2. The name of the registered agent and the address of the registered office are:
Frederick W. Pauzar, 2462 Sand Lake Rd., Orlando, FL 32809.

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, the undersigned hereby accepts the appointment as registered agent and agrees to act in this capacity, and further agrees to comply with the provisions of all statutes relating to the proper and complete performance of his duties, and is familiar with and accepts the obligations of his position as registered agent as provided for in Chapter 608., Florida Statutes.

Date: 6/28, 2005.

Registered Agent:


FREDERICK W. PAUZAR

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