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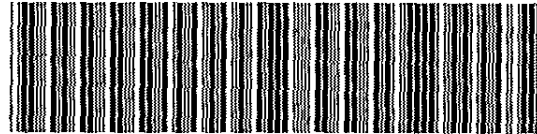
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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

COVER LETTER

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

SUBJECT: HAILEY FOREST CONDOMINIUM ASSOCIATION, INC.
(PROPOSED CORPORATE NAME - MUST INCLUDE SUFFIX)

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

☐ \$70.00
Filing Fee

☐ \$78.75
Filing Fee &
Certificate of
Status

☐ \$78.75
Filing Fee
& Certified Copy

☒ \$87.50
Filing Fee,
Certified Copy
& Certificate

ADDITIONAL COPY REQUIRED

FROM: Hailey Group, LLC
Name (Printed or typed)

2233 N.W. 133rd Terrace
Address

Gainesville, FL 32606
City, State & Zip

352-538-1453
Daytime Telephone number

NOTE: Please provide the original and one copy of the articles.

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2007 MAR 14 PM 2:37
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

**ARTICLES OF INCORPORATION
OF
HAILEY FOREST
CONDOMINIUM ASSOCIATION, INC.
(A CORPORATION NOT-FOR-PROFIT)**

THE UNDERSIGNED, hereby associate themselves for the purpose of forming a corporation not-for-profit under Chapter 617, Florida Statutes, and certify as follows:

**ARTICLE I.
NAME**

The name of this corporation is HAILEY FOREST CONDOMINIUM ASSOCIATION, INC. (the "Association").

**ARTICLE II.
PURPOSE**

The purpose for which this Association is organized is the operation and management of the condominium which is to be or may be created upon lands located in Alachua County, Florida, described in the Declaration of Hailey Forest Condominium to be recorded in the Public Records of Alachua County, Florida and known as HAILEY FOREST, A CONDOMINIUM (the "Condominium").

The Association is to undertake the performance of and to carry out the acts and duties incident to the administration of the operation and management of the Condominium in accordance with the terms, provisions, conditions and authorizations, contained in these Articles of Incorporation, and which may be contained in the Declaration of Condominium (the "Declaration"), both of which will be recorded among the Public Records of Alachua County, Florida, encompassing the real property described above and the improvements thereon that are submitted to condominium ownership; and to own, maintain, manage, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary and convenient in the administration of the Condominium. All terms set forth in these Articles and defined in the Declaration for the Condominium shall have such meanings as are therein set forth.

**ARTICLE III.
POWERS**

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

1. The Association shall have all the common law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of these Articles, the Declaration of Condominium, the By-Laws of the Association or Chapter 718, Florida Statutes ("the Act"). In addition, all powers of the Association conferred by the Declaration are incorporated into these Articles by reference.

2. The Association shall have all the powers and duties granted to the Association by the Act. The Association shall have all the powers reasonably necessary to implement the purposes of the Association, and all of the powers granted to it in the Declaration after the Declaration is recorded among the Public Records of Alachua County, Florida and By-Laws as they may hereafter be amended. Without limiting the generality of the foregoing, the Association shall have the following powers:

- (a) The irrevocable right to have access to each Unit from time to time during reasonable hours as may be necessary for pest control purposes and for the maintenance, repair or replacement of any Common Elements or any portion of a Unit, if any, to be maintained by the Association, or at any time and by force, if necessary, to prevent damage to the Common Elements, the Association Property or to a Unit or Units, including, without limitation, (but without obligation or duty) to close hurricane shutters (if any) in the event of the issuance of a storm watch or storm warning.
- (b) The power to make and collect Assessments and other charges against Unit Owners: and to lease, maintain, repair and replace the Common Elements and Association Property.
- (c) The duty to maintain accounting records according to good accounting practices, which shall be open to inspection by Unit Owners or their authorized representatives at reasonable times upon prior written request.
- (d) The power to contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair and replacement of Common Elements with such funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted in the Condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.
- (e) The power to borrow money, execute promissory notes and other evidences of indebtedness and to give as security therefor mortgages and security interests in property owned by the Association, if any, provided that such actions are approved by a majority of the entire membership of the Board of Directors and a majority of the Units represented at a meeting at which a quorum has been attained, or by such greater percentage of the Board or Unit Owners as may be specified in the By-laws with respect to certain borrowing.

- (f) The power to adopt and amend rules and regulations concerning the details of the operation and use of the Condominium and Association Property.
- (g) The power to acquire, convey, lease and encumber real and personal property. Personal property shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors, subject to Section 8 hereof. Real property (including, without limitation, any of the Units) shall be acquired, conveyed, leased or encumbered upon a majority vote of the Board of Directors alone; provided that the requirements of Section 8 pertaining to the Unit Owners' approval of costs in excess of the threshold amount stated therein (including the proviso regarding the debt incurred) shall also apply to the acquisition of real property; provided, further, however, that the acquisition of any Unit as a result of a foreclosure of the lien for Assessments (or by deed in lieu of foreclosure) shall be made upon the majority vote of the Board, regardless of the price for same and the Association, through its Board, has the power to hold, lease, mortgage or convey the acquired Unit(s) without requiring the consent of Unit Owners. The expenses of ownership (including the expense of making and carrying any mortgage related to such ownership), rental, membership fees, taxes, Assessments, operation, replacements and other expenses and undertakings in connection therewith shall be Common Expenses.
- (h) The duty to maintain, operate and repair the Condominium's Surface Water or Stormwater Management System, whereby maintenance of such system, for purposes of this Declaration, shall mean the exercise of practices which allow such system to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities in accordance with the Water Management Permit and as otherwise permitted by the District and consistent with the District's applicable rules, and whereby repair or reconstruction of such system shall be only as permitted, or if modified and approved by, the District; and to use Assessments for the maintenance and repair of such system, including, but not limited to, work within retention areas and drainage structures and easements.
- (i) The power to execute all documents or consents, on behalf of all Unit Owners (and their mortgagees), required by all governmental and/or quasi-governmental agencies in connection with land use and development matters (including, without limitation, plats, waivers of plat, unities of title, covenants in lieu thereof, etc.), and in that regard, each Owner, by acceptance of the deed to such Owner's Unit, and each mortgagee of a Unit Owner by acceptance of a lien on said Unit, appoints and designates the President of the Association, as such Owner's agent and attorney-in-fact to execute any and all such documents or consents.

- (j) The Association shall assume all of Developer's and/or its affiliates': (i) rights and responsibilities under the Existing Encumbrances and/or (ii) responsibilities to the County, and any governmental and quasi-governmental subdivisions and similar entities of any kind with respect to the Condominium Property (including, without limitation, any and all obligations imposed by any permits or approvals issued by the County, as same may be amended, modified or interpreted from time to time) and, in either such instance, the Association shall indemnify and hold Developer and its affiliates harmless with respect thereto in the event of the Association's failure to fulfill those responsibilities.
- (k) The power to employ personnel (*part-time or full-time*).
- (l) All of the powers which a corporation not for profit in the State of Florida may exercise pursuant to this Declaration, the Articles of Incorporation, the Bylaws, Chapters 607 and 617, Florida Statutes and the Act, in all cases except as expressly limited or restricted in the Act.

3. All funds and the titles of all properties acquired by the Association and their proceeds shall be held for the benefit and use of 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, except that it may pay reasonable salaries or compensation to such of its officers as it deems proper from time to time.

5. While the Developer (defined below) still holds Units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing from the Developer:

- (a) Assessment of the Developer as a Unit Owner for capital improvements.
- (b) Any action that would be detrimental to the sales of Units by the Developer.

6. The powers of the Association shall be subject to and shall be exercised in accordance with the provision hereof and of the Declaration, the By-Laws and the Act.

7. Any emergency actions shall be noticed and ratified at the next regular meeting of the Board.

ARTICLE IV. DUTIES

The Association shall have the duty to operate and manage the Condominium. Without limiting the generality of the foregoing, these duties shall include the following:

1. The Association shall adopt a rule and regulation concerning the posting of notices of Board meetings and the annual meeting.

2. The Association shall adopt regulations concerning hurricane shutter specifications for each building, including color, style, and such other factors deemed relevant by the Board. Such specifications shall comply with requirements of the applicable building code.

3. The Association shall prepare a Question and Answer sheet if and as required by the Condominium Act and administrative rules and shall update it at least annually.

4. The Association shall maintain an adequate number of copies of the Condominium documents and Rules and Regulations, and all amendments to the foregoing, on the property, to ensure their availability to Owners and prospective purchasers. The Association may charge its actual costs for preparing and furnishing the foregoing to those requesting same.

5. The Association shall insure that the following contracts shall be in writing:

(a) Any contract for the purchase, lease or renting of materials or equipment, which is not to be fully performed within one year from the date of execution of the contract.

(b) Any contract, regardless of term, for the provision of services; other than contracts with employees of the Association, and contracts for attorneys and accountants services, and any other service contracts exempted from the foregoing requirement by the Condominium Act or administrative rules as amended from time to time.

6. The Association shall obtain competitive bids for materials, equipment and services where required by the Condominium Act and administrative rules as amended from time to time. This provision shall not require the Association to accept the lowest bid.

7. The Association shall obtain and maintain fidelity bonding as required by the Condominium Act and administrative rules.

ARTICLE V.

MEMBERS

1. All Unit Owners shall be members of the Association.

2. Membership in the Association shall be established by recording in the Public Records of Alachua County, Florida, an instrument or deed establishing a fee simple interest in a Condominium Parcel in the Condominium and the notification in writing to the Association of the recording information. The new record owner designated by such instrument thereby becomes a member of the Association if his purchase was in compliance with the Declaration of Condominium. The membership of the prior owner shall thereby terminate. The Developer, to the extent of its ownership of Condominium Parcels comprising the Condominium, is a member of the Association, holding memberships equal to the number of unsold parcels it holds in the Condominium.

3. The share of a member in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to the individual Unit.

4. Members of the Association shall be entitled to one (1) vote for each Condominium Unit owned by such member. If the Unit is jointly owned by two or more persons (or by a corporation), the joint owners or the corporation, as the case may be, shall designate one person who shall exercise the right to vote permitted for each Unit so owned in the manner as provided in the By-Laws. Voting rights will be exercised in the manner provided by the By-Laws of the Association. Fractional voting is absolutely prohibited.

5. The By-Laws shall provide for an annual meeting of members, and may make provisions for regular and special meetings of members other than the annual meeting.

ARTICLE VI. DURATION

The Association shall have perpetual existence.

ARTICLE VII. PRINCIPAL OFFICE

The initial principal office of the Association shall be located at 2233 N.W 133rd Terrace, Gainesville, Florida 32606, but thereafter may be located at such other suitable and convenient place as shall be permitted by law and designated by the Board.

ARTICLE VIII. MANAGEMENT

The affairs of the Association shall be managed by the President with the assistance of the Vice President, Secretary and Treasurer and other officers, if any, subject to the direction of the Board. The Board, or the President with the approval of the Board, may employ a managing agent and/or other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Condominium and the Association. Any such person or entity may be so employed without regard to whether such person or entity is a member of the Association or an Director or officer of the Association. Any management agreement entered into by the Association shall comply with all requirements of the Condominium Act.

ARTICLE IX. BOARD OF DIRECTORS

1. **Number of Directors and Qualifications.** The property, business and affairs of the Association shall be managed by a Board in the manner and accordance with the relevant provisions specified in the By-Laws. Each Director must be a member of the Association or a spouse of a member. Other provisions regarding qualifications of Directors are contained in the By-Laws. The number of Directors on the first Board shall be three (3). The number on succeeding Boards shall be as provided from time to time in the By-Laws. The Directors shall be elected by the members of the Association at their annual meeting as provided in the By-

Laws. At least a majority of the Board shall be members of the Association or shall be authorized representatives, officers or employees of corporate members.

2. **Representation.** When Unit Owners other than Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, such Unit Owners shall be entitled to elect not fewer than one-third (1/3) of the persons on the Board of Directors.

Such Unit Owners shall be entitled to elect not fewer than a majority of the Directors:

(a) Three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(b) Three (3) months after ninety (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers;

(c) When all of the Units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business.

(d) When some of the Units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business.

(e) Seven years after recordation of the declaration creating the initial phase of the Condominium.

Developer shall have the right to elect a majority of the Directors until the occurrence of any of the above events. Developer shall be entitled to elect at least one (1) Director as long as Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units in the Condominium. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer owned units in the same manner as any other member except for purposes of reacquiring control of the Association or selecting the majority of the Board.

The right reserved herein to Developer to elect and maintain Directors may be assigned to and exercised by its successor(s) in interest.

3. **First Board.** The names and post office addresses of the first Board who, subject to the provisions of these Articles of Incorporation, the By-Laws, and the laws of the State of Florida, shall hold office for the first year of the Association's existence, or until their successors are elected and have qualified, are as follows:

<u>Name</u>	<u>Address</u>
<u>Gerald R. Morris</u>	<u>2233 N.W. 133rd Terrace</u> <u>Gainesville, Florida 32606</u>

William C. Pleiman

2233 N.W. 133rd Terrace
Gainesville, Florida 32606

Jonathan F. Colon

2233 N.W. 133rd Terrace
Gainesville, Florida 32606

The undertakings and contracts authorized by the first Board shall be binding upon the Association in the same manner as though such undertakings and contracts had been authorized by the Board duly elected by the membership after the Declaration has been recorded, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board in accordance with all applicable Condominium documents.

ARTICLE X. **OFFICERS**

The Board shall elect annually a President, Secretary and Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall determine. The President shall be elected from among the membership of the Board and be an Director but no other officer need be a member or Director. The same person may hold two offices, except for the following combinations: (1) President and Vice President; (2) President and Secretary or Assistant Secretary.

The officers who shall serve until the first election under the Articles of Incorporation shall be the following:

<u>Name</u>	<u>Address</u>	<u>Office</u>
<u>Gerald R. Morris</u>	<u>2233 N.W. 133rd Terrace</u> <u>Gainesville, Florida 32606</u>	<u>President</u>
<u>William C. Pleiman</u>	<u>2233 N.W. 133rd Terrace</u> <u>Gainesville, Florida 32606</u>	<u>Vice-President</u>
<u>Jonathan F. Colon</u>	<u>2233 N.W. 133rd Terrace</u> <u>Gainesville, Florida 32606</u>	<u>Secretary/Treasurer</u>

ARTICLE XI. **BY-LAWS**

The original By-Laws of the Association shall be adopted by the Board of Directors designated herein. Thereafter, the By-Laws may be altered or rescinded only in such manner as the By-Laws may provide by the members.

ARTICLE XII. **INDEMNIFICATION**

1. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding,

whether civil, criminal, administrative or investigative by reason of the fact that he is or was an Director, employee, officer or agent of the Association, against expenses (including attorney's fees and appellate attorney's fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for gross negligence or misfeasance or malfeasance in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability, but in view of all of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

2. To the extent that an Director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 above or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

3. Any indemnification under Section 1 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the Director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 above. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (b) if such quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by a majority of the members of the Association.

4. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 7.

5. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be an Director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

6. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was an Director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as an Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of the Article.

ARTICLE XIII. AMENDMENTS

1. **Proposal; Notice of Meeting.** Amendment(s) to these Articles of Incorporation may be proposed by the Board acting upon a majority vote or by the members of the Association owning two-thirds (2/3) of the Units in the Condominium, whether by vote at a meeting or by instrument signed by them. Upon the proposal of any amendment(s) by the Board or members, such proposed amendment(s) shall be transmitted to the President (or other officer in the President's absence) who thereupon shall call a special meeting of the members for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment(s). The Secretary shall give each member written notice of such meeting, stating the time and place of the meeting and reciting the proposed amendment(s) in reasonably detailed form and shall post notice of the meeting in a conspicuous place on the Condominium property at least fourteen (14) continuous days prior to the meeting. Such notice shall be mailed or presented personally to each member not less than fourteen (14) nor more than thirty (30) days before the date set for the meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail, postage prepaid, addressed to the member at his post office address as it appears on the records of the Association. Any member may waive such notice in writing which waiver when filed in the records of the Association, whether before or after the meeting, shall be deemed equivalent to the receipt of such notice by such member.

2. **Method of Approval.** At an amendment meeting, the affirmative vote of members owning not fewer than two-thirds (2/3) of the Units shall be required for the approval of any proposed amendment.

A member may submit his written vote concerning any proposed amendment(s) in lieu of attending the meeting or in lieu of being represented by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

In the event that the members owning the number of Units in the Condominium necessary to pass any amendment(s) to these Articles of Incorporation shall execute an instrument amending these Articles of Incorporation, the same shall be and constitute, when duly registered in the Office of the Secretary of State, a valid amendment to these Articles of Incorporation, and it shall not be necessary for a meeting to be held.

3. **Registration.** Upon approval, such amendment(s) shall be transcribed and certified in such form as may be necessary to register the same in the Office of the Secretary of State. Upon such registration, a certified copy thereof shall be recorded in the Public Records of Alachua County, Florida, within ten (10) days from the date of registration.

4. **Prohibition of Certain Amendments.** Notwithstanding the foregoing provisions of this Article, no amendment to abridge, amend or alter the rights of the Association to contract with Developer as herein provided or the right of Developer to designate and select members of the Board may be adopted without the prior written consent of Developer. In addition, no amendment shall operate to unlawfully discriminate against any Unit or class or group of Units.

**ARTICLE XIV.
REGISTERED AGENT**

The name and street address of the first registered agent authorized to accept service of process within the State for the Association is Gerald R. Morris, whose address is 2233 N.W. 133rd Terrace, Gainesville, Florida 32606.

The name and street address of the Incorporator is:


<u>Name</u>	<u>Address</u>
<u>Gerald R. Morris</u>	<u>2233 N.W. 133rd Terrace</u> <u>Gainesville, Florida 32606</u>

IN WITNESS WHEREOF, the Incorporator has hereunto set his hand and seal this 5th day of DECEMBER, 2006.


_____, Incorporator
Gerald R. Morris

ACCEPTANCE OF APPOINTMENT AS REGISTERED AGENT

Having been designated as registered agent for HAILEY FOREST CONDOMINIUM ASSOCIATION, INC. in the foregoing Articles of Incorporation, I, Gerald R. Morris, hereby agree to accept service of process for said corporation and to comply with all statutes relative to the complete and proper performance of the duties of a registered agent. I am familiar with and accept the obligations of that position.

By: 

Gerald R. Morris

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2007 MAR 14 PM 2:37
SECRETARY OF STATE
TALLAHASSEE, FLORIDA