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AUTHORIZATION : *Patricia Pizzuti*

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CUSTOMER NO: 4381472

CUSTOMER: Janice Myers, Legal Assistant
Broad And Cassel
Suite 1100
390 North Orange Avenue
Orlando, FL 32801

DOMESTIC AMENDMENT FILING

NAME: GRAND SAVANNAH, INC.

EFFECTIVE DATE:

XX - ARTICLES OF AMENDMENT
____ RESTATED ARTICLES OF INCORPORATION

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

XX _____ CERTIFIED COPY
____ PLAIN STAMPED COPY
XX _____ CERTIFICATE OF GOOD STANDING

CONTACT PERSON: Christopher Smith

EXAMINER'S INITIALS:

2-27-98

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SECRETARY OF STATE
DIVISION OF CORPORATIONS
98 FEB 27 PM 1:14

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ARTICLES OF AMENDMENT TO THE
ARTICLES OF INCORPORATION

OF

GRAND SAVANNAH, INC.

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DIVISION OF CORPORATIONS
98 FEB 27 PM 1:14

The undersigned, as President of GRAND SAVANNAH, INC., a Florida corporation (the "Corporation"), desiring to amend the Articles of Incorporation of the Corporation pursuant to Section 607.1006 of the Florida Business Corporation Act (the "ACT"), states as follows:

1. The name of the Corporation is GRAND SAVANNAH, INC.
2. The date of the filing of the original Articles of Incorporation of the Corporation was January 17, 1997.
3. The Articles of Incorporation of the Corporation are hereby amended by adding a new Article VII entitled "Purpose and Powers" as follows:

ARTICLE VII - PURPOSE AND POWERS

The sole purpose of the Corporation is to serve as general partner (the "General Partner") of Grand Savannah Partners, Ltd., a Florida limited partnership, which is the sole general partner of Grand Savannah Club, Ltd., a Florida limited partnership (the "Partnership").

The Corporation shall have the authority to buy or otherwise acquire, own, develop, hold, manage, control, lease, sell, operate, improve and otherwise deal with property of all kinds in connection with the Partnership and the Partnership's acquisition, development, construction, ownership, maintenance and operation of a 320-unit multifamily apartment complex intended for rental to person of low and moderate income, to be known as Grand Savannah Club Apartments, and to be located in Fort Pierce, St. Lucie County, Florida (the "Apartment Complex") and shall have the authority to exercise any and all other powers authorized under any laws that may be now or hereafter applicable to the Corporation, so long as such acts and activities are necessary, incidental or conducive to the attainment to its role or purpose as General Partner.

4. The Articles of Incorporation of the Corporation are hereby amended by adding a new Article VIII entitled "Covenants Regarding Operations" as follows:

ARTICLE VIII - DIRECTORS

The Corporation shall have at all times at least one Independent Director. The term "Independent Director" shall mean any person who (i) is not and for the prior five years has not been (a) a shareholder, officer, director, partner, employee, significant customer, creditor, supplier or independent contractor of the Corporation, its ultimate parent or any subsidiary or affiliate, or (b) a member of the immediate family of any of the foregoing, and (ii) does not directly or indirectly own any class of voting stock of the Corporation or any of its affiliates. The term "affiliate" shall mean any person controlling, under common control with, or controlled by the person in question. The term "control" shall mean the possession, directly or indirectly, of the power to direct or to cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract or otherwise. If an Independent Director resigns, dies or become incapacitated, or such position is otherwise vacant, the Corporation shall not take any action requiring the unanimous affirmative vote of the Corporation's board of directors until a successor Independent Director is elected and qualified and approves such action. In the event of the death, incapacity, or resignation of the Independent Director, or a vacancy for any other reason, a successor Independent Director shall be appointed by the remaining Directors.

In voting on matters subject to the approval of the Corporation's entire board of directors, the Independent Director should take into account the interests of the creditors of the Corporation, the Partnership and Florida Housing Finance Corporation (the "Issuer") in addition to the interests of the Corporation.

ARTICLE IX - COVENANTS REGARDING OPERATIONS

Unless approved by all of the members of the Board of Directors of the Corporation:

(a) The Corporation shall not engage in any business activity other than in connection with or relating to the activities permitted in Article VII hereof.

(b) Except in the ordinary course of business, the Corporation shall not consolidate or merge with or into

any other entity or convey, transfer or lease its properties and assets substantially as an entirety to any entity through liquidation, dissolution or otherwise.

(c) Except in the ordinary course of business, the funds and other assets of the Corporation shall not be with those of any other individual, corporation, estate, partnership, joint venture, association, joint stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

(d) The Corporation shall not hold itself out as being liable for the debts of any other entity, except as General Partner of the Partnership or Grand Savannah Partners, Ltd.

(e) The Corporation shall not form, or cause to be formed, any subsidiaries nor shall the Corporation permit the Partnership to form, or cause to be formed, any subsidiaries, nor shall the Corporation acquire or cause the Partnership to acquire any interest as a general or limited partner in any partnership other than the Partnership or its general partner, as specified herein and as permitted by the Partnership's Agreement of Limited Partnership, as amended (the "Partnership Agreement").

(f) The Corporation shall act solely in its corporate name and through its duly authorized officers or agents in the conduct of its business, and shall conduct its business so as not to mislead others as to the identity of the entity with which they are concerned.

(g) The Corporation shall maintain corporate records and books of account and shall not commingle its corporate records and books of account with the corporate records and books of account of any other entity. The books of the Corporation may be kept (subject to any provision contained in applicable law) inside or outside of the State of Florida at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

(h) The Board of Directors of the Corporation shall hold appropriate meetings (or obtain written consents in lieu of meetings in accordance with applicable law) to authorize all of its corporate actions. Regular meetings of the Board of Directors shall be held not less frequently than once per annum.

(i) Meetings of the shareholders of the Corporation shall be held not less frequently than once per annum.

(j) The Corporation shall not enter into any amendment of any document evidencing or securing securities issued in any transaction to which it was a party without the unanimous vote of its Board of Directors.

(k) No loans or guarantees of loans or other indebtedness to third parties shall be made by the Corporation and no shareholder shall guaranty, become liable or hold itself out as being liable for the debts of the Corporation, except for such loan or guarantees as are given by the Corporation or its shareholders to further the purposes of the Corporation as set forth in Article VII.

(l) The Corporation shall at all times ensure that its capitalization is adequate for its business and purpose.

(m) The Corporation shall not dissolve or liquidate, in whole or in part, while the Credit Enhanced Bonds, as defined in that certain Insurance and Indemnity Agreement dated March 1, 1998 (the "Insurance Agreement"), to be entered into by and between Financial Security Assurance, Inc. ("FSA"), and the Partnership are outstanding.

(n) While the Credit Enhanced Bonds are outstanding, the Corporation shall not incur any indebtedness other than Permitted Indebtedness, as such term is defined in the Insurance Agreement or as permitted under the Partnership Agreement.

(o) While the Credit Enhanced Bonds are outstanding, without the affirmative vote of its entire Board of Directors, including the Independent Director, neither the Corporation nor the shareholders of the Corporation shall: (i) institute any proceedings to adjudicate the Corporation or the Partnership as bankruptcy or insolvent, (ii) consent to the institution of bankruptcy or insolvency proceedings against the Corporation or the Partnership, (iii) file a petition seeking or consenting to reorganization or relief under any applicable federal or state law relating to bankruptcy with respect to the Corporation or the Partnership, (iv) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Corporation or the Partnership or a substantial part of the property of either the Corporation or the Partnership, (v) make any assignment for the benefit of the corporation's or the partnership's creditors, (vi) cause the Corporation or the Partnership to admit in writing its inability to pay

its debts generally as they become due, or (vii) take any action, or cause the Corporation or the partnership to take any action, in furtherance of any of the foregoing.

(p) While the Credit Enhanced Bonds are outstanding, the Corporation, on behalf of itself or the Partnership, shall not, without the prior written consent of FSA, transfer to any person or entity any assets of the Corporation or the Partnership, except pursuant to the terms of the Transaction Documents (as such term is defined in the Insurance Agreement), and except that the corporation may transfer assets in the ordinary course of its, Grand Savannah Partners, Ltd. or the Partnership's business and may declare and pay dividends to its shareholders in accordance with law and as permitted by the Partnership Agreement and the Insurance Agreement.

This Amendment to the Articles of Incorporation of the Corporation was approved by an Action of the Board of Directors on February 25, 1998, and a Shareholder's action was not required for said amendment.

IN WITNESS WHEREOF, the undersigned has executed this Amendment this 25 day of February, 1998.

GRAND SAVANNAH, INC., a Florida corporation

By: Donna D. Pepper
Donna D. Pepper, President