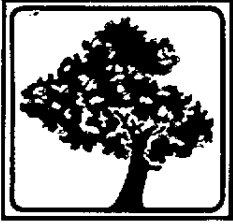


N98000001125

Andrew R. Reilly
& Associates

Andrew R. Reilly
Fred Reilly

P.O. Box 2039 • Haines City, Florida 33845 U.S.A.
Telephone (941) 422-5978 • FAX: (941) 421-2771
FEDX/UPS: 95 South 10th Street, Haines City, Florida 33844 U.S.A.



Attorneys at Law

June 23, 1997

Corporate Records Bureau
Division of Corporations
Department Of State
Post Office Box 6327
Tallahassee, FL 32302

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-02/25/98--01022--005
****122.50 ****122.50

Re: LUGANO COURT HOMEOWNERS ASSOCIATION, INC.

Dear Sir:

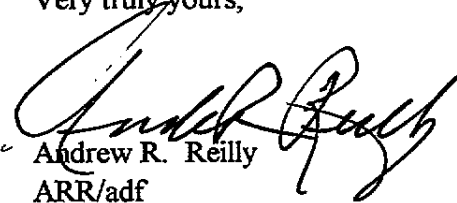
Enclosed are the Articles of Incorporation, in duplicate; and the original Designation of Registered Agent for the above captioned corporation.

Also enclosed is our check in the amount of \$122.50 representing the following costs:

- \$35.00 - Filing Fees
- \$35.00 - Registered Agent Designation Form
- \$52.50 - Certified copy

Please return the certified copy to me in the enclosed envelope..

Very truly yours,


Andrew R. Reilly
ARR/adf

xc: Mr. Theodore J. Sager (w/encl.)

FILED
98 FEB 25 PM 2:59
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FILING.LTR (98R606) adf 02/18/98

*"The courts shall be open to every person for redress of any injury,
and justice shall be administered without sale, denial or delay."*

Article I, § 21 - Florida Constitution

m 2/25/98

ARTICLES OF INCORPORATION

FILED

OF

98 FEB 25 PM 2: 59

LUGANO COURT HOMEOWNERS ASSOCIATION, INC.

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

In compliance with the requirements of the laws of the State of Florida, the undersigned, all of whom are residents of Florida and all of whom are of full age, have this day voluntarily associated themselves together for the purpose of forming a corporation not-for-profit and do hereby certify:

ARTICLE I

The terms used in these Articles of Incorporation ("The Articles") shall have the same meanings as defined in the Declaration of Covenants and Restrictions for LUGANO COURT ("The Declaration").

ARTICLE II

The name of the corporation is LUGANO COURT HOMEOWNERS ASSOCIATION, INC., hereafter called the "Association".

ARTICLE III

The principal office of the Association is located at 713 Center Crest Boulevard, Davenport, FL 33837.

ARTICLE IV

The initial registered agent of this Association shall be TEODOR SAGER, 713 Center Crest Boulevard, Davenport, FL 33837.

ARTICLE V

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation and architectural control of the residence lots and Common Area within that certain tract of property known as **LUGANO COURT** according to the legal description of same as set forth in the **Declaration of Covenants, Conditions and Restrictions for LUGANO COURT**, as recorded or to be recorded in the Public Records of Polk County, Florida, and as amended from time to time up to 100 lots and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain **Declaration of Covenants, Conditions and Restrictions for OAK HILLS ESTATES TRACT 10** hereinafter called the "**Declaration**", applicable to the property and recorded or to be recorded in the Public Records of Polk County, Florida, and as the same may be amended from time to time as therein provided, said **Declaration** being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the **Declaration**; to pay all 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;

(c) 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;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members, mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(e) dedicate, sell, transfer all or any part of the Common Area 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 as members, agreeing to such dedication, sale or transfer, and the Declarant has consented thereto in writing;

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger consolidation or annexation as provided in the **Declaration** shall have the assent of two-thirds (2/3) of each class of members;

(g) have and exercise any and all powers, rights, and privileges which corporation organized under the Non-Profit Corporation Law of the State of Florida by law now or hereafter have or exercise.

(h) operate and maintain common property, specifically the Surface Water Management system as permitted by the **Southwest Florida Water Management District** including

all lakes retention areas, culverts and related appurtenances.

ARTICLE VI

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee in any Lot or Living Unit to which is subject by covenants of record to assessments by the **Association**, including contract sellers, 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 ownership of any Lot or Living Unit which is subject to assessment by the **Association**.

ARTICLE VII

VOTING RIGHTS

The **Association** shall have two (2) classes of voting membership:

Class A. Class A members shall be all owners, with the exception of the **Declarant**, and shall be entitled to one (1) vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B. The Class B member(s) shall be the **Declarant** (as defined in the **Declaration**), and shall be entitled to three (3) votes for each lot owned either initially or by annexation. Unless the

Declarant earlier elects, the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on December 31, 2004.

ARTICLE VIII

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of no less than three (3) nor more than five (5) Directors, who need not be members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

Director: Theodore J. Sager
713 Center Crest Blvd.
Davenport, FL 33837

Director: Annaliese F. Sager

Director: Andreas M. Sager

At the first annual meeting the members shall elect one (1) Director for a term of one (1) year, and (1) Director for a term of two (2) years and one (1) Director for a term of three (3) years; and

at each annual meeting thereafter the members shall elect a Director for a term of three (3) years.

ARTICLE IX

OFFICERS

The officers of the Association shall be elected by the Board of Directors of the Association at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The By-Laws may provide for the removal from office of officers, for filling vacancies, and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President: Theodore J. Sager
713 Center Crest Blvd.
Davenport, FL 33837

Vice President: Annaliese F. Sager

Secretary/Treasurer: Andreas M. Sager

ARTICLE X

BY-LAWS

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

ARTICLE XI

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members provided that no dissolution shall be effective without the written consent of **MIDSA CORPORATION, a Florida corporation**, and its successors and assigns. Upon dissolution in accordance herewith or by operation of law:

(a) the common property consisting of the **Surface Water Management System**, as permitted by the **Southwest Florida Water Management District**, shall be specifically conveyed to an appropriate agency of local government, and that if not accepted, then the Surface Water Management System shall be dedicated to a similar non-profit corporation in accordance with subparagraph (b) hereof.

(b) the assets of the **Association** shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the **Association** was created. 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 such similar purposes.

ARTICLE XII

DURATION

The corporation shall exist perpetually.

ARTICLE XIII

AMENDMENTS

Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire membership.

ARTICLE XIV

APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Declarant and HUD/VA: annexation of additional properties, mergers, and consolidations, mortgaging of Common Area, dedication of Common Area, dissolution and amendment of these articles.

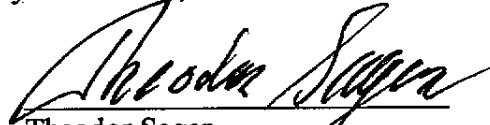
ARTICLE XV

TRANSACTION IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED

No contract or transaction between the **Association** and one or more of its Directors or Officers, or between the **Association** and any other corporation, partnership, association, or other organization in which one or more of its Directors or Officers are involved shall be invalid, void, or voidable solely for this reason, or solely because the Director or Officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract to transaction, or solely because said Officer's or Director's votes are counted for such purpose. No Director or Officer

of the Association shall incur liability by reason of the fact that said Director of Officer may be interested in any such contract or transaction.

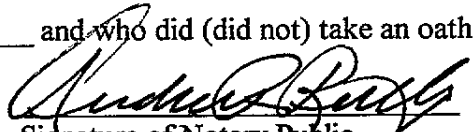
IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Florida, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 18th day of February, 1998.


Theodor Sager
713 Center Crest Blvd.
Davenport, Fl. 33837

State of Florida

County of Polk

The foregoing instrument was acknowledged before me this 18th day of February, 1998 by **THEODOR SAGER**, who is personally known to me who has produced the following form of identification _____ and who did (did not) take an oath.


Signature of Notary Public
ANDREW R. REILLY
Typed or printed name

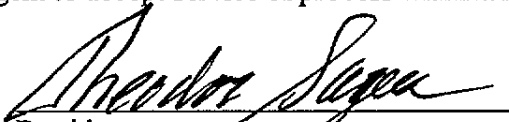


ANDREW R. REILLY
My Comm. Exp. June 18, 1999
Comm. No. CC 473375
Bonded thru Pichard Ins. Agcy.

**CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR
THE SERVICE OF PROCESS WITH FLORIDA AND NAMING AGENT UPON
WHOM PROCESS MAY BE SERVED**

In compliance with Section 48.091, Florida Statutes, the following is submitted.

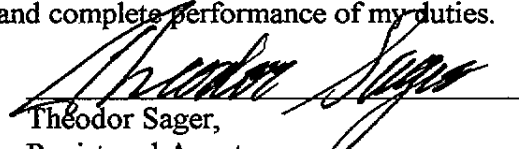
First - That **LUGANO COURT HOMEOWNER'S ASSOCIATION, INC.**, desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at 713 Center Crest Boulevard, Davenport, Florida, names **THEODOR SAGER**, located at 713 Center Crest Boulevard, Davenport, Florida, 33837 as its agent to accept service of process within Florida.



President

Date: 2/17/98

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.



Theodor Sager,
Registered Agent

Date: 2/17/98

FILED
98 FEB 25 PM 2:59
SECRETARY OF STATE
TALLAHASSEE, FLORIDA