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CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):

1. SOUTHLAKE DEVELOPMENT UNIT ONE, L.L.C.
 (Corporation Name) (Document #)

2. _____
 (Corporation Name) (Document #)

3. _____
 (Corporation Name) (Document #) **200002677012--1**
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 ***692.50 ***346.25

4. _____
 (Corporation Name) (Document #)

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NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input checked="" type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/ Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

Name	<u>Matt</u>
Availability	<u>Matt</u>
Document Examiner	<u>Matt</u>
Updater	<u>Matt</u>
Updater Verifier	<u>Matt</u>
Acknowledgement	<u>Matt</u>
v. P. Verifier	<u>Matt</u>
Examiner's Initials	<u>Matt</u>

CF - 285.00
CFRT - 61.25

**ARTICLES OF ORGANIZATION
OF**

SOUTHLAKE DEVELOPMENT UNIT ONE, L.L.C.

The undersigned organizer, who is the authorized representative of the sole, initial Member of SOUTHLAKE DEVELOPMENT UNIT ONE, L.L.C., a Florida limited liability company ("Company"), under the Florida Limited Liability Company Act (the "Act"), hereby adopts the following Articles of Organization (the "Articles").

ARTICLE 1. - NAME

The name of the Company is SOUTHLAKE DEVELOPMENT UNIT ONE, L.L.C., a Florida limited liability company.

ARTICLE 2. - DURATION

The period of duration of the Company shall be perpetual, unless terminated earlier pursuant to the Company's Regulations (the "Regulations").

ARTICLE 3 - SINGLE PURPOSE

The Company's business and purpose shall consist solely of the acquisition, development, ownership, operation, and management of the real estate project initially known as Southlake Apartments Unit One, located on the Westerly side of US #27, about one mile North of US #192, in Lake County, Florida (the "Property") and such activities as are necessary, incidental or appropriate in connection therewith.

ARTICLE 4 - POWERS AND DUTIES

- (a) Notwithstanding any other provisions of these Articles and so long as any obligations which are secured by that certain Mortgage in favor of Corus Bank, securing payment of that certain Note of the Company in the original principal amount of approximately \$11,451,000.00 (the "Mortgage") remain outstanding and not discharged in full, without the prior written consent of the holder of the Mortgage, the Company shall have no authority to:
- (i) borrow money or incur indebtedness on behalf of the Company other than normal trade accounts payable and lease obligations in the ordinary course of business, or grant consensual liens on the Company's property; except,

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however, that the Company is hereby authorized to secure financing for the Company pursuant to the terms of the Mortgage and other indebtedness expressly permitted therein or in the documents related to the Mortgage;

- (ii) dissolve or liquidate the Company;
 - (iii) sell or lease, or otherwise dispose of all or substantially all of the assets of the Company;
 - (iv) amend, modify or alter Articles 3, 4, 5, 6, and 7 hereof;
or
 - (v) merge or consolidate the Company with any other entity.
- (b) Notwithstanding the foregoing and so long as any obligation secured by the Mortgage remains outstanding and is not discharged in full, the Company shall have no authority, unless such action has been approved by the unanimous vote of all Members, to file a voluntary petition or otherwise initiate proceedings to have the Company adjudicated bankrupt or insolvent; or consent to the institution of any bankruptcy or insolvency proceedings against the Company; or file a petition seeking or consenting to reorganization or relief of the Company as debtor under any applicable federal or state law relating to bankruptcy, insolvency, or other relief for debtors with respect to the Company; or seek or consent to the appointment of any trustee, receiver, conservator, assignee, sequestrator, custodian, liquidator (or other similar official) of the Company or of all or any substantial part of the properties and assets of the Company; or make any general assignment for the benefit of creditors of the Company; or admit in writing the inability of the Company to pay its debts generally as they become due; or declare or effect a moratorium on the Company's debt; or take any action in furtherance of any such action.

ARTICLE 5 - TITLE TO COMPANY PROPERTY

All property owned by the Company shall be owned by the Company as an entity; and, insofar as permitted by applicable law, no Member shall have any ownership interest in any Company property in its individual name or right, and each Member's interest in the Company shall be personal property of all purposes.

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ARTICLE 6 - SEPARATENESS AND OPERATIONS MATTERS

The Company shall conduct its business and operations in accordance with the following provisions:

- (a) maintain books and records and bank accounts separate from those of any other persons or entity if required to do so by good accounting practices.
- (b) maintain its assets in such a manner that it is not costly or difficult to segregate, identify or ascertain such assets;
- (c) hold regular meetings, as appropriate, to conduct the business of the Company, and observe all customary organizational and operational 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 insure it will be shown as a separate member of such group in such returns and statements;
- (f) allocate and charge fairly and reasonably all common employee or overhead shared with any affiliates;
- (g) transact all business with affiliates on an arm's-length basis and pursuant to enforceable agreements;
- (h) conduct business in its own name, and use separate stationery, invoices and checks;
- (i) not commingle its assets or funds with those of any other person;
- (j) not assume, guarantee or pay the debts or obligations of any other person;
- (k) correct any known misunderstanding as to its separate identity;
- (l) not make loans or advances to any other person except in the normal course of business.

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LAW OFFICE

WILLIAM J. DEAS, P.A.
2215 RIVER BOULEVARD
JACKSONVILLE, FL 32204

**ARTICLE 7 - EFFECT OF BANKRUPTCY, DEATH OR INCOMPETENCY
OF A MEMBER**

The bankruptcy, death, dissolution, liquidation, termination or adjudication of incompetency of a Member shall not cause the termination or dissolution of the Company and the business of the Company shall continue. Upon any such occurrence, the trustee, receiver, executor, administrator, committees, guardian or conservator of such Member shall have all the rights of such Member for the purpose of settling or managing its estate or property, subject to satisfying conditions precedent to the admission of such assignee as a substitute Member. The transfer by such trustee, receiver, executor, administrator, committee, guardian or conservator of any Company interest shall be subject to all of the restrictions, hereunder to which such transfer would have been subject if such transfer had been made by such bankrupt, deceased, dissolved, liquidated, terminated or incompetent Member.

ARTICLE 8. - POWER

The Company shall have all of the powers as are provided for the Act.

ARTICLE 9. - PRINCIPAL OFFICE

The mailing address and the street address of the principal office of the Company is 3856 Oakton, Skokie, Illinois 60076.

ARTICLE 10. - INITIAL REGISTERED AGENT AND ADDRESS

The name and street address of the initial registered agent of the Company are William J. Deas, Esquire, William J. Deas, P.A., 2215 River Boulevard, Jacksonville, Florida 32204.

ARTICLE 11. - INITIAL MEMBER

The initial Member of the Company shall be Southlake Development, Ltd., a Florida limited partnership.

ARTICLE 12. - ADDITIONAL MEMBERS

The Members shall be entitled to admit additional Members upon the consent of the Managing Member. Following the consent of the Managing Member, any prospective Member shall become a Member upon payment of his, her, or its contribution to the capital of the Company and upon such prospective Member's agreement to comply with the Articles and the Regulations.

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ARTICLE 13. - DISSOLUTION OF COMPANY

The death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member shall terminate the membership of that Member in the Company. Upon the occurrence of any such event or any other event that terminates the continued membership of a Member in the Company, the Company shall be dissolved unless all of the remaining Members consent to continue the existence of the Company.

ARTICLE 14. - MANAGING MEMBER

The Management of the Company shall be vested in the Managing Member as set forth in the Regulations. The name and address of the initial Managing Member of the Company, who shall serve as the Managing Member of the Company until its successor is elected and qualified is as follows:

NAME:

Southlake Development, Ltd.

ADDRESS:

3856 Oakton
Skokie, Illinois 60076

ARTICLE 15. - RETURN OF CAPITAL

No Member shall have the right to the return of its contribution to capital except as provided in the Regulations.

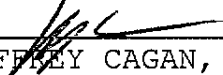
ARTICLE 16. - AMENDMENT OF ARTICLES OF ORGANIZATION

These Articles may be amended by a majority vote of the Members of the Company.

ARTICLE 17. - REGULATIONS

Regulations of the Company shall be initially approved and adopted by a majority vote of the Members of the Company and may be subsequent amended by a majority vote of the Board by the Managing Member.

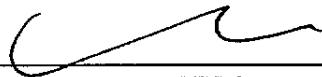
IN WITNESS WHEREOF, the undersigned organizer has executed the foregoing Articles Of Organization as of the 28th day of October, 1998.


JEFFREY CAGAN, Organizer

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**ACCEPTANCE OF DESIGNATION
AS REGISTERED AGENT**

The undersigned, having been named as Registered Agent and to accept service of process for SOUTHLAKE DEVELOPMENT UNIT ONE, L.L.C. at the place designated in the Articles of Organization, hereby accepts the appointment as Registered Agent and agrees to act in this capacity. He further agrees to comply with the provisions of all statutes relating to the proper and complete performance of his duties; and acknowledges that he is familiar with and accepts the obligations of his position as Registered Agent.



WILLIAM J. DEAS

Date: October 28, 1998

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LAW OFFICE

WILLIAM J. DEAS, P.A.
2215 RIVER BOULEVARD
JACKSONVILLE, FL 32204

AFFIDAVIT OF MEMBERSHIP AND CONTRIBUTIONS

STATE OF FLORIDA
COUNTY OF DUVAL

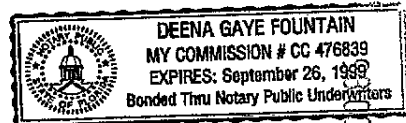
Before me, the undersigned authority, on this day personally appeared Jeffrey Cagan, the authorized representative of the sole Member of Southlake Development Unit One, L.L.C. (the "Company"), who, being by me first duly sworn, deposes and says:

1. That the Company has at least one Member.
2. That the amount of cash contributed by the Members is \$500.00.
3. That there have been no contributions to the Company made by the Members other than cash contributions.
4. That the total amount of cash or property to be contributed by Members is presently anticipated to be \$500.00. This total includes amounts from Item 2 above.
5. That this affidavit is made in accordance with F.S. 608.407(2).

Jeffrey Cagan
Authorized Representative

Sworn to and subscribed before me this 20th day of October, 1998, by Jeffrey Cagan, who is personally known to me and who did take an oath.

Deena Gaye Fountain
NOTARY PUBLIC, State of Florida
Commission No. CC 476839
My Commission Expires: 9-26-99



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