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RECEIVED
SEP 25 AM 10:08
TALLAHASSEE, FLORIDA

September 22, 2000

Via Federal Express

Department of State
Division of Corporations
409 East Gaines Street
Tallahassee, FL 32399

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*****70.00 *****70.00

Re: WaterSound I Condominium Association, Inc.

Dear Madam or Sir:

Attached are the original and one copy of the Articles of Incorporation for the captioned corporation, the certificate of designation of the registered agent, and a check issued in the amount of \$70.

Please don't hesitate to call me if you have any questions or need additional information.
Thank you for your assistance.

Sincerely,

Rachel Haskin

Rachel Haskin
Legal Assistant

Enclosures

5297/WaterSound/A1

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**ARTICLES OF INCORPORATION
OF
WATERSOUND I CONDOMINIUM ASSOCIATION, INC.
(A Florida Not For Profit Corporation)**

FILED
00 SEP 25 AM 10:08
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned, by these Articles, associate themselves for the purpose of forming a not for profit corporation under Chapter 617, Florida Statutes, and certify as follows:

Article 1. Name. The name of the Corporation shall be WaterSound I Condominium Association, Inc. For convenience, the Corporation shall be referred to in this instrument as the "Association."

Article 2. Address. The address of the initial principal office of the Association and the initial mailing address of the Association is 415 Beckrich Rd., Suite 350, Panama City, Florida 32407.

Article 3. Definitions. All capitalized terms used herein which are not defined shall have the same meaning as set forth in the Declaration of Condominium for WaterSound I Condominium, recorded or to be recorded by The St. Joe Company in the Official Records of Walton County, Florida, as the same may be amended from time to time ("Declaration").

Article 4. Purposes. The purposes for which the Association is organized are:

A. to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the By-Laws of the Association ("By-Laws"), and as provided by law; and

B. to provide an entity for the furtherance of the interests of the owners of real property subject to the Declaration.

Article 5. Powers. The powers of the Association shall include and be governed by the following provisions:

A. The Association shall have all of the powers conferred upon a not for profit corporation under Florida statutory and common law, all of the powers conferred upon a condominium association in accordance with the Florida Condominium Act, Chapter 718, Florida Statutes, and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the By-Laws, and the Declaration, including, without limitation, the power:

(1) to fix and to collect assessments and other charges to be levied against the Units in the Condominium;

(2) to manage, control, operate, maintain, repair, and improve property subject to the Declaration or any other property for which the Association, pursuant to the Declaration, other covenants, easements, or contracts, has a right or duty to provide such services;

(3) to operate, maintain, and manage the surface water or stormwater management system(s) in a manner consistent with Florida Department of Environmental Protection permits and rules, to assist in the enforcement of the Declaration as relates to the surface water or stormwater management system, and to levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water or stormwater management system;

(4) to implement the terms and conditions of the Incidental Take Permit applicable to the Condominium, as issued by the U.S. Fish and Wildlife Service under the Endangered Species Act;

(5) to make rules and regulations and to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or By-Laws;

(6) to engage in activities which will actively foster, promote, and advance the common interests of all owners of real property subject to the Declaration;

(7) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association, subject to such limitations as may be set forth in the Declaration or By-Laws;

(8) to borrow money for any purpose, subject to such limitations as may be contained in the Declaration and By-Laws;

(9) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public, or private;

(10) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals; and

(11) to sue and be sued.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other rights and powers which may now or hereafter be permitted by law; the powers specified in each of the paragraphs of this Article 5 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph of this Article 5.

B. The Association shall make no distributions of income to its members, directors, or officers.

Article 6. Members.

A. The Association shall be a membership corporation without certificates or shares of stock. The Owner of each Unit, as those terms are defined in the Declaration, shall be a Member of the Association and shall be entitled to vote as provided in the Declaration and in the By-Laws.

B. Change of membership in the Association shall be established by recording in the land records of Walton County, Florida, a deed or other instrument establishing record title to a Unit in the Condominium. Upon such recordation, the Owner designated by such instrument shall become a Member of the Association and the membership of the prior Owner shall terminate.

C. The share of a Member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance of its Unit.

Article 7. Term. The Association shall be of perpetual duration.

Article 8. Directors.

A. The affairs of the Association shall be conducted, managed, and controlled by a Board of Directors. The initial Board of Directors shall consist of three directors. The number of directors shall be increased in accordance with the By-Laws.

B. The names and addresses of the members of the initial Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

James M. Rester
415 Beckrich Road, Suite 350
Panama City Beach, Florida 32407

William Britton Greene
415 Beckrich Road, Suite 350
Panama City Beach, Florida 32407

Dana H. Percival
415 Beckrich Road, Suite 350
Panama City Beach, Florida 32407

C. The method of election, removal, and filling of vacancies on the Board of Directors and the term of office of directors shall be as set forth in the By-Laws.

D. The Board may delegate its operating authority to such corporations, individuals, and committees as it, in its discretion, may determine.

Article 9. By-Laws. The By-Laws shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided in the By-Laws.

Article 10. Liability of Directors. To the fullest extent that the Florida Not For Profit Corporation Act, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, no director of the Association shall be personally liable to the Association or its members for monetary damages for breach of duty of care or other duty as a director. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the Association for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

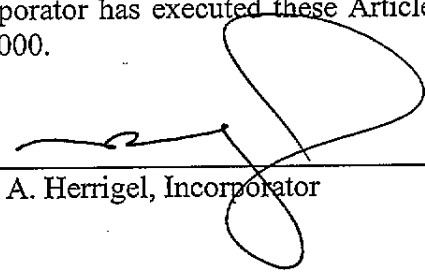
Article 11. Dissolution. The Association may be dissolved only as provided by Florida law and in the Condominium Instruments. In the event of termination, dissolution, or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the Florida Department of Environmental Protection prior to such termination, dissolution, or liquidation.

Article 12. Amendments. Amendments to these Articles may be adopted upon the affirmative vote or written consent of Members entitled to cast at least 67% of the total votes in the Association. No amendment may be in conflict with the Declaration, and no amendment shall be effective to impair or dilute any rights of members that are governed by such Declaration.

Article 13. Incorporator. The name of the incorporator of the Association is David A. Herrigel and such incorporator's address is 1200 Peachtree Center, South Tower, 225 Peachtree St., N.E., Atlanta, Georgia 30303.

Article 14. Registered Agent and Office. The initial registered office of the Corporation is 7900 Glades Road, Suite 200, Boca Raton, Florida 33434, and the initial registered agent at such address is John Baric.

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 22nd day of September, 2000.



David A. Herrigel, Incorporator

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

Pursuant to the provisions of Section 617.0501, 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:

WaterSound I Condominium Association, Inc.

2. The name and address of the registered agent and office is:

John Baric
7900 Glades Road, Suite 200
Boca Raton, Florida 33434

FILED
00 SEP 25 AM 10:08
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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.

Signature

Name:

John Baric

Date:

9/18/00