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Patricia Pizub

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TALLAHASSEE, FLORIDA

ORDER DATE : October 25, 2001

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CUSTOMER NO: 161599A

CUSTOMER: Mr. Jeffrey J. Wolfe
Daryl Cramer & Associates, PA
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West Palm Beach, FL 33401-5010

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DOMESTIC AMENDMENT FILING

NAME: PALM BAY CLUB GENERAL PARTNER,
INC.

EFFECTIVE DATE:

800004659228-15

XX ARTICLES OF AMENDMENT
 RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFIED COPY (TWO)
 PLAIN STAMPED COPY
XXX CERTIFICATE OF GOOD STANDING (TWO)

C. Coulliette OCT 30 2001

CONTACT PERSON: Betty Young -- EXT# 1112

EXAMINER'S INITIALS: _____

**ARTICLES OF AMENDMENT
OF
PALM BAY CLUB GENERAL PARTNER, INC.**

The provisions of the Articles of Incorporation of Palm Bay Club General Partner, Inc., a Florida corporation (the "Corporation"), filed with the Department of State, State of Florida on November 6, 2000, are hereby amended as follows:

Article III shall be deleted and the following inserted in lieu thereof:

ARTICLE III

Purpose

The sole purpose to be conducted and promoted by the Corporation shall be solely to (i) act as general partner of Palm Bay Club Apartments, Ltd., a Florida limited partnership (the "Project Partnership"), and (ii) to take any and all action as may be required pursuant to the agreement of limited partnership of said partnership.

A new Article XI shall be added as follows:

ARTICLE XI

Special Purpose Entity Provisions

Section 1. Certain Prohibited Activities. Notwithstanding any provision hereof, of the Bylaws of the Corporation, or of any other document governing the formation, management or operation of the Corporation to the contrary, the following shall govern:

The Corporation shall be subject to the following provisions:

(a) The Corporation shall only incur or cause the Project Partnership to incur indebtedness in an amount necessary to acquire, operate and maintain that certain residential apartment complex containing 120 units, a clubhouse/leasing office, swimming pool and spa, and related facilities located on Pinewood Drive in Palm Bay, Florida and commonly known as Palm Bay Club Apartments (the "Project"). For so long as that certain loan in the original principal amount of \$3,800,000 (together with extensions, renewals and modifications, if any, the "Loan"), by and between the Project Partnership, as the borrower, and Deutsche Banc Mortgage Capital, L.L.C., its successors or assigns, as the lender (together with its successors and assigns, the "Lender"), which Loan is secured by a mortgage on the Project, remains outstanding, the Corporation shall not and shall not cause the Project Partnership to incur, assume, or guaranty any other indebtedness. For so long as the Loan remains outstanding, the Corporation shall not cause the Project Partnership to dissolve. The Corporation shall not and shall not cause the Project Partnership to consolidate

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or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity unless (i) the entity (if other than the Corporation or Project Partnership) formed or surviving such consolidation or merger or that acquired by conveyance or transfer the properties and assets of the Corporation or Project Partnership substantially as an entirety (a) shall be organized and existing under the laws of the United States of America or any State or the District of Columbia, (b) shall include in its organizational documents the same limitations set forth in this Article XI, and (c) shall expressly assume the due and punctual performance of the Project Partnership's obligations; and (ii) immediately after giving effect to such transaction, no default or event of default under any agreement to which it is a party shall have been committed by this corporation or the Project Partnership and be continuing. For so long as the Loan remains outstanding, the Corporation shall not voluntarily commence a case with respect to itself or cause the Project Partnership to voluntarily commence a case with respect to itself, as debtor, under the Federal Bankruptcy Code or any similar federal or state statute without the unanimous consent of the Board of Directors. For so long as the Loan remains outstanding, no material amendment to this certificate of incorporation or to the Corporation's Bylaws may be made without first obtaining approval of the mortgagees holding first mortgages on any portion of the Project, or, after the securitization of the Loan, only if the Project Partnership receives (i) confirmation from each of the applicable rating agencies that such amendment would not result in the qualification, withdrawal or downgrade of any securities rating and (ii) approval of such amendment by the mortgagee holding the first mortgage on the Project.

(b) The shareholders of the Corporation shall not transfer any direct or indirect ownership interest in the Corporation such that the transferee owns, in the aggregate with the ownership interests of its Affiliates (as defined below), more than a 49% interest in the Corporation, unless (i) such transfer is conditioned upon the delivery of an acceptable non-consolidation opinion to the holder of the Loan, and to any applicable rating agency concerning, as applicable, the Corporation, the new transferee and/or their respective owners and (ii) the applicable rating agency confirms that the transfer will not result in a qualification, withdrawal or downgrade of any security rating.

(c) The Corporation shall serve in the capacity of a general partner in the Project Partnership and shall own at least a 1% interest in the Project Partnership so long as the Loan is outstanding.

Section 2. Separateness Covenants. Notwithstanding any provision hereof, of the Bylaws, or of any other document governing the formation, management or operation of the Corporation to the contrary, the following shall govern:

In order to preserve and ensure its separate and distinct corporate identity, in addition to the other provisions set forth in the Articles of Incorporation of the Corporation, the Corporation shall, and, as applicable, shall cause the Project Partnership to, conduct its affairs in accordance with the following provisions:

- (a) To maintain books, records, financial statements and bank accounts separate from any other Person (as defined below).
- (b) To maintain its bank accounts separate from any other Person.
- (c) Not to commingle its assets with those of any other Person and to hold all of its assets in its own name.
- (d) To conduct its own business in its own name.
- (e) To maintain separate financial statements, showing its assets and liabilities separate and apart from any other Person and not to have its assets listed on the financial statement of any entity.
- (f) To file its tax returns separate from any other entity and not to file a consolidated federal income tax return with any other corporation.
- (g) To pay its own liabilities and expenses only out of its own funds.
- (h) To observe all corporate organizational formalities.
- (i) To enter into transactions with Affiliates only on a commercially reasonable basis and on terms similar to those in an arm's-length transaction with unrelated third parties.
- (j) To pay the salaries of its own employees from its own funds.
- (k) To maintain a sufficient number of employees in light of its contemplated business operations.
- (l) Not to guarantee or become obligated for the debts of any other Person (except to the extent the Corporation is liable for the Project Partnership's obligations due to its capacity as a general partner).
- (m) Not to hold out its credit as being available to satisfy the obligations of any other Person.
- (n) Not to acquire the obligations or securities of its Affiliates or owners, including partners, members or shareholders, as applicable.
- (o) Not to make loans to any other Person or to buy, hold or incur evidence of indebtedness of any kind issued by any other Person, except for trade payables or accrued expenses incurred in the ordinary course of business if operating the Project with trade creditors and in amounts as are normal and reasonable under the circumstances.

(p) To allocate fairly and reasonably any overhead expenses that are shared with any Affiliate, including paying for office space and services performed by an employee of an Affiliate.

(q) To use separate stationary, invoices and checks bearing its own name.

(r) Not to pledge its assets for the benefit of any other Person.

(s) To hold itself out as a separate entity.

(t) To correct any known misunderstanding regarding its separate identity.

(u) Not to identify itself as a division of any other Person.

(v) To maintain adequate capital in light of its contemplated business operations.

(w) Not to form or acquire any subsidiaries.

(x) To not engage directly or indirectly in any other business other than to serve as general partner of the Project Partnership.

Section 3. Actions Requiring Unanimous Consent of Directors. Notwithstanding any provision hereof, of the Bylaws, or of any other document governing the formation, management or operation of the Corporation to the contrary, the following shall govern:

The unanimous consent of all directors of the Corporation is required for the Corporation to, and for the Corporation to cause the Project Partnership to:

(a) File or consent to the filing of any bankruptcy, insolvency or reorganization case or proceeding; institute any proceedings under any applicable insolvency law or otherwise seek relief under any laws relating to the relief from debts or the protection of debtors generally.

(b) Seek or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or any similar official for the Corporation or the Project Partnership, or a substantial portion of any of their properties.

(c) Make any assignment for the benefit of the creditors of the Corporation or the Project Partnership.

(d) Take any action in furtherance of any of the foregoing items described in this Section 3.

Section 4. Indemnification. Any indemnification of the Corporation's directors and officers shall be fully subordinated to any obligations respecting the Partnership or the Project (including, without limitation, the Loan) and such indemnification shall not constitute a claim against the Corporation or the Project Partnership in the event that cash flow in excess of amounts necessary to pay holders of such obligations is insufficient to pay such obligations.

Section 5. Definitions. Solely for purpose of this Article XI, the following terms shall have the following meanings:

(a) "Affiliate" means any Person controlling or controlled by or under common control with the Corporation, including, without limitation (i) any Person who has a familial relationship, by blood, marriage or otherwise with any director, officer or employee of the Corporation or any Affiliate thereof and (ii) any Person which receives compensation for administrative, legal or accounting services from the Corporation or any Affiliate. For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a Person or entity, whether through ownership of voting securities, by contract or otherwise.

(b) "Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization, or government or any agency or political subdivision thereof.

Section 6. Amendment. Notwithstanding any provision hereof, of the Bylaws, or of any other document governing the formation, management or operation of the Corporation to the contrary, the following shall govern:

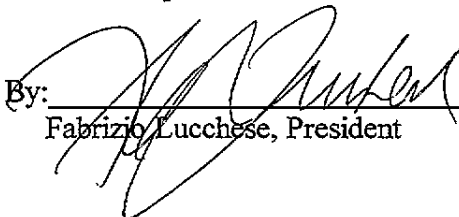
This Article XI shall not be amended or repealed without the consent of the Lender, or, after the securitization of the Loan only if the Project Partnership receives (i) confirmation from each of the applicable rating agencies that such amendment would not result in the qualification, withdrawal or downgrade of any securities rating and (ii) approval of such amendment by the Lender or its successors and/or assigns.

[SIGNATURES CONTINUED ON NEXT PAGE]

The foregoing amendments were adopted by the shareholders and the Board of Directors of the Corporation on the 30 day of October, 2001. The number of votes cast for the amendment by the shareholders and the directors was sufficient for approval.

IN WITNESS WHEREOF, the undersigned officer of this Corporation has executed these Articles of Amendment effective as of the 30 day of October, 2001.

PALM BAY CLUB GENERAL PARTNER, INC.,
a Florida corporation

By: 
Fabrizio Lucchese, President