

**CARLTON FIELDS**  
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 Post Office Drawer 190  
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 Tallahassee, FL 32302 224-1585  
 City/State/Zip Phone #  
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**CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):**

1. MIDDLE TOWNE PROJECT, INC.  
 (Corporation Name) (Document #)
2. \_\_\_\_\_  
 (Corporation Name) (Document #) 400002517124--6  
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3. \_\_\_\_\_  
 (Corporation Name) (Document #)
4. \_\_\_\_\_  
 (Corporation Name) (Document #)

☒ Walk in ☒ Pick up time 5/8/98 ☒ Certified Copy  
☐ Mail out ☐ Will wait ☐ Photocopy ☒ Certificate of Status

NEW FILINGS	
<input type="checkbox"/>	Profit
<input checked="" type="checkbox"/>	NonProfit
<input 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

**FILED**  
 98 MAY -7 PM 4:16  
 SECRETARY OF STATE  
 TALLAHASSEE, FLORIDA  
**FILED**  
 98 MAY -8 PM 12:17  
 SECRETARY OF STATE  
 TALLAHASSEE, FLORIDA  
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 98 MAY -8 AM 11:16

Examiner's Initials

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98 MAY -8 PM 12:17  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION  
OF  
MIDDLETOWNE PROJECT, INC.**

(a nonprofit corporation)

The undersigned, James H. Edmondson, whose address is 1350 Beverly Road, Suite 200, McLean, Virginia 22101, being a natural person of the age of 21 years or more, with other persons being desirous of forming a not-for-profit corporation under the provisions of Chapter 617 of the Florida Statutes, 1990, as amended, (the "Act"), does hereby certify that as incorporator, the following Articles of Incorporation are adopted:

**ARTICLE I:** The name of the corporation (hereinafter called the "Corporation") is Middletowne Project, Inc.

**ARTICLE II:** The mailing address of the initial principal office of the Corporation is 1350 Beverly Road, McLean, Virginia 22101.

**ARTICLE III:** The purposes for which the Corporation is organized are as follows:

- A. The Corporation is organized and shall be operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code").
- B. The Corporation shall accomplish these purposes by acquiring, financing, operating and preserving a 100 unit multifamily rental housing project, located in Orange Park, Florida, presently known as Middletowne Apartments (the "Project") which is intended for occupancy in substantial part by persons of low income. The Corporation hereby incorporates by reference any and all corporate powers given to corporations not for profit by virtue of Section 617.021 of the Florida

Statutes. The Corporation's activities are limited by the provisions of Section 617.0105 of the Florida Statutes which are incorporated by reference herein and any and all other restrictions which are required to obtain and maintain tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or any successor thereto). Notwithstanding the foregoing, the Corporation shall engage in no other purpose or activities, except as may be necessary or incidental to the acquisition, financing, improving or operating of the Project. Through such activities, the Corporation will promote the quality of economic and social participation in community life so as to eliminate poverty and will seek to provide permanent economic and social benefits for low income people.

- C. The Corporation is authorized to incur indebtedness in connection with the acquisition, improvement or operation of the Project. In the event that (A) the Corporation becomes obligated to pay any indebtedness in an amount related to any multifamily housing bonds (the "Revenue Bonds") which are issued by the Duval County Housing Finance Authority or any other political subdivision or instrumentality of the State of Florida (the "Issuer") for the purposes of, among other things, (i) financing or refinancing the cost of acquisition and improvement of the Project, (ii) paying the costs of issuing the Revenue Bonds, (iii) providing funds necessary to be deposited to certain reserve funds to be established under and pursuant to a Trust Indenture for the Revenue Bonds, and (iv) financing certain working capital needs and requirements of the Corporation, then (B) the Corporation shall not incur or guarantee additional indebtedness except for (i) that which is evidenced by the Revenue Bonds or is incurred pursuant to the documents executed by the Corporation in connection with the issuance of the Revenue Bonds, (ii) trade payables payable within 60 days of the date incurred, and (iii) leases of equipment and other personal property in the ordinary course of business of operating the Project.
- D. No part of the income or principal of the Corporation shall inure to the benefit of any director or officer of this Corporation or any other private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered to it,

and to make reasonable payments and distributions in furtherance of the aforementioned purposes of the Corporation. The Corporation shall not engage in any activity which is prohibited to a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or any corresponding future provisions of the federal tax law. In accordance with the existing federal tax law, the Corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office by publishing or distributing statements, or in any other way. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation.

E. So long as any Revenue Bonds are outstanding, the Corporation's purposes shall be limited as provided in paragraphs A and B of this Section and the Corporation shall abide by certain "Separateness Covenants" whereby the Corporation covenants:

1. To maintain books and records separate from any other person or entity;
2. To maintain its accounts separate from any other person or entity;
3. Not to commingle its assets with those of any other entity;
4. To conduct its own business in its own name;
5. To maintain separate financial statements;
6. To pay its own liabilities out of its own funds;
7. To observe all corporate formalities;
8. To maintain an arm's-length relationship with its affiliates;
9. To pay the salaries of its own employees and maintain a sufficient number of employees in light of its contemplated business operations;

10. Not to guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others;
11. Not to acquire obligations or securities of its directors or affiliates;
12. To allocate fairly and reasonably any overhead for shared office space;
13. To use separate stationery, invoices, and checks;
14. Except to the extent required or permitted by the financing documents executed by the Corporation in connection with incurring any authorized indebtedness, including the Revenue Bonds, not to pledge its assets for the benefit of any other entity or make any loans or advances to any entity;
15. To hold itself out as a separate entity;
16. To correct any known misunderstanding regarding its separate identity; and
17. To maintain adequate capital in light of its contemplated business operations.

**ARTICLE IV:**

The number of directors which constitute the Board of Directors may be increased or decreased as provided in the bylaws of the Corporation; provided, however, in no event shall the number of directors be less than three (3). A statement as to the manner in which directors shall be elected or appointed shall be set forth in the bylaws of the Corporation. Sole voting power in the Corporation shall be vested in the Board of Directors. The unanimous consent of the directors shall be required to file a voluntary bankruptcy or insolvency petition or to otherwise institute insolvency proceedings.

The bylaws of the Corporation shall contain provisions regulating the powers of the Corporation and its officers and directors.

**ARTICLE V:**

The Corporation shall not have members.

**ARTICLE VI:** The name and street address of the initial registered agent of the Corporation in the State of Florida is: William J. Deas, P.A., 2215 River Boulevard, Jacksonville, Florida 32204.

**ARTICLE VII:** The name and address of the incorporator are: James H. Edmondson, whose address is 1350 Beverly Road, Suite 200, McLean, Virginia 22101. The telephone and facsimile numbers of the Incorporator are: 703-893-0303 and 703-893-3273 respectively.

**ARTICLE VIII:** Provisions for the distribution of assets on dissolution or the termination of the Corporation are as follows:

- A. Although the period of duration of the Corporation is perpetual, if for any reason the Corporation is to be dissolved or otherwise terminated, no part of the property of the Corporation or any of the proceeds shall be distributed to or inure to the benefit of any of the officers or directors of the Corporation or any other person. Upon the dissolution of the corporation, assets shall be distributed to any governmental body or exempt organization whose scope of exempt activities is charitable in accordance with Section 501(c)(3) of the Code and includes relief of the poor and distressed, or the corresponding section of any future federal tax code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.
- B. However, so long as any of the Revenue Bonds shall be outstanding, the Corporation shall not, without the prior written consent of the applicable credit rating agency, if any, engage in any dissolution, liquidation, consolidation, merger or sale of all or substantially all of its assets and the Corporation will not amend its Articles of Incorporation.

**ARTICLE IX:** On and after the date as of which any Revenue Bonds are issued with respect to the Project and until such Revenue Bonds no longer are outstanding, one director shall always be an Independent Director ("Independent Director"). The term "Independent Director" means a duly appointed member of the board of directors of the Corporation who shall not have been at the time of such appointment or at any

time in the preceding five (5) years, (a) a direct or indirect legal or beneficial owner in the Corporation or any of its affiliates, (b) a creditor, supplier, employee, officer, director or family member of any of the foregoing, or a creditor, supplier, employee, officer, director, manager or contractor of the Corporation or its affiliates. The names and addresses of the directors who shall serve as the directors of the Corporation are: James H. Edmondson, Thomas P. Gallagher and Maryann Dillon, all of whose addresses are: 1350 Beverly Road, Suite 200, McLean, Virginia 22101. The directors of the Corporation shall be required to consider the interests of the creditors of the Corporation in connection with all corporate actions.


**ARTICLE X:** THE CORPORATION IS NON PROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR PAY DIVIDENDS.

**ARTICLE XI:** In addition to any immunity from liability provided by the Act, the directors and officers and former directors and officers of the Corporation shall have no liability to the Corporation for money damages except (i) to the extent that it is proven that such person actually received an improper benefit or profit in money, property or services or (ii) to the extent that a judgment or other final adjudication adverse to such person is entered in a proceeding based on a finding in the proceeding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. This Article shall not be construed to affect the liability of a person in any capacity other than as a director or officer, or former director or officer, of the Corporation.

**ARTICLE XII:** The period of duration of the Corporation shall be perpetual.

**ARTICLE XIII:** The Corporation is a public benefit corporation.

IN WITNESS WHEREOF, I have signed these Articles of Incorporation, acknowledging the same to be my act, on this 5th day of May, 1998.

  
\_\_\_\_\_  
Incorporator  
Name: James H. Edmondson

CERTIFICATE DESIGNATING REGISTERED AGENT

In pursuance of Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:


That Middletowne Project, Inc., desiring to organize under the laws of the State of Florida with its initial registered office, as indicated in the Articles of Incorporation, has named William J. Deas, P.A., 2215 River Boulevard, Jacksonville, Florida 32204, as its agent to accept service of process within this State.

**ACKNOWLEDGMENT:**

Having been named to accept service of process for the above stated corporation at the place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provision of said Act relative to keeping open said office.

REGISTERED AGENT

William J. Deas, P.A.

By:   
Name: *William J. Deas*  
Title: *President*

**FILED**  
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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA