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ARTICLES OF INCORPORATION 02 AUG 22 PM 2:54

SECRETARY OF STATE
TALLAHASSEE FLORIDA

OF

ATLANTIC GROVE TOWNHOME ASSOCIATION, INC.

a Florida corporation not for profit

The undersigned hereby makes, subscribes, acknowledges and files these Articles of Incorporation for the purpose of forming a not-for-profit corporation under the laws of the State of Florida:

ARTICLE I: NAME

The name of the corporation is ATLANTIC GROVE TOWNHOME ASSOCIATION, INC., which is hereafter referred to as "the Association".

ARTICLE II: PRINCIPAL OFFICE AND MAILING ADDRESS

The principal office and mailing address of the Association is hereby established and maintained at 398 NE 6th Avenue, Delray Beach, Florida 33483.

ARTICLE III: DURATION

The Association shall have perpetual existence, provided, however, that in the event the Association is dissolved, any property consisting of a surface water management system shall be conveyed to an appropriate agency of local government, and if not accepted, then any such surface water management system shall be dedicated to a similar not-for-profit corporation.

ARTICLE IV: PURPOSES AND POWERS OF THE ASSOCIATION

The specific primary purposes for which the Association is formed are those objects and purposes as are authorized by the Declaration of Covenants, Restrictions and Easements for Atlantic Grove Townhome (the "Declaration"). All terms used herein and in the Bylaws shall have the meanings, if any, assigned to them in the Declaration.

In furtherance of such purposes, the Association by and through its Board of Directors shall have power to:

- (a) Perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Restrictions and Easements for Atlantic Grove Townhome (the "Declaration") as may be amended from time to time, as recorded or to be recorded in the Public Records of Palm Beach County, Florida; said Declaration is incorporated herein as if set forth at length, and any initial capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Declaration;
- (b) Affix, levy, and collect all charges and assessments pursuant to the terms of the declaration, and enforce payment thereof by any lawful means; and 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 on the property of the Association;
- (c) Acquire, own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real and personal property in connection with the affairs of the Association;
- (d) Borrow money and, subject to the consent of sixty-seven (67%) percent of each class of members, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) Dedicate, grant, release, convey, alienate or transfer all or any part of the common properties to any public agency, authority, utility, private party or entity;
- (f) Purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of interests in, real or personal property, except to the extent restricted hereby; to contract for the management and maintenance of the Common Properties and Community Facilities and to authorize a management agent 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 the Common Properties and Community Facilities with funds as shall be made available by the Association for such purposes. The Association shall,

however, retain at all times the powers and duties granted by the Declaration, including, but not limited to, the making of Assessments, promulgation of rules and the execution of contracts on behalf of the Association;

(g) Collect on behalf of the Association all costs or charges which may be due to the Association in addition to the Assessments or Common Expenses for the use of any Common Properties or Community Facilities which may be granted therein.

(h) Sue and be sued; and

(i) Have and exercise any and all powers, rights and privileges that a corporation organized under Chapter 617 of the Florida Statutes by law may now or hereafter have or exercise.

The Association is not organized for profit and no part of the net earnings, if any, shall inure to the benefit of any members or individual person, firm or corporation.

ARTICLE V: MEMBERS

Every person or entity who is a record Owner of a fee or undivided fee interest in any Townhome Lot (as defined in the Declaration) which is subject by covenants of record to assessment by the Association and the Declarant shall be a member of the Association, (hereinafter referred to as a "Member(s)"). Notwithstanding the foregoing, any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member. Membership in the Association shall be appurtenant to and may not be separated from ownership of a lot which is subject to assessment by the Association.

ARTICLE VI: VOTING RIGHTS

Voting shall be in accordance with Article 4 of the Declaration.

ARTICLE VII: DIRECTORS

The property, business and affairs of the Association shall be managed by a board (the "Board of Directors") consisting of the number of Directors determined in the manner provided by the Bylaws of Atlantic Grove Townhome Association, Inc. (the "Bylaws"), but which, prior to the Declarant's turnover of control of the Association to the Owners other than Declarant, shall consist of not less than three (3) Directors. Directors of the

Association shall be elected at the annual meeting of the Members in the manner set forth in the Bylaws.

All of the duties and powers of the Association existing under the Declaration, these Articles and the Bylaws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval of Townhome Lot Owners when such approval is specifically required and except as provided in the Declaration.

The names and addresses of the persons who are to serve as the initial Directors are:

| | |
|-------------------|--|
| Kevin E. Rickard | 398 N.E. 6 th Avenue Delray Beach, Florida 33483 |
| Timothy Yaxley | 398 N.E. 6 th Avenue Delray Beach, Florida 33483 |
| Gabrielle Ortnier | 398 N.E. 6 th Avenue Delray Beach, Florida 33483 |

ARTICLE VIII: REGISTERED AGENT

The name and address of the registered agent of the Association is Alan L. Gabriel, Esquire, KATZ, BARRON, SQUITERO & FAUST, P.A., 100 NE 3rd Avenue, Suite 280, Fort Lauderdale, Florida 33301.

ARTICLE IX: AMENDMENTS

Amendments to these Articles of Incorporation shall require the affirmative vote of a majority of the Board of Directors and the affirmative vote of sixty-seven (67%) percent of the Members of the Association; provided, however, that (a) no amendment shall make any change in the qualifications for membership nor the voting rights of the Members without the written approval or affirmative vote of all Members of the Association, (b) that these Articles shall not be amended in any manner without the prior written consent of the Declarant to such amendment for so long as the Declarant is the Owner of any Lot located within the Property, and (c) that these Articles shall not be amended in any manner which conflicts with the terms, covenants and provisions contained in the Declaration. Notwithstanding anything herein to the contrary, the Declarant shall be permitted to unilaterally amend these Articles and the Bylaws of the Association so long

as the Declarant is entitled to appoint a majority of the directors of the Association.

ARTICLE X: INDEMNIFICATION

Every director and every officer of the Association and each member of the Architectural Control Board or any other Committee and Tribunal as provided in the Bylaws, shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon such person in connection with any proceeding or any settlement thereof to which such person may be a party or may become involved by reason of being or having been a director or officer of the Association, whether or not a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duty; provided that in the event of a settlement, the indemnification provided for herein shall apply only if and when 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 any and all right of indemnification to which such director or officer may be entitled under statute or common law.

ARTICLE XI: BYLAWS

The Board of Directors shall adopt Bylaws consistent with these Articles of Incorporation. Such Bylaws may be altered, amended or repealed by the membership in the manner set forth in the Bylaws.

ARTICLE XII: INCORPORATOR(S)

The name and address of the Incorporator to these Articles is as follows:

Timothy L. Hernandez

398 N.E. 6th Avenue
Delray Beach, Florida 33483

ARTICLE XIII: OFFICERS

The names of the officers who shall serve until their successors are designated by the Board of Directors in the manner set forth in the Bylaws are as follows:

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President:

Kevin E. Rickard

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Vice President:

Timothy Yaxley

SECRETARY OF STATE
TALLAHASSEE FLORIDA

Secretary / Treasurer:

Gabrielle Ortner

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 21st
day of August, 2002.


TIMOTHY L. HERNANDEZ
Its: Incorporator

ACCEPTANCE OF REGISTERED AGENT

I, ALAN L. GABRIEL, ESQ., being a resident of the State of Florida and having been designated as the Registered Agent in the above and foregoing Articles, is familiar with and I hereby restate my acceptance of the obligation of the position of Registered Agent under Section 617.0501, Florida Statutes.

EXECUTED this 21st day of August, 2002.


ALAN L. GABRIEL, ESQ.