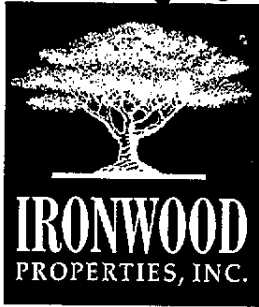


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01 APR -5 AM 9:04
SECRETARY OF STATE
TALLAHASSEE FLORIDA

April 4, 2001

Secretary of State
Division of Corporations
Department of State
P.O. Box 6327
Tallahassee, FL 32314

Re: Magnolia Court Homeowner's Association, Inc.

4000003961154--2
-04/05/01--01080--007
****122.50 ****
78.75

Dear Sir/Madam:

Enclosed please find an original and one copy of the Articles of Incorporation for the MAGNOLIA COURT HOMEOWNERS' ASSOCIATION, INC. for filing. Also enclosed is a check in the amount of \$122.50, in payment of the following costs:

Filing Fee:	\$35.00
Certified Copy:	52.50
Certificate of Registered Agent:	35.00
	<u>\$122.50</u>

Please file the Articles of Incorporation and return a confirmed copy to the undersigned.

Sincerely,

Cary Glickstein
President

ARTICLES OF INCORPORATION

OF

MAGNOLIA COURT HOMEOWNERS' ASSOCIATION, INC.

(a corporation not-for-profit under the laws
of the State of Florida)

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SECRETARY OF STATE
TALLAHASSEE FLORIDA

The undersigned by these Articles of Incorporation (the "Articles") associate themselves for the purpose of forming a corporation not-for-profit under the laws of the State of Florida, and certify as follows:

ARTICLE I
NAME

The name of the corporation shall be Magnolia Court Homeowner's Association, Inc., and shall be referred to herein as the "Association".

ARTICLE II
PURPOSE AND DEFINITIONS

1. The purpose for which the Association is organized is to provide an entity to own, maintain, and operate certain property comprising the townhome community known as Magnolia Court ("Magnolia Court" or the "Property") located in West Palm Beach, Palm Beach County, Florida, whereby certain property within Magnolia Court shall be used in common by all Members of the Association which Membership shall consist of all Owners at Magnolia Court. The Association shall be responsible for the management of Magnolia Court in keeping with the terms and conditions set forth in the Declaration of Covenants and Restrictions for Magnolia Court, and as same may be amended from time to time (the "Declaration").

2. The definitions and words as defined in the Declaration to which these Articles are attached as Exhibit "B" thereto, and recorded in the Public Records of Palm Beach County, Florida, are incorporated herein by reference and made a part hereof, and all of the terms used in these Articles shall have the same definitions and meanings as set forth in the Declaration.

ARTICLE III
POWERS AND DUTIES

The powers of the Association shall include and be governed by the following provisions:

1. The Association shall have all of the common law and statutory powers of a Florida corporation not-for-profit which are not in conflict with the terms of these Articles, or with the terms of the Declaration.

2. The Association shall have all the powers and duties set forth in the Declaration, except as limited by these Articles, including, without limitation, the following:

- a. To make and collect Assessments against Owners to defray the costs and expenses of the Association's responsibilities relating to the maintenance, repair and replacement of the Property, and all improvements thereon and thereto, as set forth in the Declaration.
- b. To use the proceeds of Assessments in the exercise of its powers and duties.
- c. To maintain, repair, replace and operate the Property, as set forth in the Declaration.
- d. To purchase insurance for the Property as set forth in the Declaration, and insurance for the protection of the Association and its Members, as determined by the Board of Directors (the "Board" or "Directors").
- e. To dedicate or to transfer all of any part of the Property to any public agency, authority, or utility for such purposes and subject to such conditions as may be approved by not less than two-thirds (2/3) of the Owners entitled to vote, as provided in the Declaration.
- f. To reconstruct the improvements on the Property after casualty, and to further improve the Property, as provided in the Declaration.
- g. To make and amend reasonable regulations regarding the use of the Property, provided that notice of the proposed modification, addition, or deletion of such regulations is sent by U.S. Certified Mail, return receipt requested, to all Owners at least thirty (30) days before the proposed modification, addition or deletion becomes effective.
- h. To contract for the management of the Property and to delegate to such contractors all powers and duties of the Association except such as are specifically required by the Declaration to have the approval of the Board or the Owners.
- i. To employ personnel for reasonable compensation to perform the services required for proper operation, maintenance and repair and administration of the Property.
- j. To enforce by legal means the provisions of the Declaration, these Articles, and the By-Laws of the Association ("By-Laws"), and the regulations for the use of the Property, as same may be promulgated, modified, or amended from time to time by the Board.
- k. To pay taxes and assessments, which are levied against any part of the Common Property, as provided in the Declaration.
- l. To pay the costs of all Utilities and other services provided to the Common Property and not billed to Lot Owners.
- m. To suspend the right to use and enjoy the Common Property and facilities of any member for any period during which any Assessment shall remain unpaid.

n. To do such other things as may be necessary in order to carry out the duties and responsibilities required of the Association pursuant to the Declaration.

3. All funds and the titles of all Properties acquired by the Association and their proceeds shall be held in trust for the Members in accordance with the provisions of the Declaration, these Articles, and the By-Laws.

4. The Association shall make no distribution of income to its Members, Directors or Officers.

5. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration.

ARTICLE IV **MEMBERS**

1. The Members of the Association shall consist of all of the record Owners, collectively, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property.

2. Change of Membership in the Association shall be established by recording in the Public Records of Palm Beach County, Florida, a deed or other instrument establishing a record title to a Lot and the delivery to the Association of a copy of such recorded instrument. The Owner designated by such instrument thus becomes a Member of the Association and the Membership of the prior Owner is terminated as of the date of recording of such instrument.

3. The share of a Member in the funds and Assessments of the Association cannot be assigned, hypothecated, or transferred in any manner except upon transfer of the fee simple title of such Member's Lot.

4. The Owner of each Lot shall be entitled to one vote as a Member of the Association. The exact number of votes to be cast by Owners and the manner of exercising voting rights, shall be determined by the By-Laws of the Association, subject, however, to the terms and conditions of the Declaration.

ARTICLE V **DIRECTORS**

1. Upon incorporation and until the Turnover Date, the affairs of the Association will be managed by Ironwood Properties, Inc. ("Ironwood"). At the Turnover Date, the affairs of the Association will be managed by a Board of Directors consisting of not less than three (3), nor more than five (5) Directors who are also Members of the Association.

2. Directors of the Association shall be elected at the annual meeting of the Members in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the By-Laws.

3. The first election of Directors shall not be held until after the Turnover Date. The Directors named in these Articles shall serve until the first election of Directors, and any vacancies in their number occurring before the first election shall be filled by the remaining Directors as provided for in the By-Laws.

4. The name and address of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Cary Glickstein 277 SE 5th Avenue
Delray Beach, Florida 33483

Michael Wright 277 SE 5th Avenue
Delray Beach, Florida 33483

Kevin Farr 277 SE 5th Avenue
Delray Beach, Florida 33483

ARTICLE VI **OFFICERS**

The affairs of the Association shall be administered by the Officers designated in the By-Laws (the "Officers"). The Officers shall be elected by the Board at its meeting following the annual meeting of the Members of the Association and shall serve at the pleasure of the Board. The names and addresses of the Officers who shall serve until their successors are designated by the Board of Directors are as follows:

President, Vice President,
Secretary and Treasurer: Cary D. Glickstein
277 SE 5th Avenue
Delray Beach, Florida 33483

ARTICLE VII **INDEMNIFICATION**

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or Officer of the Association, whether or not he is a Director or Officer at the time such expenses are incurred, except when the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement or reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE VIII
BY-LAWS

The By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the By-Laws.

ARTICLE IX
AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. A resolution approving a proposed amendment may be proposed either by the Board or by the Members of the Association. Directors and Members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the Secretary at or prior to the meeting, except as elsewhere provided:
 - a. Such approvals must be by not less than two-thirds (2/3) of the Members voting in person or by proxy, together with the approval or ratification of a majority of Board; and
 - b. No amendment shall make any change in the qualifications for Membership nor the voting rights of Members without approval in writing by all Members, and joinder of all Lenders; provided, however, no amendment shall be made that is in conflict with the Declaration or the laws of the State of Florida.
3. So long as Developer owns any Lots within the Property no amendment shall be adopted without Developer's written consent.

ARTICLE X
TERM

The term of the Association shall be perpetual.

ARTICLE XI
DISSOLUTION

In the event of dissolution or final liquidation of the Association, the assets, both real and personal, of the Association, shall be dedicated to any appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association pursuant to the Declaration. 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 purposes as nearly as practicable the same as those to which they were required to be devoted by the Association pursuant to the Declaration.

**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT/REGISTERED OFFICE**

Pursuant to the provisions of Section 607-0501, Florida Statutes, the undersigned corporation, organized under the laws of the State of Florida, submits the following statement in designating the registered office/registered agent, in the State of Florida.

1. The name of the Corporation is:

MAGNOLIA COURT HOMEOWNERS' ASSOCIATION, INC.

2. The name and address of the Registered Agent and office is:

CARY GLICKSTEIN
277 SE 5th Avenue
Delray Beach, Florida 33483

Having been named as Registered Agent and to accept service of process for the above-stated corporation at the place designated in this Certificate, I hereby accept the appointment as Registered Agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes 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.



CARY GLICKSTEIN

Dated: _____

4/4/01

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