

ARTICLES OF INCORPORATION  
OF  
COVINGTON PLACE HOMEOWNERS' ASSOCIATION, INC.  
(A Corporation Not For Profit)

FILED

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SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

In order to form a corporation under and in accordance with the provisions of the laws of the State of Florida for the formation of corporations not for profit, pursuant to F.S. 617, the undersigned hereby signs these Articles for the creation of the corporation for the purposes and with the powers hereinafter set forth, and to accomplish that end I hereby adopt and set forth these Articles of Incorporation, viz.:

ARTICLE I  
NAME OF CORPORATION

The name of this corporation shall be:

COVINGTON PLACE HOMEOWNERS' ASSOCIATION, INC.

hereinafter in these Articles referred to as the "Association." The principal office of the Association shall be at 98 Sarasota Center Blvd., Suite D, Sarasota, FL 34240 and the mailing address shall be P.O. Box 10232, Sarasota, FL 34278.

ARTICLE II  
PURPOSES

The general nature, objects, and purposes of the Association are:

A. To promote the health, safety, and social welfare of the owners of all lots located within Covington Place, a subdivision in Sarasota County, Florida (the "Subdivision"), being developed by Florida Coast Development Corporation ("Developer").

B. To maintain all portions of the Subdivision and improvements thereon for which the obligation to maintain and repair has been delegated to the Association by the "Declaration of Maintenance and Land Use Provisions of Covington Place" (the "Declaration"), which is to be recorded in the Public Records of Sarasota County, Florida.

C. To operate without profit and for the sole and exclusive benefit of its members.

ARTICLE III  
GENERAL POWERS

The general powers that the Association shall have are as follows:

A. To purchase, own, hold, improve, build upon, operate, maintain, convey, transfer, dedicate for public use, accept, lease, or otherwise acquire title to, and to hold, mortgage, rent, sell or otherwise dispose of, any and all real or personal property related to the purposes or activities of the Association; to make, enter into, perform, and carry out contracts of every kind and nature with any person, firm, corporation, or association; and to do any other acts necessary or expedient of carrying on any of the activities of the Association and pursuing any of the objects and purposes set forth in these Articles of Incorporation and not forbidden by the laws of the State of Florida.

B. To establish a budget and to fix regular and special assessments to be levied against all lots which are subject to assessment pursuant to the Declaration for the purpose of defraying the expenses and costs of effectuating the objects and purposes of the Association and to create reasonable reserves for such expenditures, including a reasonable contingency fund for the ensuring year and a reasonable annual reserve for anticipated major capital repairs, maintenance, improvements, and replacements. To use proceeds of assessments in the exercise of its powers and duties.

C. To place liens against any lot subject to assessment for delinquent and unpaid assessments or charges and to bring suit for the foreclosure of such liens or to otherwise enforce the collection of such assessments and charges for the purpose of obtaining revenue in order to carry out the purposes and objectives of the Association.

D. To hold funds solely and exclusively for the benefit of the members of the Association for the purposes set forth in these Articles of Incorporation.

E. To adopt, promulgate, and enforce rules, regulations, bylaws, covenants, restrictions, and agreements in order to effectuate the purposes for which the Association is organized.

F. To delegate such of the powers of the Association as may be deemed to be in the Association's best interest by the Board of Directors.

G. To charge recipients of services rendered by the Association and users of property of the Association where such is deemed appropriate by the Board of Directors.

H. To pay all taxes and other charges or assessments, if any, levied against property owned, leased, or used by the Association.

I. To enforce by any and all lawful means the provisions of these Articles of Incorporation, the Bylaws of the Association which may be hereafter adopted, and the terms and provisions of the Declaration of Maintenance and Land Use Provisions.

J. To purchase insurance upon the Association property for the protection of the Association and its members.

K. To reconstruct the Association property and improvements after casualty and to further improve the property, if required.

L. To enter into contracts and agreements for providing services to the Association.

M. To purchase lots in the Association subdivision, to foreclose on Association liens against lots of owners, to convey, lease, mortgage, and improve lots owned by the Association.

N. To operate any storm water management and discharge facility serving the Subdivision. To operate and maintain common property, specifically the surface water management system as permitted by the Southwest Florida Water Management District including all lakes, retention areas, water management areas, ditches, culverts, structures and related appurtenances.

O. In general, to have all powers which may be conferred upon a corporation not for profit by the laws of the State of Florida, except as prohibited herein.

P. To dedicate, sell, lease, 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 upon by the members. No such transfer or dedication shall be effective unless a written instrument has been signed by two-thirds (2/3) of the members consenting to a dedication, sale or transfer.

#### ARTICLE IV MEMBERS

The members of this Association shall consist of all owners of lots in the Subdivision. Owners of such lots shall automatically become members upon acquisition of the fee simple title to their respective lots.

The membership of any member in the Association shall automatically terminate upon conveyance or other divestment of title to such member's lot, except that nothing herein contained shall be construed as terminating the membership of any member who may own two or more lots so long as such member owns at least one lot.

The interest of a member in the funds and assets of the Association may not be assigned, hypothecated, or transferred in any manner, except as an appurtenance to the lot which is the basis of his or her membership in the Association.

The Secretary of the Association shall maintain a list of the members of the Association. Whenever any person or entity becomes entitled to membership in the Association, it shall become such party's duty and obligation to so inform the Secretary in writing, giving his name, address and lot number and providing a copy of the recorded deed instrument; provided, however, that any notice given to or vote accepted from the prior owner of such lot before receipt of written notification of change of ownership shall be deemed to be properly given or

received. The Secretary may (but shall not be required to) search the Public Records of Sarasota County or make other inquiry to determine the status and correctness of the list of members of the Association maintained by him or her and shall be entitled to rely upon the Association's records until notified in writing of any change in ownership.

ARTICLE V  
VOTING

Each lot in the Subdivision shall be entitled to one vote in all Association matters submitted to the membership, and the owner of the lot shall be entitled to cast the vote in his or her discretion. Notwithstanding the foregoing, where an owner has constructed a single dwelling unit on more than one lot, such lots shall be entitled to vote and shall be assessed in like fashion (for example, a dwelling on one and one-half lots would pay one and one-half assessments and have one and one-half votes in Association matters).

ARTICLE VI  
BOARD OF DIRECTORS

A. The affairs of the Association shall be managed by a Board of Directors consisting initially of three Directors. The number of Directors comprising succeeding Boards of Directors shall be as provided from time to time in the Bylaws of the Association, but in no event shall there be less than three or more than nine Directors. The Directors need not be members of the Association or residents of the State of Florida, so long as the Developer retains the right to appoint a majority of the Board of Directors. Thereafter, all directors shall be members of the Association and residents of the state of Florida.

B. All Directors shall be appointed by and shall serve at the pleasure of Developer until the "turnover" meeting of members. Commencing with the "turnover" meeting, all Directors shall be elected by the members. The "turnover" meeting shall mean an annual or special meeting of the members that must occur within three months after 90 percent of the lots in all phases of the community that will ultimately be operated by the Association have been conveyed to members other than the Developer or, if earlier, the date on which Developer relinquishes its right to appoint a majority of the Board of Directors.

C. All Directors who are not subject to appointment by Developer shall be elected by the members. Elections shall be by plurality vote.

D. Except as hereinafter provided, the term of each elected Director shall expire upon the election of his successor at the next succeeding annual meeting of members. Commencing with the first annual meeting that either follows or constitutes the "turnover" meeting, all Directors elected by the members shall be elected on a staggered two-year-term basis. Accordingly, at such meeting, the one-half of the elected Directors receiving the highest number of votes, and, in addition, if there are an odd number of Directors elected, the Director receiving the next highest number of votes, shall serve two-year terms, and the other elected Directors shall serve one-year terms. At each annual meeting of members thereafter, Directors shall be elected for two-year terms to fill the vacancies of those Directors who terms are then expiring. In the event additional Directors are elected at an annual meeting to fill new directorships created by expansion of the Board, such Directors shall be elected, in the manner set forth above, for one- or two-year terms as may be appropriate to make even, or as nearly as even as possible, the number of Directors serving one- and two-year terms. Each elected Director shall serve until his respective successor has been duly elected and qualified, or until his earlier resignation, removal, or death.

E. Any elected Director may be removed from office with or without cause by majority vote of the members at any special or regular meeting after proper notice of the vote has been served on the members, but not otherwise. Any appointed Director may be removed and replaced with or without cause by Developer, in developer's sole discretion.

ARTICLE VII  
OFFICERS

The officers of the Association, to be elected by the Board of Directors, shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board shall deem appropriate from time to time. The President



thereof in which they may become involved by reason of holding such office. In no event, however, shall any officer or Director be indemnified for his own willful misconduct or, with respect to any criminal proceeding, his own knowing violation of provisions of law. The Association may purchase and maintain insurance on behalf of all officers and Directors for any liability asserted against them or incurred by them in their capacity as officers and Directors or arising out of their status as such. This expense shall be deemed a common expense and included in the annual budget.

ARTICLE XV  
DISSOLUTION OF THE ASSOCIATION

A. The corporation shall have perpetual existence, but if the Association is dissolved, the property consisting of the surface water management system shall be conveyed to an appropriate agency of local government, and that if not accepted, then the surface water management system shall be dedicated to a similar non-profit corporation.

B. Upon dissolution of the Association, any other assets remaining after provision for payment of creditors and all costs and expenses of such dissolution shall be distributed in the following manner:

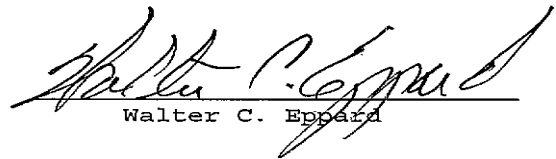
(1) Any property determined by the Board of Directors of the Association to be appropriate for dedication to any applicable municipal or other governmental authority may be dedicated to such authority provided the authority is willing to accept the dedication.

(2) Except as may be otherwise provided by the terms of the Declaration, all remaining assets, or the proceeds from the sale of such assets, shall be apportioned among the lots in the Subdivision prorated to the number of votes attributable to such lots pursuant to Article VI hereof, and the share of each shall be distributed to the then owners thereof.

ARTICLE XVI  
BINDING EFFECT

The provisions hereof shall bind and inure to the benefit of the members and Developer and their respective successors and assigns.

IN WITNESS WHEREOF, the above-named incorporator has hereunto set his hand and seal this 22nd day of October, 1999.

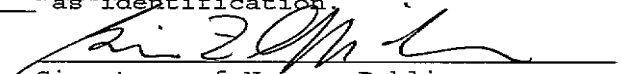
  
Walter C. Eppard

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 22nd day of October, 1999 by Walter C. Eppard, who is personally known to me or who has produced \_\_\_\_\_ as identification.

 Bernice Z Griffith  
My Commission CC736984  
Expires April 26, 2002

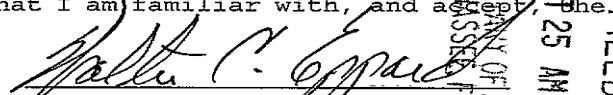
(Notary Seal)

  
Signature of Notary Public  
Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

ACCEPTANCE BY REGISTERED AGENT

The undersigned hereby accepts the appointment as a registered agent of the foregoing corporation. I further state that I am familiar with, and accept the obligations of that position.

  
Walter C. Eppard

SECRETARY OF STATE  
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