

TRANSMITTAL LETTER

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02 JUN 21 PM 3:20

No 200004763

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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

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-05/21/02--01034--013
*****78.75 *****78.75

Subject: Kenwood Village Property Owner's Association, Inc.

Enclosed is an original and one (1) copy of the articles of incorporation and a check for:

\$78.75 Filing Fee, Certified Copy and Certificate

FROM: Mark A. Brackett
800 8th Street
Suite A
Vero Beach, Florida 32962
561-567-9255

Kenwood Village
Property Owner's Association, Inc.
Articles of Incorporation
(a corporation not for profit)

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The undersigned have this day voluntarily associated themselves to gather for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I
NAME

The name of the corporation is the KENWOOD VILLAGE PROPERTY OWNER'S ASSOCIATION, INC., hereafter called the "Association".

ARTICLE II
INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the corporation is:

800 8th Street, Suite A
Vero Beach, Florida 32962

The principal address is the same as the registered office.

The name of the initial registered agent of this corporation, who also is hereby, designated REGISTERED AGENT for the purpose of service of process, with his address is:

Mark A. Brackett
1915 34th Avenue
Vero Beach, Florida 32960

and said Mark A. Brackett, by affixing his signature below as a subscriber to those Articles of Incorporation, and having been named to accept service of process for the above stated Association, at the place designated herein hereby accepts to act in such capacity, and agrees to comply with the provisions of the Florida Statutes relative to keeping open said office. This corporation may from time to time change its registered office and registered agent by complying with Florida Law.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the nature, objects and purpose for which it is formed are to provide for maintenance, preservation and architectural control of exteriors of the residence Lots and Common Area within that certain tract of property or development known as Kenwood Village Subdivision, and to promote health, safety and social 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 and Restrictions, hereafter called the "Declaration", applicable to the property and recorded or to be recorded in the public records of Indian River County, Florida, and as the same may be amended from time to time as then 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 in connection therewith to include but not be limited to all office, maintenance, lawn care, common area landscaping, and other expenses incident to the conduct of 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 75% of each class of members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) Dedicate, sell or 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, sale or transfer shall be effective unless an instrument has been signed by 75% of each class of members, agreeing to such dedication, sale or transfer;

(f) Hold funds solely and exclusively for the benefit of the members for the purposes set forth in these Articles of Incorporation;

(g) Promulgate and enforce rules, regulations, by-laws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized;

(h) Delegate power or powers where such is deemed in an interest of the Association, including the contracting for management of the properties:

(I) Charge recipients for services rendered by the Association and the user for use of the Association property where such is deemed appropriate by the Board of Directors of the Association;

(j) Pay taxes and other charges, if any, on or against property owned or accepted by the Association;

(k) 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.

(l) Operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. Johns River Water Management District permit #40-061-70736-1 requirements and applicable District rules, and shall assist in the enforcement of the Declaration of Covenants and Restrictions which relate to the surface water or stormwater management system.

(m) Levy and collect adequate regular and special assessments against members of the Association for the costs of maintenance, repair and operation of the surface water or stormwater management systems including but not limited to work within retention areas, drainage structures and drainage easements.

ARTICLE IV

The name and residence of the subscriber to these Articles and incorporator of the Association is:

Mark A. Brackett
1915 34th Avenue
Vero Beach, Florida 32960

ARTICLE V MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities that 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 which is subject to assessment by the Association.

The initial monthly assessment shall be \$135.00. This assessment shall be due on the first day of each month. The monthly assessment may be changed as determined by

the Board of Directors of the Association. However, there shall be no change in the monthly assessment until January 1, 2004.

There shall be an Membership Initiation Fee charged to each member upon becoming a member and said Membership Initiation Fee shall be \$500.00, which may be changed by the Board of Directors of the Association, as they deem necessary. \$300.00 of every Membership Initiation Fee paid shall be placed in the Reserve Fund. Kenwood Development Corporation and GHO Development Corporation, and GHO Vero Beach VII, Inc. shall be exempt from paying Membership Initiation Fees.

ARTICLE VI VOTING RIGHTS

The Association shall have two classes of voting membership.

Class A. Class A members shall be all lot owners, with the exception of the Developer, Kenwood Development Corporation, and Class A members shall be entitled to one 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 among themselves determine, but in no event shall more than one vote be cast with respect to any lot owned by a Class A member.

Class B. The Class B members shall be Kenwood Development Corporation, and Class B members shall be entitled to ten (10) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first.

- (a) when the Class A votes exceed the Class B votes by 25%, or;
- (b) December 31, 2009

ARTICLE VII BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors of (3), members of the Association. The Kenwood Development Corporation shall be entitled to appoint one member of the Board of Directors for as long as Kenwood Development Corporation shall own a lot in the P.D.. GHO Vero Beach, VII, Inc. shall be entitled to appoint one member of the Board of Directors for as long as GHO Vero Beach, VII, Inc. shall own a lot in the P.D. The names and addresses of the initial members of the Board of Directors of the Association are:

Mark A. Brackett
1915 34th Avenue
Vero Beach, Florida 32960

Robert A. Brackett
2066 14th Avenue
Vero Beach, Florida 32960

Bill Handler
5670 Corporate Way
West Palm Beach, Florida 33407

At the first Annual Meeting the members shall elect three (3) directors for a term of one year each. There shall be no limit to the number of terms a Director may serve.

At the 2005 Annual Meeting the size of the Board shall increase to five (5) directors.

ARTICLE VIII OFFICERS

Section 1. The officers of the corporation shall be a President, a Vice President/Secretary, and a Treasurer.

Section 2. The names of the persons who are to serve as officers of the Association are:

Mark A. Brackett
President/Treasurer

Robert A. Brackett
Vice President

Bill Handler
Secretary

Section 3. The officers shall be elected at the first Board of Directors meeting and shall serve for a term of one year unless said term is shortened or terminated at the pleasure of the Board of Directors of the Association.

ARTICLE IX DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than 90% of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated

to an appropriate public agency to be used for purposes similar to those which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

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., prior to such termination, dissolution or liquidation.

ARTICLE X COMMENCEMENT AND DURATION

The date when corporate existence shall commence shall be upon filing and approval of these Articles of Incorporation by the Florida Department of State. The Association shall have perpetual existence.

ARTICLE XI BY-LAWS

The Board of Directors shall adopt By-Laws consistent with these Articles and the Board shall have authority to make, alter, or rescind said By-Laws.

ARTICLE XII AMENDMENTS

Amendment of these Articles shall require the assent of 80 percent (80%) of the entire membership.

ARTICLE XII INDEMNIFICATION OF OFFICERS AND DIRECTORS

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 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 at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudicated guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that, in the event any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in 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 XIV
TRANSACTION IN WHICH DIRECTORS
OR OFFICERS ARE INTERESTED

(a) 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 Directors or Officers, or have a financial interest, shall be invalid, void or voidable solely for this reason, or solely because the Director or Officer is present at or participates in the Board or Committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose. No Director or Officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

(b) Any transaction or act involving an interested Director shall be governed by the provisions of Florida law.

ARTICLE XV
RESERVE FUND

A Reserve Fund shall be established for the purpose of holding monies separate and apart from the operating funds. The Board of Directors shall place \$300.00 of each Membership Initiation Fee into the Reserve Fund. The use of monies in the Reserve Fund shall be restricted to the following purposes:

- (a) Major long-term repairs and resurfacing of the roads that are part of the Kenwood Village P.D. Major long-term repairs shall not include pothole repair. Major long-term repairs shall not be items that are considered as routine maintenance.
- (b) Major long-term repairs, rebuilding, or adding to the pool cabana and gate house. Major long-term repairs include, but are not limited to roof replacement, and painting. Routine maintenance shall not be considered a major long-term repair.

Unless expressly addressed in these Articles of Incorporation, the Board of Directors shall have discretion over appropriate use of the Reserve Fund. However, the Board should avoid using the Reserve Fund for items addressed in the annual budget.

Upon the passing of not less than 25 years from the date the Kenwood Village Property Owners Association, Inc. was incorporated in the state of Florida. The Board of Directors may vote to add to, and expand, the purposes for which monies in the Reserve

Fund can be used. This vote of the Board of Directors must be unanimous, and the decision must be ratified by a 75% vote of the members of the P.O.A. casting a vote.

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, I, the undersigned, constituting the incorporator of this Association, have executed these Articles of Incorporation this 20th day of June, 2002.



Mark A. Brackett, Incorporator



Mark A. Brackett, Registered Agent