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ACCOUNT NO. : 072100000032

REFERENCE : 586881 8903A

AUTHORIZATION : *Patricia Pizit*

COST LIMIT : \$ 35.00

ORDER DATE : November 3, 1997

ORDER TIME : 11:20 AM

ORDER NO. : 586881-005

CUSTOMER NO: 8903A

CUSTOMER: Mr. Edward P. Kreiling  
Rosen Rosen & Kreiling, P.a.  
Suite 220  
2500 Weston Road  
Weston, FL 33326

600002336066--6

DOMESTIC AMENDMENT FILING

NAME: THE MANORS APARTMENTS, INC.

EFFECTIVE DATE: 10/24/97

XX ARTICLES OF AMENDMENT  
       RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

       CERTIFIED COPY  
XX PLAIN STAMPED COPY  
       CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Jeanine Glisar

EXAMINER'S INITIALS:

*Amend SP*  
*11/4/97*

FILED STATE  
SECRETARY OF CORPORATIONS  
97 NOV -3 PM 2:38

RECEIVED  
97 NOV -3 PM 12:11  
DIVISION OF CORPORATION

AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
THE MANORS APARTMENTS, INC.

97 NOV -3 PM 2:38

The undersigned incorporator hereby forms a corporation under Chapter 607 of the laws of the State of Florida.

ARTICLE I. NAME

The name of the corporation shall be:

THE MANORS APARTMENTS, INC.

The address of the principal office of this corporation shall be 965 Manor Drive, #6A, Palm Springs, Florida 33461, and the mailing address of the corporation shall be the same.

ARTICLE II. NATURE OF BUSINESS

The business of the corporation is limited to serving as the General Partner of The Manors Apartments, Ltd. which owns The Manors Apartments located at 965 and 985 Manor Drive, Palm Springs, Florida.

ARTICLE III. INDEPENDENT DIRECTOR

The corporation shall have an independent director (an "Independent Director"). The Independent Director shall be a person who is not and for the prior two years has not been a stockholder, officer or employee of the Corporation or The Manors Apartments, Ltd., or a member of the immediate family of any stockholder, officer, employee, or other director of the

Corporation or The Manors Apartments, Ltd., or any affiliate of them. As used herein, the term "affiliate" means any person controlling, under common control with, or controlled by the person in question, and 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, whether through ownership of voting securities, by contract or otherwise. In the event that an Independent Director resigns, or such position is otherwise vacated, no action requiring the unanimous affirmative vote of the board of directors shall be taken until a successor Independent Director is elected and qualified and approves such action. In the event of the death, incapacity, or resignation of an Independent Director, or a vacancy for any other reason, a successor Independent Director shall be appointed by the remaining directors and no action requiring the unanimous affirmative vote of the board of directors shall be taken until such successor is elected and qualified and approves such action.

#### ARTICLE IV. BORROWING ABILITY

The corporation's borrowing ability is limited to (i) incurring the indebtedness in favor of First Union National Bank, (ii) indebtedness permitted under the terms of the loan documents with First Union National Bank, and (iii) normal trade accounts payable in the ordinary course of business.

#### ARTICLE V. SEPARATENESS COVENANTS

The corporation shall abide by certain "Separateness Covenants" whereby the corporation covenants:

- a. to maintain books and records and bank accounts separate from any other person or entity;
- b. not to commingle assets or funds with those of any other person or entity;
- c. to conduct its own business in its own name;
- d. to maintain its assets in such a manner that it is not costly or difficult to segregate, identify or ascertain such assets;
- e. to prepare separate tax returns and financial statements, or if part of a consolidated group, to be shown as a separate member of such group;
- f. to pay its own liabilities out of its own funds;
- g. to observe all partnership formalities;
- h. to transact all business with affiliates on an arm's-length basis and pursuant to enforceable agreements;
- i. to pay the salaries of its own employees;
- j. not to guarantee or become obligated for the debts of any other person or entity or hold out its credit as being available to satisfy the obligations of others or pay the debts or obligations of any other person or entity;
- k. to allocate and charge fairly and reasonably any common employee or overhead shared with affiliates;
- l. to use separate stationery, invoices, and checks;
- m. not to pledge its assets for the benefit of any other person or entity;
- n. to hold itself out to creditors and the public as a legal entity separate and distinct from any other person or entity.

#### ARTICLE VI. PROHIBITIONS

The corporation is prohibited from engaging in any dissolution, liquidation, consolidation, merger, asset sale or transfer of ownership interests as long as any of the obligations secured by the loan documents to First Union National Bank are outstanding.

The unanimous consent of the directors is required to:

- a. file a bankruptcy or insolvency petition or otherwise institute insolvency proceedings;
- b. to dissolve, liquidate, consolidate, merge, or sell all or substantially all of the assets of the corporation.
- c. engage in any other business activity; and
- d. amend the articles of incorporation of the corporation.

The corporation's obligation to indemnify its directors and officers is fully subordinated to its obligation to pay the loan to First Union National Bank and not constitute a claim against the corporation in the event that cash flow in excess of amounts necessary to pay the loan obligations is insufficient to pay such obligations.

The corporation shall not amend the corporation's articles of incorporation as long as the rated obligations are outstanding.

#### ARTICLE VII. CAPITAL STOCK

The maximum number of shares of stock that this corporation is authorized to have outstanding at any one time is 100 shares of common stock having NO par value per share.

#### ARTICLE VIII. REGISTERED AGENT

The street address of the initial registered office of the corporation shall be 2500 Weston Road, Suite 220, Weston, Florida 33326, and the name of the initial registered agent of the corporation at that address is Edward Paul Kreiling.

#### ARTICLE IX. TERM OF EXISTENCE

This corporation is to exist perpetually.

ARTICLE X. PREEMPTIVE RIGHTS

The corporation elects to have preemptive rights.

ARTICLE XI. SPECIAL PROVISION

This corporation shall be organized to comply with the provisions of Subchapter S of the Internal Revenue Code, 26 U.S.C. 1361 et. seq., and shall take all actions necessary to obtain and maintain its status as an S corporation as defined therein.

The foregoing Amended and Restated Articles were adopted by the Board of Directors on October 24, 1997 and approved unanimously by the shareholders on October 24, 1997.

The number of votes cast for the amendments was sufficient for approval.

THE MANORS APARTMENTS, INC.

By: Paul H. Rosen  
Paul Rosen, President


STATE OF FLORIDA :  
: SS  
COUNTY OF BROWARD :

I HEREBY CERTIFY that on this day before me, an officer duly authorized to take acknowledgments in the State and County aforesaid, personally appeared Paul Rosen, to me well known to be the person described in and who executed the foregoing Amended and

Restated Articles of Incorporation and acknowledged before me that  
he subscribed to this Amendment to the Articles of Incorporation.

WITNESS my hand and official seal in the County and State  
aforesaid this 30 day of Nov., 1997.

My Commission Expires:

  
Notary Public

