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FLORIDA DIVISION OF CORPORATIONS
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TO: DIVISION OF CORPORATIONS

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FROM: ENGLISH, MCCAUGHAN & O'BRYAN, P.A.
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NAME: SAND LAKE PROPERTIES, INC.

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FAX AUDIT NO. H98000003081

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ARTICLES OF INCORPORATION
OF
SAND LAKE PROPERTIES, INC.
A FLORIDA CORPORATION

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned, acting as Incorporator of SAND LAKE PROPERTIES, INC., a Florida corporation (the "Corporation") under the Florida Business Corporation Act, Chapter 607 of the Florida Statutes, hereby adopts the following Articles of Incorporation for such Corporation:

ARTICLE I

NAME

The name of the Corporation is SAND LAKE PROPERTIES, INC. and the street address of the initial principal office of the Corporation is 1145 West Long Lake Road, Suite 201, Bloomfield Hills, Michigan 48302.

ARTICLE II

PURPOSE

The purpose or purposes for which the Corporation is formed is solely to act as general partner of an entity whose sole purpose is and will be to acquire, own, finance, construct, lease and/or operate a commercial facility on real estate in Orange County, Florida, substantially as described on Exhibit A attached hereto and incorporated herein by reference. The corporation may not engage in any business or activity unrelated to the above-described purposes, not permitted by the "Operative Agreements" as defined in that certain Amended and Restated Participation Agreement dated as of November 22, 1995, and amended and restated as of October 17, 1997 among Borders Group, Inc.; Borders, Inc.; Walden Book Company, Inc.; Waldenbooks Properties, Inc.; Borders Properties, Inc.; Wilmington Trust Company, not in its individual capacity but solely as Owner Trustee under the Trust Agreement, dated November 22, 1995, between Wilmington Trust Company and SAM Project Funding Corp. I; SAM Project Funding Corp. I; PNC Bank, National Association; The First National Bank of Chicago; Bankers Trust Company; and certain other named financial institutions that are parties thereto.

The following are additional limitations on the purpose of the Corporation:

The Corporation has not and will not engage in any business unrelated to the purpose set forth herein.

PREPARED BY: Donna E. Miller, Esquire — Fla. Bar No. 768669
100 N.E. 3 Ave., #1100, Ft. Laud., FL 33301
(954) 462-3300

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The Corporation has not and will not have any assets other than those related to the assets necessary for the ownership, development and operation of the property set forth herein.

The Corporation has not and will not engage in, seek or consent to any dissolution, winding up, liquidation, consolidation, merger, asset sale, transfer of partnership or membership interest, or amendment of its limited partnership agreement, articles of incorporation, articles of organization, certificate of formation or operating agreement, as applicable.

The Corporation will at all times have at least one "independent director," at all times required by the Operative Agreements. The term "Independent Director" shall mean a director, member or manager or member of the management committee who is not, and has not within the past three (3) years before such time been, (1) an officer, director, employee or ten percent (10%) shareholder of the Corporation, any shareholder thereof or any "Affiliate" of the Corporation (as that term is defined in the Operating Agreement), (2) a member of the immediate family of any such person or of any such Affiliate or (3) a professional retained by the Corporation or any such Affiliate.

The Corporation will not cause or allow the board of directors of the Corporation to take any action requiring the unanimous affirmative vote of 100% of the members of the board of directors unless an independent director shall have participated in such a vote.

The Corporation, without the unanimous consent of all of the members, shall not file a bankruptcy or insolvency petition or otherwise institute insolvency proceedings with respect to itself or to any other entity in which it has a direct or indirect legal or beneficial ownership interest, dissolve, liquidate, consolidate, merge or sell all or substantially all of its assets or other entity in which it has a direct or indirect legal or beneficial ownership interest, engage in any other business activity, or amend its organizational documents.

The Corporation shall not allow Sand Lake Properties Limited Partnership to incur any indebtedness other than the indebtedness permitted by certain loan documents evidencing a loan from Wilmington Trust Company and Sam Project Funding Corp. I (the "Loan").

The Corporation will not fail to correct any known misunderstanding regarding the separate identity of such entity.

The Corporation will maintain its accounts, books and records separate from any other person or entity.

The Corporation will maintain its books, records, resolutions and agreements as official records.

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The Corporation will not commingle its funds or assets with those of any other entity and will hold its assets in its own name.

The Corporation will conduct its business in its own name.

The Corporation will maintain its financial statements, accounting records and other entity documents separate from any other person or entity.

The Corporation will pay its own liabilities out of its own funds and assets.

The Corporation will observe all Corporation formalities, as applicable.

The Corporation will not assume or guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of any other entity except for liabilities permitted to be guaranteed by the Loan documents.

The Corporation will not acquire obligations or securities of its shareholders.

The Corporation will allocate fairly and reasonably any overhead for shared office space and will use separate stationery, invoices and checks.

The Corporation will not pledge its assets for the benefit of any other person or entity other than as provided in the Loan documents.

The Corporation will hold itself out and identify itself as a separate and distinct entity under its own name and not as a division or part of any other person or entity.

The Corporation will not make loans to any person or entity except as provided in the Loan documents.

The Corporation will not identify its shareholders or any affiliates of either of them as a division or part of it.

The Corporation will not enter into or be a party to any transaction with its members or its affiliates except in the ordinary course of its business and on terms which are intrinsically fair and are no less favorable to it than would be obtained in a comparable arm's-length transaction with an unrelated third party.

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ARTICLE IIICAPITAL STOCK

The Corporation is authorized to issue One Thousand (1,000) shares of One Dollar (\$1.00) par value Common Stock.

ARTICLE IVINITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the Corporation is 100 Northeast Third Avenue, Suite 1100, Fort Lauderdale, Florida 33301 and the name of the initial Registered Agent of the Corporation at that address is EMO Corporate Services, Inc.

ARTICLE VINITIAL BOARD OF DIRECTORS

The Corporation shall have not less than two (2) nor more than five (5) Directors. Two (2) Directors shall initially hold office until the first Annual Meeting of Shareholders and their successors shall have been duly elected and qualified, or until their earlier resignation, removal from office or death. The name and address of the initial Directors of the Corporation are:

NameAddress

Chuck J. Miller

1145 West Long Lake Road
Suite 201
Bloomfield Hills, Michigan 48302

Tom Miller

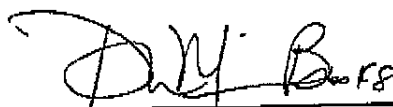
1145 West Long Lake Road
Suite 201
Bloomfield Hills, Michigan 48302

ARTICLE VIINCORPORATOR

The name and address of the Incorporator of the Corporation is Donna E. Miller, Esquire, English, McCaughan & O'Bryan, P.A., 100 Northeast Third Avenue, Suite 1100, Fort Lauderdale, Florida 33301.

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IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 13th day of February, 1998.



DONNA MILLER BROOKS, Incorporator


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TALLAHASSEE, FLORIDA

ACCEPTANCE OF DESIGNATION AS REGISTERED AGENT

Having been named as Registered Agent to accept service of process for SAND LAKE PROPERTIES, INC. at the place designated in the foregoing Articles of Incorporation, I hereby accept the appointment as Registered Agent and agree to act in this capacity. I further agree to comply with the provisions of the Florida Business Corporation Act relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as Registered Agent.

EMO CORPORATE SERVICES, INC.,
Initial Registered Agent

Dated: February 13, 1998

By: 
DEBRA H. CHRYSTIE Assistant
Secretary

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EXHIBIT "A"
LEGAL DESCRIPTION

From the Southwest corner of Lot 3, Block "B", SKY LAKE UNIT ONE, as recorded in Plat Book "X", Page 22, Public Records of Orange County, Florida; run thence S89°28'35" E., along the South line of said Block "B" a distance of 1189.40 feet for a Point of Beginning; thence continue S89°28'35" E., along the South line of said Block "B" a distance of 507.63 feet to the East line of Section 27, Township 23 South, Range 29 East; thence S00°13'45" W. a distance of 260.00 feet to the North right-of-way line of Sand Lake Road (State Road 528-A); thence N. 89°28'35" W. along said North right-of-way line a distance of 508.97 feet; thence N. 00°31'25" E. a distance of 260.00 feet to the Point of Beginning.

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