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Phone : (904) 858-5236
Fax Number : (904) 858-5296

FLORIDA PROFIT CORPORATION OR P.A.

1750 K SPE Company

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ARTICLES OF INCORPORATION
OF

1750 K SPE COMPANY

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Pursuant to the requirements set forth within Chapter 607 of the Florida Business Corporation Act (the "Act"), the undersigned, being a natural person, does hereby act as the incorporator in adopting and filing the following articles of incorporation for the purpose of organizing a business corporation.

ARTICLE I – Name & Principal Place of Business.

The name of the corporation (hereinafter referred to as the "Company") shall be 1750 K SPE Company and the principal place of business and mailing address shall be located at 1650 Prudential Drive, Suite 400, Jacksonville, Florida 32207.

ARTICLE II – Purpose.

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

(a) To acquire a membership interest in and act as a member of 1750 K, L.L.C. (the "LLC"), which is engaged solely in the owning, holding, selling, leasing, transferring, exchanging, operating and managing of the real estate project known as 1750 K Street NW located in Washington, D.C. (the "Property"), entering into the Loan transaction with John Hancock Real Estate Finance, Inc. (hereinafter referred to as the "Lender"), and refinancing the Property in connection with a permitted repayment of the Loan, pursuant to and in accordance with these Articles of Incorporation and the LLC's Articles of Organization; and

(b) to engage in such other lawful activities permitted to corporations by the Act as are incidental, necessary or appropriate to the foregoing.

ARTICLE III – Restricted and Prohibited Activities.

(a) At all times at which the directors of the Company shall take, or shall be required to take, any action in such capacity and until such time as all obligations secured by the first lien mortgage incurred in connection with the financing of the Property through the Lender (the "Mortgage") have been paid in full, the provisions of this Article Two shall apply to all actions of the Company.

As used herein, the term "Affiliate" shall have the definition assigned to it in *Appendix 1*.

(b) Notwithstanding any other provision of these Articles and any provision of law that otherwise so empowers the Company, as long as any obligation secured by the Mortgage remains outstanding and not discharged in full, the Company shall not, without the unanimous

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consent of the Board of Directors, with respect to the Company or the LLC, take any Bankruptcy Action (as defined in *Appendix 1*);

(c) Notwithstanding any other provision of these Articles and any provision of law that otherwise so empowers the Company, as long as any obligation secured by the Mortgage remains outstanding and not discharged in full, the Company shall not and shall not permit the LLC to do any of the following:

- (i) engage in any business or activity other than those set forth in Article II or cause or allow the LLC to engage in any business or activity other than as set forth in its Articles of Organization;
- (ii) incur any indebtedness, or assume or guaranty any indebtedness of any other entity, other than the Mortgage indebtedness permitted thereunder and normal trade accounts payable in the ordinary course of business which are related to the purposes set forth in Article II above;
- (iii) cause or permit the LLC to incur any indebtedness or to assume or guaranty any indebtedness of any other entity, other than the Mortgage, indebtedness permitted thereunder and normal trade accounts payable in the ordinary course of business;
- (iv) dissolve or liquidate, in whole or in part;
- (v) cause or consent to the dissolution or liquidation, in whole or in part, of the LLC;
- (vi) consolidate or merge with or into any other entity or convey or transfer or lease its property and assets substantially as an entirety to any entity;
- (vii) cause or permit the LLC to consolidate or merge with or into any other entity or to convey or transfer or lease its Property and assets substantially as an entirety to any entity;
- (viii) enter into any transaction or cause or permit the LLC to enter into any transaction with an Affiliate of the Company or the LLC, unless such transaction is concluded on an arms length basis and upon commercially reasonable terms;
- (ix) amend Articles II, III or IV of these Articles of Incorporation or approve an amendment to Articles II, III, IV, V or VII of the Articles of Organization governing the LLC or the parallel provisions of the Operating Agreement of the LLC; or
- (x) withdraw as a member of the LLC.

(d) Notwithstanding any other provision of these Articles and any provision of law that otherwise so empowers the Company, and as long as any obligations secured by the Mortgage remain outstanding and not paid in full, the Company shall not transfer or permit to be transferred any direct or indirect ownership interest in the Company or the LLC such that the

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transferee, including without limitation its Affiliates and Family Members (as applicable) own, in the aggregate, more than a 49% interest in the Company without the consent of the holder of the Mortgage.

ARTICLE IV – Separateness/Operations Matters.

As long as any obligations secured by the Mortgage remain outstanding and not paid in full, the Company shall in the conduct of its business and operations:

- (a) maintain books and records and bank accounts separate from those of any other person or entity;
- (b) maintain its assets in such a manner that it is not costly or difficult to segregate identify or ascertain such assets and maintain its bank accounts separate from any other person or entity;
- (c) hold regular Board of Director and stockholder meetings, as appropriate, to conduct the business of the Company, and observe all other corporate 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 expenses associated with services provided by common employees, office space expenses, and other overhead expenses shared with Affiliates and maintain a sufficient number of employees in light of its contemplated business operations;
- (g) transact all business with Affiliates on an arm's-length basis and pursuant to commercially reasonable agreements;
- (h) conduct business in its own name, and use separate stationery, invoices and checks bearing its own name;
- (i) not commingle its assets or funds with those of any other person or entity;
- (j) not assume, guarantee, become obligated for, or pay the debts or obligations of any other person or entity;
- (k) pay its own liabilities and expenses only out of its own funds drawn on its own account;
- (l) not acquire obligations or securities of its shareholders, the LLC, Affiliates of the Company or the LLC or members of the LLC;

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- (m) not hold out its credit as available to satisfy the obligations of any other person or entities;
- (n) not pledge its assets for the benefit of any other entity or make any loans or advances to any person or entity;
- (o) not buy or hold evidence of indebtedness issued by any other person or entity (other than cash and investment-grade securities);
- (p) correct any known misunderstanding regarding its separate identity;
- (q) not identify itself as a division of any other person or entity;
- (r) maintain adequate capital in light of its contemplated business operations; and
- (s) maintain all required qualifications to do business in the state in which the Property is located.

ARTICLE V - ADDITIONAL PERMITTED FINANCING.

Notwithstanding the foregoing provisions, Lender has acknowledged and agreed that the Company may be a guarantor under The St. Joe Company's existing lines of credit with First Union National Bank and Bank of America and that such obligations shall not constitute a violation of the foregoing provisions; provided, however, that the Company shall not pledge any of its assets to secure such obligations nor make any payments on such obligations so long as the Mortgage remains outstanding.

ARTICLE VI - Duration.

The existence of the Company shall begin on the date of acknowledgment of these articles of incorporation and shall have perpetual existence.

ARTICLE VII - Authorized Shares.

The Company is authorized to issue 1,000 shares, all of which shall be Common Shares having a no par value. All Common Shares shall be identical with each other in every respect and the holders of Common Shares shall be entitled to one vote for each share on all matters on which shareholders have the right to vote.

ARTICLE VIII - Registered Agent/Address.

The initial street address of the Company's registered office is 1650 Prudential Drive, Suite 400, Jacksonville, Florida 32207. The initial registered agent for the Company at that address is Lawrence Paine.

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ARTICLE IX - Incorporator.

The name and street address of the person signing these articles of incorporation is Susan G. Whitlatch, 1650 Prudential Drive, Suite 400, Jacksonville, Florida 32207.

IN WITNESS WHEREOF, the undersigned incorporator has executed these articles of incorporation this 21st day of March, 2002.


Susan G. Whitlatch, Incorporator

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process for 1750 K SPE Company at the place designated in the articles of incorporation, the undersigned is familiar with and accepts the obligations of that position pursuant to Section 607.0501(3), Florida Statutes.

Date: March 21st, 2002



Lawrence Paine

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**Appendix 1
Definitions**

"Affiliate" shall mean in the case of a corporate member of a limited liability company borrower ("LLC"), any person or entity other than the special purpose, bankruptcy remote corporation serving as a member of the LLC (the "Company"), (i) which owns beneficially, directly or indirectly, any outstanding shares of the Company's stock or any membership interest in the LLC, or (ii) which controls or is under common control with the Company or the LLC. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through ownership of voting securities, by contract or otherwise.

"Bankruptcy Action" means:

- A. Taking any action that might cause the Company or the LLC to become insolvent;
- B.
 - (i) Commencing any case, proceeding or other action on behalf of the Company or the LLC under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors;
 - (ii) Instituting proceedings to have the Company or the LLC adjudicated as bankrupt or insolvent;
 - (iii) Consenting to the institution of bankruptcy or insolvency proceedings against the Company or the LLC;
 - (iv) Filing a petition or consent to a petition seeking reorganization, arrangement, adjustment, winding-up, dissolution, composition, liquidation or other relief on behalf of the Company of its debts or the LLC on behalf of its debts under any federal or state law relating to bankruptcy;
 - (v) Seeking or consenting to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or any similar official for the Company or a substantial portion of its properties, or the LLC or a substantial portion of its properties;
 - (vi) Making any assignment for the benefit of creditors of the Company or the LLC; or
 - (vii) Taking any action or causing the LLC to take any action in furtherance of any of the foregoing.

"Family Member" shall mean an individual's immediate family members (spouse, brothers and sisters (whether by the whole or half blood), and ancestors or lineal descendants by birth or adoption) and/or any (i) trusts for the benefit of any immediate family member, (ii) partnership in which an immediate family member is a general partner, (iii) limited liability partnership in which an immediate family member is a general partner, (iv) limited liability company in which an immediate family member is a managing member, or (v) corporation in which an immediate family member is an officer, director, or controlling (as defined below) shareholder.

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