

MAY-21-03 WED 02:18 PM

FAX NO.

P. 01
Page 1 of 1

Division of Corporations

No30000004290

Florida Department of State
Division of Corporations
Public Access System

Electronic Filing Cover Sheet

Note: Please print this page and use it as a cover sheet. Type the fax audit number (shown below) on the top and bottom of all pages of the document.

((H03000198827 5)))

Note: DO NOT hit the REFRESH/RELOAD button on your browser from this page. Doing so will generate another cover sheet.

To:

Division of Corporations
Fax Number : (850)203-0381

From:

Account Name : HOLLAND & KNIGHT OF JACKSONVILLE
Account Number : 074323003114
Phone : (904)353-2000
Fax Number : (904)358-1872

FILED
03 MAY 21 AM 8:08
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

FLORIDA NON-PROFIT CORPORATION

Magnolia Bay at Sandestin Homeowners Association, Inc

Certificate of Status	0
Certified Copy	0
Page Count	08
Estimated Charge	\$70.00

Electronic Filing Menu.

Corporate Filing

Public Access Help

H03000198827 5

ARTICLES OF INCORPORATION
OF
MAGNOLIA BAY AT SANDESTIN HOMEOWNERS ASSOCIATION, INC.

In compliance with the laws of the State of Florida, the undersigned do hereby voluntarily associate for the purpose of forming a corporation not-for-profit for the purposes and with powers set forth herein. All capitalized terms set forth herein, to the extent not defined herein, shall have the meanings set forth in the Declaration of Easements, Covenants, Conditions and Restrictions for Magnolia Bay at Turnberry to be recorded in the public records of Walton County, Florida, as it may be modified and supplemented from time to time ("Declaration").

ARTICLE I - NAME

The name of the corporation is MAGNOLIA BAY AT SANDESTIN HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association."

ARTICLE II - REGISTERED AGENT

The name and address of the Registered Agent of the Association is:

David Bell

215 Grand Boulevard

Destin, Florida 32550

ARTICLE III - PRINCIPAL OFFICE

The principal office of the Association shall be located at 215 Grand Boulevard, Destin, Florida 32550.

ARTICLE IV - PURPOSE AND POWERS

The Association does not contemplate pecuniary gain or profit to its Members. The specific purposes for which it is formed are to operate as a corporation-not-for-profit pursuant to Chapter 617, Florida Statutes and to provide for the maintenance, preservation and use of that certain tract of land described in the Declaration ("Property"), as such is supplemented from time to time, all for the mutual advantage and benefit of the Members of this Association, who shall be the Owners of the Parcels. For such purposes, the Association shall have and exercise the following authority and powers:

(1) To have and to exercise any and all powers, rights and privileges which a not for profit corporation organized under the laws of the State of Florida may now or hereafter have or exercise, and to perform all of the duties and obligations of

FILED
MAY 21 AM 8:08
CLERK OF STATE
TALLAHASSEE, FLORIDA

H03000198827 5

the Association as set forth in the Declaration (which is incorporated herein by this reference as if set forth in detail), as the same may be amended from time to time as therein provided, as well as in the provisions of these Articles and the Bylaws, including:

- a. To fix, levy, collect and by any lawful means enforce payment of all Assessments pursuant to the terms of the Declaration, and to pay all expenses in connection therewith, 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.
- b. 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 or any improvements thereon in connection with the affairs of the Association.
- c. To borrow money and, with the assent of seventy-five percent (75%) of the holders of votes at a duly noticed meeting of members at which a quorum is present in person or by proxy, to mortgage, pledge or hypothecate any and all of the Association's real or personal property as security for money borrowed or debts incurred.
- d. To dedicate, sell or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors. Dedication of the Common Property to any other party shall be subject to the consent of seventy-five percent (75%) of the holders of votes at a duly noticed meeting of members at which a quorum is present.
- e. To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, subject to the approval of seventy-five percent (75%) of the holders of votes at a duly noticed meeting of members at which a quorum is present in person or by proxy.
- f. To make, establish and amend reasonable rules and regulations governing the use of the Parcels and Common Property.
- g. To maintain, repair, replace, operate and manage the Common Property.
- h. To employ personnel, agents or independent contractors to perform the services required for the proper operation of the Common Property.

H03000198827 5

H03000198827 5

All of the Association's assets and earnings shall be used exclusively for the purposes set forth herein and in accordance with Section 528 of the Internal Revenue Code of 1986, as amended ("Code"), and no part of the assets of this Association shall inure to the benefit of any individual Member or any other person. The Association may, however, reimburse its Members for actual expenses incurred for or on behalf of the Association, and may pay compensation in a reasonable amount to its Members for actual services rendered to the Association, as permitted by Section 528 of the Code, other applicable provisions of the Code, federal and state law. In addition, the Board of Directors shall also have the right to exercise the powers and duties set forth in the Bylaws.

ARTICLE V - MEMBERSHIP

(1) Every person or entity who is record owner of a fee or undivided fee interest in any Parcel, including Intrawest Sandestin Company LLC, a Delaware limited liability company ("Developer") and 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 Parcel which is subject to assessment by the Association.

(2) The transfer of the membership of any Owner shall be established by the recording in the public records of Walton County of a deed or other instrument establishing a transfer of record title to any Parcels for which membership has already been established. Upon such recordation the membership interest of the transferor shall immediately terminate. Notwithstanding the foregoing, the Association shall not be obligated to recognize such a transfer of membership until such time as the Association receives a copy of the deed or other instrument establishing the transfer of ownership of the Parcel. It shall be the responsibility and obligation of the former and new Owner of the Parcel to provide such copy to the Association.

(3) The interest of a Member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to the Parcel owned by such Member.

ARTICLE VI - VOTING RIGHTS

The Association shall have two (2) classes of voting Members, as follows:

(1) Class A. Class A Members shall be all Owners, with the exception of Developer while the Class B Membership exists. Class A Members shall be entitled to one vote for each Parcel owned, which may be cast by such member after Turnover (as hereinafter defined). When more than one person holds an interest in any Parcel, all such persons shall be Members; however, the vote for such Parcel shall be exercised as they shall determine among themselves, but in no event shall

H03000198827 5

H03000198827 5

more than one vote be cast with respect to any Parcel. Notwithstanding the foregoing, if title to any Parcel is held by a husband and wife, either spouse may cast the vote for such Parcel unless and until a written voting authorization is filed with the Association. When title to a Parcel is in a corporation, partnership, association, trust, or other entity (with the exception of Developer), such entity shall be subject to the applicable rules and regulations contained in the Articles and Bylaws.

(2) Class B. The Class B Member shall be Developer and shall be entitled to three (3) votes for each Parcel owned or intended to be a part of the Association. The Class B membership shall cease and be converted to Class A membership within ninety (90) days after the earlier of the following events ("Turnover"):

- (a) When the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; or
- (b) Ten (10) years after the recording of this Declaration; or
- (c) Such earlier date as Developer, in its sole discretion, may determine in writing.

After Turnover, the Class A Members may vote for all matters properly brought before the Association and to elect the majority of the members of the Board. After Turnover, the Developer shall have one vote for each Parcel owned. For the purposes of this Article builders, contractors or others who purchase a Parcel for the purpose of constructing improvements thereon for resale shall not be deemed to be Class A Members. After Turnover, for so long as the Developer owns at least five percent (5%) of the Parcels within the Property, the Developer may appoint the minority of the Board members or not less than one (1) Director. After Turnover, the Developer will be a Class A member with respect to Parcels which it owns and shall have all rights and obligations of a Class A member, except that it may not cast its votes for the purpose of reacquiring control of the Association.

ARTICLE VII - BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors, who shall be Members of the Association, provided, however, that until Turnover, the Directors need not be Members of the Association. The number of Directors of the Association shall be not less than three (3) nor more than seven (7). The names and addresses of the persons who are to act in the initial capacity of Directors until the selection and qualification of their successors are:

H03000198827 5

H03000198827 5

<u>Name</u>	<u>Address</u>
Judith Williams	215 Grand Boulevard Destin, Florida 32550
Cynthia Lucking	215 Grand Boulevard Destin, Florida 32550
Chris Farrugia	215 Grand Boulevard Destin, Florida 32550
Robert Russell	215 Grand Boulevard Destin, Florida 32550

Until Turnover, the Board shall consist of Directors appointed by the Class B Member who shall serve until the Class B Member no longer has the right to appoint any Directors.

ARTICLE VIII - 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 IX - DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than seventy-five percent (75%) of each class of Members in accordance with the provisions of the Declaration. 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 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 nonprofit corporation, association, trust or other organization to be devoted to similar purposes.

H03000198827 5

H03000198827 5

ARTICLE X - OFFICERS

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

<u>Name and Title</u>	<u>Address</u>
Judith Williams President	215 Grand Boulevard Destin, Florida 32550
Cynthia Lucking Secretary/Treasurer	215 Grand Boulevard Destin, Florida 32550

ARTICLE XI - BYLAWS

The Bylaws of this Association shall be adopted by the first Board of Directors, which Bylaws may be altered, amended, modified or appealed in the manner set forth in the Bylaws.

ARTICLE XII - AMENDMENTS

Until Turnover, Developer reserves the exclusive right to amend or repeal any of the provisions of these Articles of Incorporation or any amendments hereto without the consent of any Class A Member or Institutional Mortgagee. Thereafter, the Association shall have the right to amend or repeal any of the provisions contained in these Articles or any amendments hereto, provided, however, that any such amendment shall require the written consent of Owners of seventy-five percent (75%) of the Parcels, or the approval of persons holding seventy five percent of the votes at a duly noticed meeting at which a quorum is present in person or by proxy. Provided, further, that no amendment shall conflict with any provisions of the Declaration. After Turnover, the consent of any Institutional Mortgagees shall be required for any amendment to these Articles which impairs the rights, priorities, remedies or interest of such Institutional Mortgagees, and such consent shall be obtained in accordance with the terms and conditions, and subject to the time limitations, set forth in the Declaration. Amendments to these Articles need only be filed with the Secretary of State and do not need to be recorded in the public records of the County.

ARTICLE XIII - INDEMNIFICATION

This Association shall indemnify any and all of its directors, officers, employees or agents, or former directors permitted by law. Said indemnification

H03000198827 5

MAY-21-03 WED 02:20 PM

MAY-21-03 10:16

FROM-GRANDSHORES MGT GROUP

FAX NO.

8508375185

T-036 P.08/09 F-900

P. 08

H03000198827 5

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 appeals 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 be inclusive of any other rights to which any such person may be entitled as a matter of law or which he may be lawfully granted. It shall be the obligation of the Association to obtain and keep in force a policy of officers' and directors' liability insurance.

ARTICLE XIV - INCORPORATOR

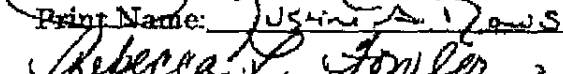
The name and address of the Subscriber of the corporation is:

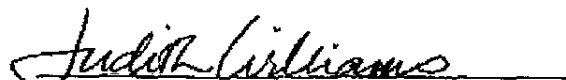
Judith Williams

215 Grand Boulevard

Destin, Florida 32550

IN WITNESS WHEREOF, for the purpose of forming this Association under the laws of the State of Florida, the undersigned has executed these Articles of Incorporation this 10th day of APRIL, 2003.


Print Name: Justin A. Daws

Print Name: Rebecca L. Fowler


Judith Williams

MAY-21-03 WED 02:20 PM

MAY-21-03 10:17

FROM-GRANDSHORES MNGT GROUP

FAX NO.

8508375186

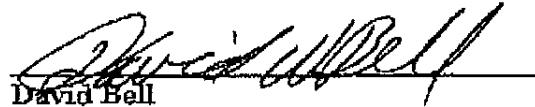
T-036 P.09/09 F-900

P. 09

H03000198827 5

**CERTIFICATE OF DESIGNATION OF PLACE OF BUSINESS
OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN FLORIDA,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED**

Having been named to accept service of process for the above stated corporation, at the place designated in these Articles of Incorporation, I agree to act in this capacity and I further agree to comply with the provisions of all the Florida Not for Profit Corporation Act, and acknowledge that I am familiar with and accept the obligation of such position.


David Bell

Date: 4-10-2003

JAX1 #492515 v2

FILED
03 MAY 21 AM 8:08
SECRETARY OF STATE
TALLAHASSEE, FLORIDA