

P9500044768

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ELECTRONIC FILING CONFIRMATION

9:44 AM

YOU HAVE REQUESTED TO SUBMIT THE FOLLOWING DOCUMENT:

TYPE: EFIL01
CORPORATE NAME: MELROSE REAL ESTATE INVESTMENT TRUST, INC.
SUB-ACCOUNT NUMBER:
METHOD OF DELIVERY: F
FAX PHONE NUMBER: (904) 359-8700
MAILING NAME/ADDRESS: FOLEY & LARDNER
200 LAURA ST
JACKSONVILLE

EFFECTIVE DATE 10-8-95

CERTIFICATE(S) REQUESTED: NO
ESTIMATED CHARGES: \$122.50

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TO: DIVISION OF CORPORATIONS
DEPARTMENT OF STATE
STATE OF FLORIDA
409 EAST GAINES STREET
TALLAHASSEE, FL 32399
FAX: (904) 922-4000

FROM: FOLEY & LARDNER
200 LAURA ST
JACKSONVILLE FL 32202-33135-
CONTACT: KAREN PETERSON
PHONE: (904) 359-2000
FAX: (904) 359-8700

DOCUMENT TYPE: FLORIDA PROFIT CORPORATION OR P.A.
NAME: MELROSE REAL ESTATE INVESTMENT TRUST, INC.
FAX AUDIT NUMBER: H95000006473
DATE REQUESTED: 06/09/1995
CERTIFIED COPIES: 1
NUMBER OF PAGES: 4
ESTIMATED CHARGE: \$122.50
CURRENT STATUS: REQUESTED
TIME REQUESTED: 09:44:50
CERTIFICATE OF STATUS: 0
METHOD OF DELIVERY: FAX
ACCOUNT NUMBER: 072720000061

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((H95000006473))
** ENTER 'M' FOR MENU. **

ENTER/SELECTION AND <CRFLORIDA DIVISION OF CORPORATIONS
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9:45 AM

1. ENTER PASSWORD
2. REQUEST ELECTRONIC FILING
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4. ALTER DEFAULTS FOR THIS SESSION

--KEY--
PASSWORD/NEWPASSWORD
DOCUMENT TYPE
CORPORATE DOCUMENT NUMBER
*** NO KEY ***

**ARTICLES OF INCORPORATION
OF
MELROSE REAL ESTATE INVESTMENT TRUST, INC.**

The undersigned, for the purpose of forming a corporation for profit under the laws of Florida, adopts the following Articles of Incorporation.

ARTICLE 1

NAME AND ADDRESS

Section 1.1 **Name.** The name of the corporation is Melrose Real Estate Investment Trust, Inc.

Section 1.2 **Address of Principal Office.** The address of the principal office of the corporation is 7077 Bonneval Road, Suite 450, Jacksonville, Florida 32216.

ARTICLE 2

DURATION

Section 2.1 **Duration.** This corporation shall exist perpetually. Corporate existence shall commence on the date these Articles are executed, except that if they are not filed by the Department of State of Florida within five business days after they are executed, corporate existence shall commence upon filing by the Department of State.

ARTICLE 3

PURPOSES

Section 3.1 **Purposes.** This corporation is organized for the purposes of transacting any or all lawful business permitted under the laws of the United States and of the State of Florida.

ARTICLE 4**CAPITAL**

Section 4.1 **Authorized Capital.** The maximum number of shares of stock which this corporation is authorized to have outstanding at any one time is 10 million shares of voting common stock having a par value of \$0.01 per share.

ARTICLE 5**INITIAL REGISTERED OFFICE AND AGENT**

Section 5.1 **Name and Address.** The street address of the initial registered office of this corporation is 200 Laura Street, Jacksonville, Florida 32202, and the name of the initial registered agent of this corporation at that address is F & L Corp.

ARTICLE 6**BYLAWS**

Section 6.1 **Bylaws.** The initial bylaws of this corporation shall be adopted by the board of directors. Bylaws may be amended or repealed from time to time by either the board of directors or the shareholders, but the board of directors shall not alter, amend or repeal any bylaw adopted by the shareholders if the shareholders specifically provide that such bylaw is not subject to amendment or repeal by the board of directors.

ARTICLE 7**INCORPORATOR**

Section 7.1 **Name and Address.** The name and street address of the incorporator of this corporation are:

NAME

Linda Y. Kelso

ADDRESS200 Laura Street
Jacksonville, Florida 32202

ARTICLE 8

INDEMNIFICATION

Section 8.1 **Indemnification.** The board of directors is hereby specifically authorized to make provision for indemnification of directors, officers, employees and agents to the full extent permitted by law.

ARTICLE 9

AMENDMENT

Section 9.1 **Amendment.** This corporation reserves the right to amend or repeal any provision contained in these Articles of Incorporation, and any right conferred upon the shareholders is subject to this reservation.

IN WITNESS WHEREOF, the incorporator has executed these Articles the 8th day of June, 1995.

Linda Y. Kelso
Linda Y. Kelso, Incorporator

06-09-1995 10:09AM

FOLEY/LARDNER/JACKSONVILLE

5043598780 P.06
Fax Audit No. H95000006473

ACCEPTANCE BY REGISTERED AGENT

Having been named to accept service of process for the above stated corporation, at the place designated in the above Articles of Incorporation, 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. I am familiar with and I accept the obligations of a registered agent.

F&L CORP., Registered Agent

Charles V. Hedrick

Charles V. Hedrick, Authorized Signatory

Date: June 8, 1995

FILED
95 JUN -9 PM 5:29
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

SENT BY: FOLEY & LARDNER

: 0-26-95 : 12:10 : JACKSONVILLE OFFICE-

:# 2/ 0

P95000044768

PUBLIC ACCESS SYSTEM
ELECTRONIC FILING COVER SHEET
TO: DIVISION OF CORPORATIONS FROM: FOLEY & LARDNER
DEPARTMENT OF STATE 200 LAURA ST
STATE OF FLORIDA JACKSONVILLE FL 32202-
409 EAST GAINES STREET CONTACT: KAREN PATTERSON
TALLAHASSEE, FL 32399 PHONE: (904) 359-2000
FAX: (904) 922-4000 FAX: (904) 359-8700
DOCUMENT TYPE: BASIC AMENDMENT
NAME: MELHOSE REAL ESTATE INVESTMENT TRUST, INC.
FAX AUDIT NUMBER: H95000010729 CURRENT STATUS: REQUESTED
DATE REQUESTED: 09/26/1995 TIME REQUESTED: 12:10:56
CERTIFIED COPIES: 1 CERTIFICATE OF STATUS: 0
NUMBER OF PAGES: 1 METHOD OF DELIVERY: FAX
ESTIMATED CHARGE: \$87.50 ACCOUNT NUMBER: 072720000061

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{{{H95000010729}}}

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1995 SEP 26 PM 3:21
TALLAHASSEE FLORIDA

NAME Charge
NFT

21 SEP 26 PM 2:12

SENT BY: FOLEY & LARDNER

: 9-26-95 : 12:18 : JACKSONVILLE OFFICE-

1# 1/ 0

FOLEY & LARDNER

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THE GREENLEAF BUILDING
200 LAURA STREET 32202-3520
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ALEXANDRIA, VIRGINIA
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FACSIMILE TRANSMISSION

TO: Florida Division of Corporations

FAX NO.: (904)922-4000

FROM: Karen Peterson

FAX NO.: (904) 359-8700

DATE: September 26, 1995

TIME: 12:26pm

NO. OF PAGES (including this page): 3

MESSAGE:

OPERATOR:

FILE NO.: 66129/108

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FILED
1995 SEP 26 PM 3:21
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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Fax Audit No. H95000010729

MELROSE REAL ESTATE INVESTMENT TRUST, INC.**ARTICLES OF AMENDMENT**

(Reflecting name change to Melrose Real Estate Investment Trust, Inc. - 1995)

Pursuant to Sections 607.1001, 607.1004, 607.1006, and 607.1009, Florida Business Corporation Act, the following provisions of the Articles of Incorporation of Melrose Real Estate Investment Trust, Inc., a Florida corporation, filed in Tallahassee on June 9, 1995, be and they hereby are amended in the following particulars:

Article I be and it hereby is amended to read as follows:

"ARTICLE I

The name of this corporation shall be: Melrose Real Estate Investment Trust, Inc. - 1995."

The foregoing amendment was adopted by the Stockholders and Directors of the corporation on the 28th day of September, 1995. The only voting group entitled to vote on the adoption of the Amendment consists of the holders of the corporation's common stock. The number of votes cast by such voting group was sufficient for approval by that voting group.

IN WITNESS WHEREOF, the undersigned President of this corporation has executed these Articles of Amendment this 28th day of September, 1995.



Ronald F. Buckley, PresidentSECRETARY OF STATE
TALLAHASSEE, FLORIDA

1995 SEP 26 PM 3:21

FILED

FEB-20-1996 16100

FOLEY & LARDNER

9043598700 P.02

P95000044768

2/20/96

FLORIDA DIVISION OF CORPORATIONS
PUBLIC ACCESS SYSTEM

2:45 PM

((H96000002436))

ELECTRONIC FILING COVER SHEET
FROM: FOLEY & LARDNER
200 LAUMA ST

TO: DIVISION OF CORPORATIONS
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STATE OF FLORIDA
409 EAST GAINES STREET
TALLAHASSEE, FL 32399
FAX: (904) 922-4000

JACKSONVILLE FL 32202-
CONTACT: KAREN PETERSON
PHONE: (904) 359-2000
FAX: (904) 359-8700

((H96000002436))

DOCUMENT TYPE: BASIC AMENDMENT

FAX AUDIT NUMBER: H96000002436

CURRENT STATUS: REQUESTED

DATE REQUESTED: 02/20/1996

TIME REQUESTED: 14:44:23

CERTIFIED COPIES: 1

CERTIFICATE OF STATUS: 0

NUMBER OF PAGES: 23

METHOD OF DELIVERY: FAX

ESTIMATED CHARGE: \$87.50

ACCOUNT NUMBER: 072720000061

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((H96000002436))

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ENTER SELECTION AND <CR>: \$\$\$off

OK 10:00 AM 2/20/96
Lardner

Karen Peterson GAVE
AUTHORIZATION BY PHONE TO
CORRECT *old corp. name*
DATE *2/21/96*
DOC. EXAM *Lardner*

FILED
FEB 20 1996
4:45 PM

FEB-20-1996 16100

FOLEY & LARDNER

9043590700 P.01

FOLEY & LARDNER

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FACSIMILE TRANSMISSION

TO: Florida Division of Corporations FAX NO.: 904/922-4000
FROM: Karen Peterson
DATE: 2/20/96 TIME: 3:00pm
NO. OF PAGES (including this page): 25
MESSAGE:

OPERATOR:

FILE NO: 066129/0108

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SENT BY: FOLEY & LARDNER

2-21-98 10:12 JACKSONVILLE

17 0

FOLEY & LARDNER

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FACSIMILE (904) 360-8700

MILAN, FLORIDA
TALLAHASSEE, FLORIDA
TAMPA, FLORIDA
WEST PALM BEACH, FLORIDA

MILWAUKEE, WISCONSIN
MADISON, WISCONSIN
CHICAGO, ILLINOIS
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ANNAPOLIS, MARYLAND

FACSIMILE TRANSMISSION

TO: Florida Division of Corporations FAX NO.: 904/922-4000
FROM: Karen Peterson
DATE: 2/21/98 TIME: 3:04pm
NO. OF PAGES (including this page): 3
MESSAGE: Re: Fax Audit No. H96000002436

OPERATOR:

FILE NO: 066129/0108

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Fax Audit No. H96000002436

**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF**

MELROSE REAL ESTATE INVESTMENT TRUST, INC. - 1995

This Corporation was incorporated on June 8, 1995 under the name Melrose Real Estate Investment Trust, Inc. and changed its name to Melrose Real Estate Investment Trust, Inc. - 1995 by amendment to its Articles of Incorporation on September 26, 1995. Pursuant to Sections 607.0704, 607.1003, 607.1004 and 607.1007, Florida Business Corporation Act, Amended and Restated Articles of Incorporation were approved by written consent pursuant to Section 607.0704 of the directors and shareholders of this Corporation on February __, 1996. The only voting group entitled to vote on the adoption of the Amended and Restated Articles of Incorporation consists of the holders of the Corporation's common stock. The number of votes cast by such voting group was sufficient for approval by that voting group. The Amended and Restated Articles of Incorporation adopted by the directors and shareholders contain the following amendments and omit items of historical interest only:

Article 4 is amended in its entirety to read as set forth herein.

A new Article 5 is added.

Old Article 5 is renumbered as Article 6.

New Article 7 is added.

Old Article 6 is renumbered as Article 8.

Old Articles 8 and 9 are renumbered as Articles 9 and 10, respectively.

NOW, THEREFORE, incorporating the foregoing amendments, the corporation's Articles of Incorporation are hereby amended and restated to read in their entirety as follows:

**AMENDED AND
RESTATED ARTICLES OF INCORPORATION
of
MELROSE REAL ESTATE INVESTMENT TRUST, INC. - 1995**

FILED
FEB 20 1999
JACKSONVILLE, FLORIDA

ARTICLE 1

NAME AND ADDRESS

Section 1.1 **Name.** The name of the Corporation is Melrose Real Estate Investment Trust, Inc. - 1995 (the "Corporation").

Section 1.2 **Address of Principal Office.** The address of the principal office of the Corporation is 7077 Bonneval Road, Suite 450, Jacksonville, Florida 32216.

ARTICLE 2

DURATION

Section 2.1 **Duration.** The Corporation shall exist perpetually.

ARTICLE 3

PURPOSES

Section 3.1 **Purpose.** This Corporation is organized for the purpose of transacting any or all lawful business permitted under the laws of the United States and of the State of Florida.

ARTICLE 4

CAPITAL STOCK

Section 4.1 **Authorized Capital.** The maximum number of shares of stock which the Corporation is authorized to have outstanding at any one time is twelve million (12,000,000) shares (the "Capital Stock") divided into classes as follows:

- (a) Two million (2,000,000) shares of preferred stock having a par value of \$0.01 per share (the "Preferred Stock"), and which may be issued in one or more classes or series as further described in Section 4.2; and

(b) Ten million (10,000,000) shares of common stock having a par value of \$0.01 per share (the "Common Stock").

All such shares shall be issued fully paid and nonassessable.

Section 4.2 Preferred Stock. Subject to Section 4.4, the Board of Directors is authorized to provide for the issuance of the Preferred Stock in one or more classes and in one or more series within a class and, by filing the appropriate Articles of Amendment with the Secretary of State of Florida which shall be effective without shareholder action, is authorized to establish the number of shares to be included in each class and each series and the preferences, limitations and relative rights of each class and each series. Such preferences must include the preferential right to receive distributions of dividends or the preferential right to receive distributions of assets upon the dissolution of the Corporation before shares of Common Stock are entitled to receive such distributions.

Section 4.3 Common Stock. Holders of Common Stock are entitled to one vote per share on all matters required by Florida law to be approved by the shareholders. Subject to the rights of any outstanding classes or series of Preferred Stock having preferential dividend rights, holders of Common Stock are entitled to such dividends as may be declared by the Board of Directors out of funds lawfully available therefor. Upon the dissolution of the Corporation, holders of Common Stock are entitled to receive, pro rata in accordance with the number of shares owned by each, the net assets of the Corporation remaining after the holders of any outstanding classes or series of Preferred Stock having preferential rights to such assets have received the distributions to which they are entitled.

Section 4.4 Right of First Refusal. Subsequent to the issuance by the Corporation of shares of its Common Stock in its initial offering (the "Initial Offering") for the purpose of (1) raising capital for the business of the Partnerships (as defined in Section 4.5), and (2) qualifying as a REIT (as defined in Section 5.1), the Corporation shall not issue any shares of Capital Stock except in a distribution made pro rata to each holder of its outstanding Common Stock or except as otherwise permitted herein unless it shall first have offered such shares to the holders of its outstanding Common Stock, pro rata based on the number of shares owned by each. Whenever the Corporation shall propose to issue any shares of Capital Stock in a transaction subject to the provisions of this Section 4.4, it shall send written notice to each holder of its Common Stock giving reasonable advance notice of the intended use of proceeds from the sale of such Capital Stock, the price per share, the deadline by which the Corporation must receive written notice if the holder elects to exercise its right of first refusal hereunder, and the other terms and conditions of the proposed sale. No right of first refusal may be exercised hereunder if it would cause the Corporation to cease being a "domestically controlled REIT," as defined in Section 5.2. The right of first refusal provided for herein shall not apply to the sale of any shares made at a price not less than the fair market value thereof, as determined in good faith by the Corporation's Board of Directors, for the purpose of enabling the Corporation to remain qualified as a REIT and as a domestically controlled REIT.

Section 4.5 Shareholder Vote Required for Certain Actions. The approval of the holders of a majority of the shares of the Corporation's outstanding Common Stock who are not United States residents shall be required in order for the Corporation to take any of the following actions:

(a) The application of the proceeds from the sale of Capital Stock for any purpose unrelated to the business of Melrose Apartments of Jacksonville, Ltd., a Florida limited partnership, or Melrose Apartments of Raleigh, L.P., a North Carolina partnership (collectively, the "Partnerships");

(b) The application of any distributions from either Partnership for any purpose unrelated to the business of the Partnerships; or

(c) Any amendment to the Limited Partnership Agreement of either Partnership if the adoption of such amendment would require the approval of the limited partners of such Partnership.

ARTICLE 5

REIT PROVISIONS

Section 5.1 Definitions. For the purposes of this Article 5, the following terms shall have the following meanings:

(a) "Acquire" shall mean the acquisition of Beneficial Ownership of shares of Capital Stock by any means including, without limitation, acquisition pursuant to the exercise of any right to convert or exchange an existing security, option, warrant, pledge or other security interest or similar right to acquire shares, but shall not include the acquisition of any such rights, unless, as a result, the acquirer would be considered a Beneficial Owner as defined below.

(b) "Actual Owner" shall mean, with respect to any Capital Stock, that Person who is required to include in its gross income any dividends paid with respect to such Capital Stock.

(c) "Beneficial Ownership" shall mean ownership of Capital Stock by a Person who would be treated as an owner of such shares of Capital Stock, either directly or indirectly, under Section 542(a)(2) of the Code, taking into account for this purpose (i) constructive ownership determined under Section 544 of the Code, as modified by Section 856(h) of the Code (except where expressly provided otherwise) and (ii) any future amendment to the Code which has the effect of modifying the ownership rules under Sections 542(a)(2), 544 or 856(h) of the Code. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have the correlative meanings.

(d) "Code" shall mean the Internal Revenue Code of 1986, as amended. In the event of any future amendments to the Code involving the renumbering of Code sections, the Board of Directors may, in its sole discretion, determine that any reference to a Code section herein shall mean the successor Code section pursuant to such amendment.

(e) "Constructive Ownership" shall mean ownership of Capital Stock by a Person who would be treated as an owner of such Capital Stock, either directly or constructively, through the application of Section 318 of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.

(f) "Existing Holder" shall mean: (i) Ronald F. Buckley, (ii) A.L. Van Mook, (iii) Integroup Investors 1995, Ltd., (iv) any Person (including Ronald F. Buckley and A.L. Van Mook) who is a Beneficial Owner of Capital Stock as a result of attribution of the Beneficial Ownership from any of the Persons identified in clause (iii), and (v) any Person who Acquires Beneficial Ownership from another Existing Holder, except by Acquisition on the open market.

(g) "Existing Holder Limit" for an Existing Holder shall mean, initially, the percentage by value of the outstanding Capital Stock Beneficially Owned by such Existing Holder immediately following completion of the Initial Offering, and after any adjustment pursuant to Section 5.8 hereof, shall mean such percentage of the outstanding Capital Stock as so adjusted; provided, however, that the Existing Holder Limit shall not be a percentage which is less than the Ownership Limit. The Secretary of the Corporation shall maintain and, upon request, make available to each Existing Holder, a schedule which sets forth the then current Existing Holder Limits for each Existing Holder.

(h) "Ownership Limit" shall initially mean 4.99% by value of the outstanding Capital Stock of the Corporation, and after any adjustment as set forth in Section 5.9, shall mean such greater percentage by value of the outstanding Capital Stock as so adjusted.

(i) "Person" shall mean an individual, corporation, partnership, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity, and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended; but does not include an underwriter retained by the Company which participates in a public offering of the Capital Stock for a period of 90 days following the purchase by such underwriter of the Capital Stock.

(j) "REIT" shall mean a Real Estate Investment Trust under Section 856 of the Code.

(k) "Redemption Price" shall mean the lower of (i) the price paid by the transferee from whom shares are being redeemed, and (ii) the average of the last reported sales price on the New York Stock Exchange of the relevant class of Capital Stock on the ten trading days immediately preceding the date fixed for redemption by the Board of Directors, or if the relevant class of Capital Stock is not then traded on the New York Stock Exchange, the average of the last reported sales prices of such class of Capital Stock (or, if sales prices are not reported, the average of the closing bid and asked prices) on the ten trading days immediately preceding the relevant date as reported on any exchange or quotation system over which the Capital Stock may be traded, or if such class of Capital Stock is not then traded over any exchange or quotation system, then the price determined in good faith by the Board of Directors of the Corporation as the fair market value of such class of Capital Stock on the relevant date.

(l) "Related Tenant Owner" shall mean any Constructive Owner who also owns, directly or indirectly, an interest in a Tenant, which interest is equal to or greater than (i) 10% of the combined voting power of all classes of stock of such Tenant, (ii) 10% of the total number of shares in all classes of stock of such Tenant, or (iii) if such Tenant is not a corporation, 10% of the assets or net profits of such Tenant.

(m) "Related Tenant Limit" shall mean 9.8% by value of the outstanding Capital Stock of the Corporation.

(n) "Restriction Termination Date" shall mean the first day on which the Corporation determines pursuant to Section 5.13 that it is no longer in the best interest of the Corporation to attempt to, or continue to, qualify as a REIT.

(o) "Tenant" shall mean any tenant of (i) the Corporation, (ii) a subsidiary of the Corporation which is deemed to be a "qualified REIT subsidiary" under Section 856(i)(2) of the Code, or (iii) a partnership in which the Corporation or one or more of its qualified REIT subsidiaries is a partner.

(p) "Transfer" shall mean any sale, transfer, gift, assignment, devise, or other disposition of Capital Stock or the right to vote or receive dividends on Capital Stock (including (i) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Capital Stock or the right to vote or receive dividends on the Capital Stock, or (ii) the sale, transfer, assignment or other disposition or grant of any securities or rights convertible or exchangeable for Capital Stock), whether voluntarily or involuntarily, whether of record or Beneficially, and whether by operation of law or otherwise; provided, however, that any pledge of Capital Stock shall not be deemed a Transfer until such time as the pledgee effects an actual change in ownership of the pledged shares of Capital Stock.

Section 5.2 Restrictions on Transfer. Except as provided in Section 5.11 and Section 5.15:

(a) No Person (other than an Existing Holder) shall Beneficially Own Capital Stock in excess of the Ownership Limit, and no Existing Holder shall Beneficially Own Capital Stock in excess of the Existing Holder Limit for such Existing Holder.

(b) No Person shall Constructively Own Capital Stock in excess of the Related Tenant Limit for more than thirty (30) days following the date such Person becomes a Related Tenant Owner unless such Person ceases to be a Related Tenant Owner before the end of such thirty (30) day period.

(c) Any Transfer that, if effective, would result in any Person (other than an Existing Holder) Beneficially Owning Capital Stock in excess of the Ownership Limit shall be void *ab initio* as to the Transfer of such Capital Stock which would be otherwise Beneficially Owned by such Person in excess of the Ownership Limit, and the intended transferee shall Acquire no rights in such Capital Stock.

(d) Any Transfer that, if effective, would result in any Existing Holder Beneficially Owning Capital Stock in excess of the applicable Existing Holder Limit shall be void *ab initio* as to the Transfer of such Capital Stock which would be otherwise Beneficially Owned by such Existing Holder in excess of the applicable Existing Holder Limit, and such Existing Holder shall Acquire no rights in such Capital Stock.

(e) Any Transfer that, if effective, would result in any Related Tenant Owner Constructively Owning Capital Stock in excess of the Related Tenant Limit shall be void *ab initio* as to the Transfer of such Capital Stock which would be otherwise Constructively Owned by such Related Tenant Owner in excess of the Related Tenant Limit, and the intended transferee shall Acquire no rights in such Capital Stock.

(f) Any Transfer that, if effective, would result in the Capital Stock being Beneficially Owned by less than 100 Persons (determined without reference to any rules of attribution) shall be void *ab initio* as to the Transfer of such Capital Stock which would be otherwise Beneficially Owned by the transferee, and the intended transferee shall Acquire no rights in such Capital Stock.

(g) Any Transfer that, if effective, would result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code shall be void *ab initio* as to the portion of any Transfer of the Capital Stock which would cause the Corporation to be "closely held" within the meaning of Section 856(h) of the Code, and the intended transferee shall Acquire no rights in such Capital Stock.

(h) Any Transfer that, if effective, would result in the Corporation not being a "domestically controlled REIT" within the meaning of Section 897(h) of the Code shall

be void ~~ab initio~~ as to the portion of any Transfer of the Capital Stock which would cause the Corporation to cease being a "domestically-controlled REIT" within the meaning of Section 897(h) of the Code, and the intended transferee shall Acquire no rights in such Capital Stock.

(i) Any Transfer that, if effective, would result in the Corporation not being a "domestically controlled REIT" within the meaning of Section 897(h) of the Code shall be void ~~ab initio~~ as to the portion of any Transfer of the Capital Stock which would cause the Corporation to cease being a "domestically-controlled REIT" within the meaning of Section 897(h) of the Code, and the intended transferee shall Acquire no rights in such Capital Stock.

(j) Any other Transfer that, if effective, would result in the disqualification of the Corporation as a REIT by virtue of any direct or indirect ownership of Capital Stock, whether actual, Beneficial or Constructive Ownership or ownership by reason of any other attribution rules of the Code, shall be void ~~ab initio~~ as to such portion of the Transfer resulting in the disqualification, and the intended transferee shall Acquire no rights in such Capital Stock.

Section 5.3 Remedies for Breach.

(a) If the Board of Directors or a committee thereof shall at any time determine in good faith that a Transfer has taken place that falls within the scope of Section 5.2 or that a Person intends to Acquire Beneficial Ownership of any shares of the Corporation that would result in a violation of Section 5.2 (whether or not such violation is intended), the Board of Directors or a committee thereof shall take such action as it or they deem advisable to refuse to give effect to or to prevent such Transfer, including, but not limited to, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer, subject, however, in all cases to the provisions of Section 5.15.

(b) Without limitation to Sections 5.2 and 5.3(a), any purported transferee of shares Acquired in violation of Section 5.2 and any Person retaining shares in violation of Section 5.2(b) shall be deemed to have acted as agent on behalf of the Corporation in holding those shares Acquired or retained in violation of Section 5.2 and shall be deemed to hold such shares in trust on behalf of and for the benefit of the Corporation. Such shares shall be deemed a separate class of stock until such time as the shares are sold or redeemed as provided in Section 5.3(c). The holder shall have no right to receive dividends or other distributions with respect to such shares, and shall have no right to vote such shares. Such holder shall have no claim, cause of action or any other recourse whatsoever against any transferor of shares Acquired in violation of Section 5.2. The holder's sole right with respect to such shares shall be to receive, at the Corporation's sole and absolute discretion, either (i) consideration for such shares upon the resale of the shares as directed by the Corporation pursuant to Section 5.3(c) or (ii) the

Redemption Price pursuant to Section 5.3(c). Any distribution by the Corporation in respect of such shares Acquired or retained in violation of Section 5.2 shall be repaid to the Corporation upon demand.

(c) The Board of Directors shall, within six months after receiving notice of a Transfer that violates Section 5.2 or a retention of shares in violation of Section 5.2(b), either (in its sole and absolute discretion, subject to the requirements of Florida law applicable to redemptions) (i) direct the holder of such shares to sell all shares held in trust for the Corporation pursuant to Section 5.3(b) for cash in such manner as the Board of Directors directs, or (ii) redeem such shares for the Redemption Price in cash on such date within such six month period as the Board of Directors may determine. If the Board of Directors directs the holder to sell the shares, the holder shall receive such proceeds as the trustee for the Corporation and pay the Corporation out of the proceeds of such sale (i) all expenses incurred by the Corporation in connection with such sale, plus (ii) any remaining amount of such proceeds that exceeds the amount paid by the holder for the shares, and the holder shall be entitled to retain only the amount of such proceeds in excess of the amount required to be paid to the Corporation.

Section 5.4 Notice of Restricted Transfer. Any Person who Acquires, attempts or intends to Acquire, or retains shares in violation of Section 5.2 shall immediately give written notice to the Corporation of such event and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer, attempted or intended Transfer, or retention, on the Corporation's status as a REIT.

Section 5.5 Owners Required to Provide Information. Beginning January 1, 1996, and prior to the Restriction Termination Date:

(a) Every shareholder of record of more than 4% by value (or such lower percentage as required by the Code or the regulations promulgated thereunder) of the outstanding Capital Stock of the Corporation shall, within 30 days after December 31 of each year, give written notice to the Corporation stating the name and address of such record shareholder, the number and class of shares of Capital Stock Beneficially Owned by it, and a description of how such shares are held; provided that a shareholder of record who holds outstanding Capital Stock of the Corporation as nominee for another Person, which Person is required to include in its gross income the dividends received on such Capital Stock (an "Actual Owner"), shall give written notice to the Corporation stating the name and address of such Actual Owner and the number and class of shares of such Actual Owner with respect to which the shareholder of record is nominee. Each such shareholder of record shall provide to the Corporation such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation's status as a REIT.

(b) Every Actual Owner of more than 5% by value (or such lower percentage as required by the Code or Regulations promulgated thereunder) of the outstanding

Capital Stock of the Corporation who is not a shareholder of record of the Corporation, shall within 30 days after December 31 of each year, give written notice to the Corporation stating the name and address of such Actual Owner, the number and class of shares Beneficially Owned, and a description of how such shares are held.

(c) Each Person who is a Beneficial Owner of Capital Stock and each Person (including the shareholder of record) who is holding Capital Stock for a Beneficial Owner shall provide to the Corporation such information as the Corporation may request, in good faith, in order to determine the Corporation's status as a REIT.

(d) Nothing in this Section 5.5 or any request pursuant hereto shall be deemed to waive any limitation in Section 5.2.

Section 5.6 **Remedies Not Limited.** Except as provided in Section 5.15, nothing contained in this Article shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its shareholders in preserving the Corporation's status as a REIT.

Section 5.7 **Ambiguity.** In the case of an ambiguity in the application of any of the provisions of this Article 5, including without limitation any definition contained in Section 5.1 and any determination of Beneficial Ownership, the Board of Directors in its sole discretion shall have the power to determine the application of the provisions of this Article 5 with respect to any situation based on the facts known to it.

Section 5.8 **Modification of Existing Holder Limits.** Subject to the provisions of Section 5.10, the Existing Holder Limits may be modified as follows:

(a) Any Existing Holder may Transfer Capital Stock to another Person, and, so long as such Transfer is not on the open market, any such Transfer will decrease the Existing Holder Limit for such transferor Existing Holder (but not below the Ownership Limit) and increase the Existing Holder Limit for such transferee Existing Holder by the percentage of the outstanding Capital Stock so transferred. The transferor Existing Holder shall give the Board of Directors of the Corporation prompt written notice of any such transfer. Any Transfer by an Existing Holder on the open market shall neither reduce its Existing Holder Limit nor increase the Ownership Limit or Existing Holder Limit of the transferee.

(b) Any grant of Capital Stock or a stock option pursuant to any benefit plan for directors or employees shall increase the Existing Holder Limit for the affected Existing Holder to the maximum extent possible under Section 5.10 to permit the Beneficial Ownership of the Capital Stock granted or issuable under such employee benefit plan.

(c) The Board of Directors may reduce the Existing Holder Limit of any Existing Holder, with the written consent of such Existing Holder, after any Transfer permitted in this Article 5 by such Existing Holder on the open market or after the lapse (without exercise) of a stock option described in Section 5.8(b).

(d) Any Capital Stock issued to an Existing Holder pursuant to a dividend reinvestment plan adopted by the Corporation shall increase the Existing Holder Limit for the Existing Holder to the maximum extent possible under Section 5.10 to permit the Beneficial Ownership of such Capital Stock.

(e) Any Capital Stock issued to an Existing Holder in exchange for services or in exchange for the contribution or sale to the Corporation of real property, including Capital Stock issued pursuant to an "earn-out" provision in connection with any such sale, shall increase the Existing Holder Limit for the Existing Holder to the maximum extent possible under Section 5.10 to permit the Beneficial Ownership of such Capital Stock.

Section 5.9 Modification of Ownership Limit. Subject to the limitations provided in Section 5.10, the Board of Directors may from time to time increase the Ownership Limit.

Section 5.10 Limitations on Modifications. Notwithstanding any other provision of this Article 5:

(a) Neither the Ownership Limit nor any Existing Holder Limit may be increased if, after giving effect to such increase, five Persons who are considered individuals pursuant to Section 542(a)(2) of the Code (taking into account all of the then Existing Holders) could Beneficially Own, in the aggregate, more than 49.5% by value of the outstanding Capital Stock.

(b) Prior to the modification of any Existing Holder Limit or Ownership Limit pursuant to Section 5.8 or 5.9, the Board of Directors of the Corporation may require such opinions of counsel, affidavits, undertakings or agreements as it may deem necessary or advisable in order to determine or insure the Corporation's status as a REIT.

(c) No Existing Holder Limit may be a percentage which is less than the Ownership Limit.

Section 5.11 Exceptions. The Board of Directors may, in its sole discretion, exempt a Person (the "Exempted Holder") from the Ownership Limit, the Related Tenant Limit or the Existing Holder Limit, as the case may be.

Section 5.12 **Legend.** All certificates representing shares of Capital Stock of the Corporation shall bear a legend referencing the restrictions on ownership and transfer as set forth in these Articles.

Section 5.13 **Termination of REIT Status.** The Board of Directors may revoke the Corporation's election of REIT status as provided in Section 856(g)(2) of the Code if, in its discretion, the qualification of the Corporation as a REIT is no longer in the best interests of the Corporation. Notwithstanding any such election or other termination of REIT status, the provisions of this Article 5 shall remain in effect unless amended pursuant to the provisions of Article 10.

Section 5.14 **Severability.** If any provision of this Article or any application of any such provision is determined to be invalid by any federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and the application of such provisions shall be affected only to the extent necessary to comply with the determination of such court.

Section 5.15 **New York Stock Exchange Transactions.** Nothing in this Article 5 shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange.

ARTICLE 6

INITIAL REGISTERED OFFICE AND AGENT

Section 6.1 **Name and Address.** The street address of the initial registered office of the Corporation is 200 Laura Street, Jacksonville, Florida 32202, and the name of the initial registered agent of this Corporation at that address is F&L Corp.

ARTICLE 7

DIRECTORS

Section 7.1 **Number.** This Corporation shall have three directors. The number of directors may be increased or diminished from time to time by the bylaws, but shall never be more than ten (10) or less than three (3).

Section 7.2 **Classification.** The Directors shall be classified into three classes, as nearly equal in number as possible: One class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1996; another class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1997; and a third class to be originally elected for a term expiring at the annual meeting of shareholders to be held in 1998, with each class to hold office until its successors are elected and qualified. At each annual

meeting of the shareholders of the Corporation, the date of which shall be fixed by or pursuant to the Bylaws of the Corporation, the successors of the class of directors whose terms expire at that meeting shall be elected to hold office for a term expiring at the annual meeting of shareholders held in the third year following the year of their election.

ARTICLE 8

BYLAWS

Section 8.1 **Bylaws.** The initial Bylaws of the Corporation shall be adopted by the Board of Directors. Bylaws may be amended or repealed from time to time by either the Board of Directors or the shareholders, but the Board of Directors shall not alter, amend or repeal any Bylaw adopted by the shareholders if the shareholders specifically provide that the Bylaw is not subject to amendment or repeal by the Board of Directors.

ARTICLE 9

INDEMNIFICATION

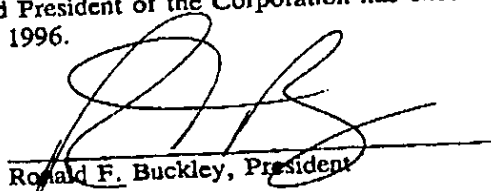
Section 9.1 **Indemnification.** The Board of Directors is hereby specifically authorized to make provision for indemnification of directors, officers, employees and agents to the full extent permitted by law.

ARTICLE 10

AMENDMENT

Section 10.1 **Amendment.** The Corporation reserves the right to amend or repeal any provision contained in these Amended and Restated Articles of Incorporation, and any right conferred upon the shareholders is subject to this reservation.

IN WITNESS WHEREOF, the undersigned President of the Corporation has executed these Articles this 20th day of February, 1996.


Ronald F. Buckley, President