

ARTICLES OF INCORPORATION
FOR
LA VALENCIA BEACH RESORT OWNERS ASSOCIATION, INC.,
A Not-For-Profit Corporation

The Undersigned subscriber to these Articles of Incorporation, a natural person competent to contract, hereby forms a corporation under the Laws of the State of Florida.

ARTICLE I

Name

The name of the corporation is the LA VALENCIA BEACH RESORT OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The address of the Association is 231 E. 4th Street, Panama City, Florida 32401.

ARTICLE II

Registered Agent

The initial Registered Agent of the Association is Jack Collins. The address of the Registered Agent is 231 E. 4th Street, Panama City, Florida 32401.

ARTICLE III

Purposes

The Association does not contemplate pecuniary gain or profit of its members. The Association's specific purposes are to provide for the maintenance and preservation of that certain tract of property (the "Property") described in the Declaration of Covenants, Conditions and Restrictions of La Valencia Beach Resort Subdivision, recorded or to be recorded in the Public Records of Bay County, Florida (the "Declaration") for the mutual advantage and benefit of the members of this Association, who shall be owners of lots or dwelling units within the Property. To promote the health, safety and welfare of the owners of lots or dwelling units in the Property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, the Association shall have and exercise the following authority and powers:

1. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration which is hereby incorporated by reference.

2. To fix, levy, collect and enforce payment by any lawful means all charges and assessments pursuant to the terms of the Declaration. To pay all expenses in connection herewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the Property of the Association.

3. To acquire, by gift, purchase or otherwise; own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

4. To borrow money and, as provided in the Declaration, to mortgage, pledge or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred.

5. To dedicate, sell or transfer all or any part of the Common Area (as defined in the Declaration) to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by seventy-five percent (75%) of the members, agreeing to such dedication, sale or transfer.

6. To participate in mergers and consolidations with other non-profit corporations organized for similar purposes or annex additional residential property and Common Properties, provided that any such merger or consolidation shall have the approvals required by the Declaration.

7. To act as purchasing agent for goods and services for the Association and for the benefit of the members of the Association only.

8. To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Florida, by law, may now or hereafter have or exercise.

ARTICLE IV

Membership

Every person or entity who is a record owner of a lot or a dwelling unit within the Property shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from the ownership of any lot or a dwelling unit. A record owner is also defined as the owner of any dwelling unit on a lot where there is more than one dwelling unit thereon or one who has any ownership interest in any lot which is distinct and separate from any other ownership interest in said lot and upon which a dwelling unit can be constructed.

ARTICLE V

Voting Rights

The Association shall have two classes of voting membership, as described in the Declaration.

ARTICLE VI

Board of Directors

The affairs of the Association shall be managed by a Board of Directors, who shall be members of the Association; provided, however, that until Class B membership has ceased and been converted to Class A membership in accordance with the provisions of the Declaration, the Directors need not be members of this Association. The number of Directors of the Association shall be not less than three (3) nor more than nine (9). The names and addresses of the person who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

<u>Name</u>	<u>Address</u>
Jack Collins	231 E. 4th Street, Panama City, Fla. 32401
Bayne Collins	465 Harrison Avenue, Panama City, Fla. 32401

Roberts Bass

905 Langford Place
Raleigh, North Carolina
27609-6006

Directors shall serve for a term of one year and shall hold office until qualified successors are duly elected at the next annual meeting of the members and have taken office. Directors may be re-elected for successive terms.

Any vacancy on the Board shall be filled for the unexpired term of the vacated office by the remaining directors.

While Class B membership is in existence, the Board shall be appointed or elected in accordance with the applicable provisions of the By-Laws of this Association.

ARTICLE VII

Term of Existence

This corporation shall have perpetual existence unless sooner dissolved in accordance with the provisions herein contained or in accordance with the Laws of the State of Florida. The date on which corporate existence shall begin is the date on which these Articles of Incorporation are filed with the Secretary of State of the State of Florida.

ARTICLE VIII

Dissolution

The Association may be dissolved with the assent in writing of not less than seventy-five percent (75%) of each class of member. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of this Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created or for the general welfare of the residents of the county in which the Property is located. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to similar purposes.

ARTICLE IX

Officers

Subject to the direction of the Board, the affairs of this Association shall be administered by its officers as designated in the By-Laws of the Association. Said officers shall be elected annually by the Board. The names and addresses of the officers who shall serve until the first annual meeting of the Board are as follows:

<u>Office</u>	<u>Name and Address</u>
President	Jack Collins 231 E. 4th Street Panama City, Fl 32401
Vice President	Bayne Collins 465 Harrison Avenue Panama City, Fl 32401
Secretary-Treasurer	Roberts Bass 905 Langford Place Raleigh, North Carolina 27609-6006

ARTICLE X

By-Laws

The By-Laws of this Association shall be adopted by the first Board and recorded among the public records of Bay County, Florida. The By-Laws may be altered, amended, modified or repealed by a majority of the Directors or at any duly called meeting of the members of this Association in a manner provided for in the By-Laws.

ARTICLE XI

Amendments

This Association reserves the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto with the assent of seventy-five percent (75%) of the entire voting membership. No amendments shall

conflict with the Declaration.

ARTICLE XII

Supremacy

These Articles and the By-Laws are subject to the Declaration and in the event of a conflict, the Declaration shall govern. In the event of a conflict between the Articles and By-Laws, the Articles shall govern.

ARTICLE XIII

Indemnification

This Association shall indemnify and hold harmless any and all of its present or former directors, officers, employees or agents, to the fullest extent permitted by law. Said indemnification shall include but not be limited to the expenses, including the cost of any judgments, fines, settlements and counsel's fees actually and necessarily paid or incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeal thereof, to which any such person or his legal representative may be made a party or may be threatened to be made a party by reason of his being or having been a director, officer, employee or agent as herein provided. The foregoing right of indemnification shall not affect any other rights to which any director, officer, employee or agent may be entitled as a matter of law or which he may be lawfully granted.

ARTICLE XIV

Incorporator

The name and address of the incorporator of this corporation is:

Jack Collins

231 E. 4th Street
Panama City, Fl 32401

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, the undersigned, being the incorporator of this Association, has executed these Articles of Incorporation, this 24th day of February, 1997.

WITNESSES:
Rowlett W Bryant
Rowlett W. Bryant
(Print Name of Witness)

INCORPORATOR:
Jack Collins
Jack Collins

Mary Lou Wilson
Mary Lou Wilson
(Print Name of Witness)

STATE OF FLORIDA)
COUNTY OF BAY)

THE FOREGOING INSTRUMENT was acknowledged before me this 24th day of February, 1997, by Jack Collins, who is personally known to me.

Mary Lou Wilson
Notary Public
State of Florida at Large
My Commission expires:



MARY LOU WILSON
MY COMMISSION # CC374394 EXPIRES
May 7, 1998
BONDED THRU TRU FAIN INSURANCE, INC.

CERTIFICATE DESIGNATING PLACE OF BUSINESS
OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN
THIS STATE, NAMING AGENT UPON WHOM SERVICE MAY BE SERVED

IN PURSUANCE OF Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

First, that LA VALENCIA BEACH RESORT OWNERS ASSOCIATION, INC., has organized under the laws of the State of Florida, with its principal place of business at 231 E. 4th Street in Panama City, Florida, 32401, has named Jack Collins, located at said address, as its agent for service of process within this state.

ACKNOWLEDGMENT

Having been named to accept service of process for the above stated corporation at the place designated in this certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said office.



Jack Collins