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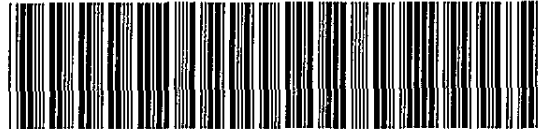
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TALLAHASSEE, FLORIDA

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LEGISLATIVE STATE
DIVISION OF REGISTRATION
TALLAHASSEE, FLORIDA



CORPORATION SERVICE COMPANY

ACCOUNT NO. : 072100000032

REFERENCE : 581655 80958A

AUTHORIZATION :

Patricia Pigato

COST LIMIT : \$ 78.75

ORDER DATE : April 21, 2004

ORDER TIME : 9:50 AM

ORDER NO. : 581655-005

CUSTOMER NO: 80958A

CUSTOMER: Ms. Nannette Gammon
Pga National Venture, Ltd.

Suite 1100
1555 Palm Beach Lakes
West Palm Beach, FL 33401

DOMESTIC FILING

NAME: MORGANTOWN ONE-PERCENT, INC.

XX ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Heather Chapman - EXT. 2908

EXAMINER'S INITIALS: _____

**ARTICLES OF INCORPORATION
OF
MORGANTOWN ONE-PERCENT, INC.**

ARTICLE I – NAME

The name of the Corporation is Morgantown One-Percent, Inc., which will have offices at 1555 Palm Beach Lakes Blvd., Suite 1100, West Palm Beach, Florida 33401.

ARTICLE II – DURATION

This Corporation shall have perpetual existence.

ARTICLE III – PURPOSE

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

(a) To acquire a limited liability company interest in and act as the sole managing member of Morgantown Operating, LLC, a Florida limited liability company (the "Company"), which is engaged solely to acquire, own, hold, and maintain, the sole managing member interest in EA Morgantown, LLC, a Florida limited liability company (the "Borrower"), which Borrower is engaged solely to acquire, construct, own, hold, maintain and operate a real estate project known as The Van Voorhis Road Apartments, located in Morgantown, West Virginia (the "Property") and such activities as are necessary, incidental or appropriate in connection therewith pursuant to and in accordance with these Articles of Incorporation and the Operating Agreement of the Company and the Operating Agreement of the Borrower; and

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

ARTICLE IV - CAPITAL STOCK

This Corporation is authorized to issue 1000 shares of common stock at no par value.

ARTICLE V - INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of this Corporation is 1555 Palm Beach Lakes Boulevard, Suite 1100, West Palm Beach, Florida 33401, and the name of the initial registered agent of this Corporation at that address is E. Llwyd Ecclestone.

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ARTICLE VI - BOARD OF DIRECTORS

This Corporation shall have two (2) directors initially. The number of directors may be increased or decreased from time to time by amendment to, or in the manner provided in the By-laws. Upon the written notice of any party holding any first mortgage lien on the Property (the "First Lien Holder") the corporation shall appoint one director who shall be an Independent Director. After such written notice by the First Lien Holder and for such time as the obligations owed to the First Lien Holder remain outstanding not discharged in full, there shall always be at least one director that is an Independent Director. The name and address of the initial director(s) of this Corporation are:

E. Llwyd Ecclestone

1555 Palm Beach Lakes Blvd., #1100
West Palm Beach, Florida 33401

Ron Cooper

1555 Palm Beach Lakes Blvd., #1100
West Palm Beach, Florida 33401

(a) With the consent of the initial stockholder of the Corporation, which consent the initial stockholder believes to be in the best interest of the initial stockholder and the Corporation, no Independent Director shall, with regard to any action to be taken under or in connection with this ARTICLE, owe a fiduciary duty or other obligation to the initial stockholder nor to any successor stockholders (except as may specifically be required by the statutory law of any applicable jurisdiction), and every stockholder, including each successor stockholder, shall consent to the foregoing by virtue of such stockholder's purchase of shares of capital stock of the Corporation, no further act or deed of any stockholder being required to evidence such consent. Instead, such Independent Director's fiduciary duty and other obligations with regard to such action under or in connection with this ARTICLE shall be owed to the Corporation, the Company and the Borrower (including their respective creditors). In addition, no Independent Director may be removed unless his or her successor has been elected.

(b) Notwithstanding any other provision of these Articles and any provision of law that otherwise so empowers the Corporation or its directors, the Corporation shall not, without the unanimous consent of the Board of Directors, including the Independent Director, when and if appointed, do any of the following:

(i) engage in any business or activity other than those set forth in Article III, or cause or permit the Company or the Borrower to engage in any business or activity other than as set forth in the Articles of Organization or Operating Agreement of the Company or the Articles of Organization and Operating Agreement of the Borrower in effect on the date of the closing of the Loan;

(ii) grant consensual liens on any property owned by the Corporation or incur any indebtedness or assume or guaranty any indebtedness of any other entity, other than normal trade accounts payable in the ordinary course of business provided, however, that such unsecured indebtedness or liabilities (1) are in

amounts that are normal and reasonable under the circumstances and (2) are not evidenced by a note and are paid when due, but in no event for more than sixty (60) days from the date that such indebtedness or liabilities are incurred.

(iii) cause or permit the Company to incur any indebtedness or assume or guaranty any indebtedness of any other entity, other than normal trade accounts payable in the ordinary course of business provided, however, that such unsecured indebtedness or liabilities (1) are in amounts that are normal and reasonable under the circumstances; and (2) are not evidenced by a note and are paid when due, but in no event for more than sixty (60) days from the date that such indebtedness or liabilities are incurred.

(iv) cause or permit the Borrower to grant consensual liens on any property owned by the Borrower other than the Mortgage and Security Agreement to be executed by the Borrower in favor of Lender to secure the Loan, or cause or permit the Borrower to have any indebtedness or incur any liability other than the Loan and unsecured debts and liabilities for trade payables and accrued expenses incurred in the ordinary course of its business of operating the Property; provided, however, that such unsecured indebtedness or liabilities (1) are in amounts that are normal and reasonable under the circumstances, but in no event to exceed three percent (3.0%) of the original principal amount of the Loan and (2) are not evidenced by a note and are paid when due, but in no event for more than sixty (60) days from the date that such indebtedness or liabilities are incurred.

(iv) dissolve or liquidate, in whole or in part;

(v) cause or permit the dissolution or liquidation, in whole or in part, of the Company or the Borrower;

(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 Company or the Borrower to consolidate or merge with or into any other entity or to convey or transfer or lease their respective property and assets substantially as an entirety to any entity;

(viii) with respect to the Corporation, the Company or the Borrower, (A) institute proceedings to be adjudicated bankrupt or insolvent; (B) consent to the institution of bankruptcy or insolvency proceedings against it; (C) file a petition seeking, or consenting to, reorganization or relief under any applicable federal or state Law relating to bankruptcy; (D) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or the Company or the Borrower or a substantial part of their respective property; (E) make any assignment for the benefit of creditors; (F) admit in writing its inability to pay its debts generally as they become due or declare or effect a moratorium on its debts; or (G) take any action in furtherance of any such action (each of the actions described in

the foregoing clauses (A) through (G), with respect to any individual or entity, are referred to herein as a "**Bankruptcy Action**";

(ix) except as permitted in writing by the holder of the Mortgage, amend the Articles of Incorporation or the Bylaws of the Corporation or approve an amendment to the Articles of Organization or the Operating Agreement governing the Company or the Articles of Organization or Operating Agreement governing the Borrower as in effect on the date of the closing of the Loan; or

(x) withdraw as the managing member of the Company or fail to own at least a one percent (1.0%) membership interest in the Company.

In addition to the foregoing, the Corporation shall not, without the written consent of the holder of the Mortgage so long as it is outstanding, take any action set forth in items (i) through (vii) and items (ix) or (x).

ARTICLE VII – INCORPORATOR

The name and address of the incorporator hereof are:

E. Llwyd Ecclestone

1555 Palm Beach Lakes Blvd., #1100
West Palm Beach, FL 33401

ARTICLE VIII - SEPARATENESS PROVISIONS

The Corporation shall:

(a) not make and not cause or permit the Company or the Borrower to make, any loans to the holder (directly or indirectly) of any equity interests in the Corporation, the Company or the Borrower (collectively, the "**Equity Holders**"), or any Affiliate of the Corporation, the Company, the Borrower or of any Equity Holders;

(b) at all times observe the applicable legal requirements for the recognition of the Corporation as a legal entity separate from any Equity Holders or Affiliates of the Borrower, the Company, the Corporation or of any Equity Holder, including, without limitation, as follows:

(i) the Corporation shall either (1) maintain its principal executive office and telephone and facsimile numbers separate from that of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder and shall conspicuously identify such office and numbers as its own, or (2) shall allocate by written agreement fairly and reasonably any rent, overhead and expenses for shared office space, if the same is to be charged. Additionally, the Corporation shall use its own separate stationery, invoices and checks which reflects its name, address, telephone number and facsimile number.

(ii) the Corporation shall maintain correct and complete financial statements, accounts, books and records and other entity documents separate from those of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder or any other person or entity. The Corporation shall prepare unaudited quarterly and annual financial statements, and the Corporation's financial statements shall substantially comply with generally accepted accounting principles.

(iii) the Corporation shall maintain its own separate bank accounts, payroll and correct, complete and separate books of account.

(iv) the Corporation shall file or cause to be filed its own separate tax returns.

(v) the Corporation shall hold itself out to the public (including any of its Affiliates' creditors) under the Corporation's own name and as a separate and distinct entity and not as a department, division or otherwise of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder.

(vi) the Corporation shall observe all customary formalities regarding the existence of the Corporation, including holding meetings and maintaining current and accurate minute books separate from those of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder.

(vii) the Corporation shall hold title to its assets in its own name and act solely in its own name and through its own duly authorized officers and agents. No Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder shall be appointed or act as agent of the Corporation, other than as a property manager or leasing agent with respect to the Property, provided, however, that any Equity Holder or Affiliate of an Equity Holder may act as a Director, other than the Independent Director, of the Corporation.

(viii) all investments shall be made in the name of the Corporation directly by the Corporation or on its behalf by brokers engaged and paid by the Corporation.

(ix) the Corporation shall not guarantee, pledge or assume or hold itself out or permit itself to be held out as having guaranteed, pledged or assumed any liabilities or obligations of any Equity Holder or any Affiliate of the Borrower, the Company or the Corporation, nor shall it make any loan, except as permitted in the Loan Documents.

(x) the Corporation is and will be solvent.

(xi) all assets of the Corporation shall be separately identified, maintained and segregated. The Corporation's assets shall at all times be held by or on behalf of the Corporation and if held on behalf of the Corporation by another entity, shall at all times be kept identifiable (in accordance with customary usages) as assets owned by the Corporation. This restriction requires, among other things, that (1) funds of the Corporation shall be deposited or invested in the Corporation's name, (2) funds of the

Corporation shall not be commingled with the funds of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder, (3) the Corporation shall maintain all accounts in its own name and with its own tax identification number, separate from those of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder, and (4) funds of the Corporation shall be used only for the business of the Corporation.

(xii) the Corporation shall maintain its assets in such a manner that it is not costly or difficult to segregate, ascertain or identify its individual assets from those of any Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder.

(xiii) the Corporation shall pay or cause to be paid its own liabilities and expenses of any kind, including but not limited to salaries of its employees, only out of its own separate funds and assets.

(xiv) the Corporation shall at all times be adequately capitalized to engage in the transactions contemplated at its formation.

(xv) the Corporation shall not do any act which would make it impossible to carry on the ordinary business of the Corporation.

(xvi) all data and records (including computer records) used by the Corporation or any Affiliate of the Borrower, the Company, the Corporation in the collection and administration of any loan shall reflect the Corporation's ownership interest therein.

(xvii) no funds of the Corporation shall be invested in securities issued by, nor shall the Corporation acquire the indebtedness or obligation of, an Affiliate of the Borrower, the Company, the Corporation or of an Equity Holder.

(xviii) the Corporation shall maintain an arm's length relationship with each of its Affiliates and may enter into contracts or transact business with its Affiliates only on commercially reasonable terms that are no less favorable to the Corporation than is obtainable in the market from a person or entity that is not an Affiliate of the Borrower, the Company, the Corporation or of any Equity Holder.

(xix) the Corporation shall correct any misunderstanding that is known by the Corporation regarding its name or separate identity or the separate identity of the Company or the Borrower.

(xx) any indemnification obligation of the Corporation pursuant to Article X hereof or otherwise shall (A) be fully subordinated to the Loan and to the obligations of the Corporation, the Company and the Borrower under the Loan Documents; and (B) not constitute a claim against the Corporation or its assets until such time as the Loan and the other obligations of the Corporation, the Company and the Borrower under the Loan Documents have been indefeasibly paid in accordance with their terms and otherwise have been fully discharged;

(xxi) the Corporation shall, and shall cause each of the "Borrower Parties" (as defined therein) to, conduct its business so as to cause all of the assumptions set forth in that certain legal opinion of Gary, Dytrych & Ryan, P.A., other such other law firm approved by Lender with respect to substantive consolidation and similar matters dated on or about the date hereof, to be true, correct and complete.

"Affiliate" means, as applied to any Person, any other person which directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with that Person. For purposes of the definition of "Affiliate", the terms "control", "controlled", or "controlling" with respect to a specified Person or entity shall include, without limitation, (A) the ownership, control or power to vote ten percent (10%) or more of (1) the outstanding shares of any class of voting securities or (2) beneficial interests, of any such Person, as the case may be, directly or indirectly, or acting through one or more Persons, (B) the control in any manner over the general partner(s) or the election of more than one director or trustee (or Persons exercising similar functions) of such Person, or (C) the power to exercise, directly or indirectly, control over the management or policies of such Person. **"Person"** means any individual, corporation, partnership, limited liability company, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Constituent Entity" means, with respect to the Corporation, the Company and the Borrower, (1) with respect to any limited partnership, (a) any general partner of such limited partnership and (b) any limited partner of such partnership which owns (or is owned by any person or entity owning, holding or controlling, directly or indirectly) the right to receive 50% or more of the income, distributable funds or losses of such partnership; (2) with respect to any general partnership or joint venture, any partner or venturer in such general partnership or joint venturer; (3) with respect to any corporation, (a) any officer or director of such corporation, and (b) any person or entity which owns or controls 50% or more of any class of stock of such corporation; (4) with respect to any limited liability company, (a) any manager of such limited liability company, (b) any managing member of such limited liability company, or the sole member of any limited liability company having only one (1) member, and (c) any non-managing member of such limited liability company which owns (or is owned by any person or entity owning, holding or controlling, directly or indirectly) the right to receive 50% or more of the income, distributable funds or losses of such limited liability company; (5) any person or entity which controls any entity described in any of foregoing clauses (1) through (4) hereof; and (6) any entity which is a "Constituent Entity" with respect to an entity which is a "Constituent Entity" of the subject entity. For all purposes hereof unless expressly noted, the terms "control" and "controlled by" shall have the meanings assigned to such terms in Rule 405 under the Securities Act of 1933, as amended. For the purposes of clause (5) hereof, if entity "B" is a Constituent Entity of entity "A", then any Constituent Entity of "B" shall be deemed to be a Constituent Entity of any entity of which "A" is a Constituent Entity.

"Independent" means a natural person who has not been, and during the continuation of his or her services as director (**"Fiduciary Representative"**) of the

Corporation, (A) except in the capacity as the Fiduciary Representative of the Corporation, is not an employee, officer, director, shareholder, partner, manager, member, counsel, advisor, accountant or agent of the Corporation, the Company, the Borrower, any Constituent Entity, or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity; (B) is not a present or former customer or supplier of the Corporation, the Company, the Borrower, any Constituent Entity or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity, or other person or entity who derives or is entitled to derive any of its profits or revenues or any payments (other than any fee paid to such person as compensation for such person to serve as Fiduciary Representative) from the Corporation, the Company, the Borrower, any Constituent Entity, or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity; (C) is not (and is not affiliated with an entity that is) a present or former accountant, advisor, attorney, consultant or counsel to the Corporation, the Company, the Borrower, any Constituent Entity, or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity; (D) is not a spouse, parent, child, grandchild or sibling of, or otherwise related to (by blood or by law), any of (A), (B) or (C) above; and (E) is not affiliated with a person or entity of which the Corporation, the Company, the Borrower, any Constituent Entity, or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity is a present or former customer or supplier; provided, however, that an entity that provides a Fiduciary Representative as a service for a fee is not prohibited hereunder from providing one or more Fiduciary Representatives to the Corporation, the Company, the Borrower, any Constituent Entity, or any Affiliate of the Corporation, the Company, the Borrower or of any Constituent Entity.

"Loan Documents" means all documents and instruments evidencing, securing or otherwise relating to the Loan as the same may be amended, modified or supplemented from time to time.

ARTICLE IX - MEETINGS BY CONFERENCE TELEPHONE

Members of the Board of Directors may participate in meetings of the Board of Directors by means of conference telephone and may lawfully adopt corporate resolutions by unanimous written consent of the Directors, as provided by law.

ARTICLE X - INDEMNIFICATION

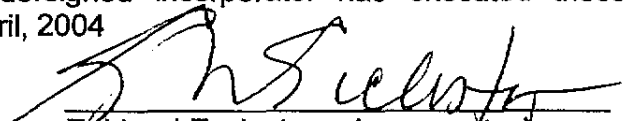
This Corporation shall, to the fullest extent permitted by the provisions of the Florida General Corporation Act, as the same may be amended and supplemented from time to time, indemnify any and all persons whom it shall have power to indemnify under said provisions from and against any and all of the expenses, liabilities or other matters referred to in or covered by said provisions, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the official capacity of the indemnified party and as to action in another capacity while holding such office, and shall continue as to a person who has

ceased to be a director or officer, and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE XI – AMENDMENT

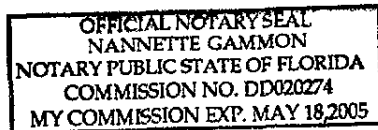
Subject to any other provision contained in these Articles of Incorporation, this Corporation reserves the right to amend or repeal any provisions contained in these Articles of Incorporation, or any amendment hereto, and any right conferred upon shareholders is and shall be subject to this reservation.

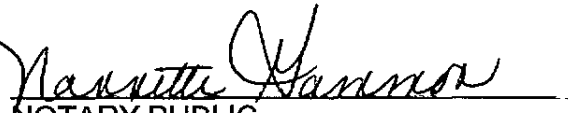
IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation this 19th day of April, 2004


E. Llwyd Ecclestone, Incorporator

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 19th day of April, 2004, by E. Llwyd Ecclestone, the Incorporator, on behalf of Morgantown One Percent, Inc. He is ☒ personally known to me or _____ produced _____ as identification.




NOTARY PUBLIC
My Commission Expires: May 18, 2005

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED IN COMPLIANCE WITH SECTION 48.091. FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED:

THAT MORGANTOWN ONE-PERCENT, INC., DESIRING TO ORGANIZE OR QUALIFY UNDER THE LAWS OF THE STATE OF FLORIDA, WITH ITS PRINCIPAL PLACE OF BUSINESS AT CITY OF WEST PALM BEACH, STATE OF FLORIDA, HAS NAMED E. LLWYD ECCLESTONE, LOCATED AT 1555 PALM BEACH LAKES BLVD., SUITE 1100, WEST PALM BEACH, FLORIDA 33401, CITY OF WEST PALM BEACH, STATE OF FLORIDA, AS ITS AGENT TO ACCEPT SERVICE OF PROCESS WITHIN FLORIDA.

SIGNATURE: _____

E. Llwyd Ecclestone

DATE: _____

April 19, 2004

ACKNOWLEDGMENT OF RESIDENT AGENT

HAVING BEEN NAMED TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION, AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY AGREE TO ACT IN THIS CAPACITY, AND I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES.

SIGNATURE:

E. Llwyd Ecclestone

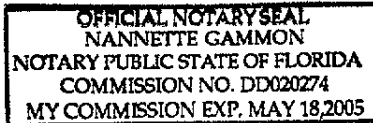
DATE:

April 19, 2004

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared E. Llwyd Ecclestone, who is ✓ personally known to me or who produced as identification.

WITNESS my hand and official seal this 19th day of April, 2004.



Nannette Gammon
NOTARY PUBLIC

Commission Expires: May 18, 2005

FILED
2004 APR 21 A 8:58
SECRETARY OF STATE
TALLAHASSEE, FLORIDA