

ARTICLES OF INCORPORATION

OF

PARADISE BEACH RESORT ST. AUGUSTINE, INC.

A Corporation Not For Profit

The undersigned incorporator hereby associate ourselves together and make, subscribed, acknowledge, and file with the Department of State of the State of Florida these Articles of Incorporation for the purpose of forming a corporation not for profit under the laws of the State of Florida.

ARTICLE I

Name

The name of this corporation is Paradise Beach Resort St. Augustine, Inc., called the "Association" in these Articles.

ARTICLE II

Office and Registered Agent

This Association's registered office is 8641 Baypine Road, Suite 1, Jacksonville, FL 32256-7515, and its registered agent is S. W. Register, Jr., who maintains a business office identical with this Association's registered office. Both this Association's registered office and registered agent may be changed from time to time by the Board of Directors as provided by law.

ARTICLE III

Purpose and Powers of the Association

This Association does not contemplate pecuniary gain or profit to its members. It is formed to promote the health, safety, and general welfare of the residents within all or any portion of the following described tracts of land in St. Johns County, Florida, and any additions as hereafter may be brought within this Association's jurisdiction:

All of ST. AUGUSTINE BEACH AND TENNIS CLUB TOWNHOUSES, TRACT 6, as recorded in Plat Book 14, pages 30 and 31 of the Public Records of St. Johns County, Florida.

(i) General. Have and exercise all rights, powers, and privileges that a corporation not for profit may now or hereafter have or exercise under the laws of the State of Florida, together with all other rights, powers, and privileges reasonably to be implied from the existence of any right, power, or privilege so granted, or granted by the Declaration, or these Articles, or reasonably necessary, convenient, or desirable to effectuate the exercise of any right, power, or privilege so granted.

(j) Maintenance. Cause the exteriors of certain residence Lots to be maintained, in the manner provided in the Declaration.

ARTICLE IV

Membership

Every Person who from time to time holds the Record fee simple title, or any undivided fee simple interest of Record, to any Lot is a member of this Association, including contract sellers, but excluding all other persons who hold any interest in any Lot merely as security for the performance of an obligation. An Owner of more than one Lot is entitled to one membership for each Lot owned. Membership is appurtenant to, and may not be separated from, ownership of at least one Lot; and membership may not be transferred except by transfer of Record title to such Lot.

ARTICLE V

Voting Rights

Section 1. Classification. This Association has one class of voting membership.

Section 2. Co-Ownership. If more than one Person owns a Record fee simple interest in any Lot, all such Persons are members; but there may be only one vote cast for such Lot. Such vote may be exercised as the Owners determine among themselves; but no split vote is permitted. Notwithstanding the foregoing, if title to any Lot is held by husband and wife, either co-tenant is entitled to cast the vote for such Lot unless and until the Association is notified otherwise in writing.

This Association's purposes include, without limitation, provision for the maintenance, preservation, and architectural control of the residence Lots and Common Area now or hereafter created in the lands described above by recording in the Public Records of St. Johns County, Florida, that certain "Declaration of Restrictions: The Townhouses at St. Augustine Beach and Tennis Club" (the "Declaration") recorded at Book 464, Page 743, et seq., public records of St. Johns County, Florida, and within any additions to such lands as hereafter may be brought within this Association's jurisdiction in the manner provided in the Declaration. Without limitation, this Association is empowered to:

(a) Declaration Powers. Exercise all rights, powers, and privileges, and perform all duties, of this Association from time to time set forth in the Declaration, including the right to enforce all of its provisions of its own name.

(b) Property. In any lawful manner, acquire, own, hold, improve, manage, operate, maintain, convey, sell, lease, transfer, assign, and otherwise dispose of property of any nature whatsoever, real, personal, or mixed, tangible or intangible, in connection with this Association's affairs.

(c) Assessments. Fix, levy, collect, and enforce by any lawful procedure all charges or assessments established by, or pursuant to, the Declaration.

(d) Costs. Pay all costs, expenses, and obligations lawfully incurred in connection with this Association's affairs including, without limitation, all licenses, taxes, or other governmental charges levied or imposed against this Association's property.

(e) Borrowings. Borrow money and, with the approval of two-thirds (2/3) of the members, mortgage, pledge, deed in trust, hypothecate, assign, grant security interests in, or otherwise transfer any or all of its property as security for money borrowed, debts incurred, or any of its other obligations.

(f) Dedications. With the approval of two-thirds (2/3) of the members, dedicate, sell, or transfer all or any part of its property to any public agency, authority, or utility for such purposes, and subject to such conditions, as two-thirds (2/3) of the members determine.

(g) Reorganizations. With the approval of two-thirds (2/3) of the members, participate in mergers and consolidations with other nonprofit corporations organized for similar purposes.

(h) Regulations. From time to time adopt, alter, amend, rescind, and enforce reasonable rules and regulations governing the use of the Lots and the Common Area, consistent with the rights and duties established by the Declaration.

ARTICLE VI

Board of Directors

Section 1. Number and Term. This Association's affairs are managed by a Board of Directors initially composed of Directors, who need not be Association members. The number of Directors from time to time may be changed by amendment to this Association's Bylaws. The term of office for all Directors is one year, and any Director may succeed himself in office.

Section 2. Election. All Directors are elected by secret written ballot at the annual meeting. Each member entitled to vote may cast as many votes for each vacancy as such members has under the provisions of Article V of these Articles; and the person receiving the largest number of votes cast by the members for each vacancy is elected. Cumulative voting is not permitted.

Section 3. Initial Directors. The names and addresses of the persons who will serve as Directors until their successors have been duly elected and qualify, unless they sooner die, resign, are removed, or are incapacitated or otherwise unable to serve, are:

<u>Name</u>	<u>Address</u>
Dr. Andreas Sonntag	Rellingrstr 58 2000 Hamburg 20, Germany
Rudolph Kerscher	Lerchensberggring 52 6000 Frankfurt 70, Germany
Ilse Holm	Am Lowentor 14 6100 DARMSTADT, Germany
Horst Bach	Seitersweg 17a 6100 DARMSTADT, Germany
Werner Georgi	Hoefchensweg 10 5100 AACHEN, Germany

ARTICLE VII

Officers

The names of the officers of this Association who will serve until their successors have been elected at the annual meeting of the Board of Directors and thereafter qualified, unless they sooner die, resign, are removed, or are incapacitated or otherwise unable to serve, are:

<u>Name</u>	<u>Office</u>
Dr. Andreas Sonntag	President
Rudolph Kerscher	Treasurer
Ilse Holm	Secretary

ARTICLE VIII

Incorporator

The name and address of the Incorporator is:

<u>Name</u>	<u>Address</u>
B. Thomas Whitefield	200 W. Forsyth Street, Suite 1600 Jacksonville, FL 32202

ARTICLE IX

Dissolution

This Association may be dissolved in the manner from time to time provided by the laws of the State of Florida and (i) with the approval of two-thirds (2/3) of the members and (ii) upon such other approvals, if any, as may be required by Article XIII, below. Upon dissolution of this Association in any manner other than incident to a merger of consolidation, all of this Association's assets must be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. If such dedication is refused, such assets must be granted, conveyed, and assigned to a non-profit corporation, association, trust, or other organization to be devoted to such similar purposes, but in no event may any assets inure to the benefit of any member or other private individual.

ARTICLE X

Duration

This Association exists perpetually.

ARTICLE XI

Bylaws

This Association's Bylaws initially will be adopted by the Board of Directors. Thereafter, the Bylaws may be altered, amended, or rescinded by a majority vote of a quorum of the members present or represented at any regular or special meeting duly called and convened.

ARTICLE XII

Amendments

Amendments to these Articles may be proposed and adopted in the manner from time to time provided by the laws of the State of Florida, except that each such amendment must have the approval of two-thirds (2/3) of the members.

ARTICLE XIII

Other Approvals

As provided in Article IX, § 4, of the Declaration, the approval of the holders of seventy-five percent (75%) of the First Mortgages from time to time encumbering the Lots is required for all of the following: (i) alienation or encumbering of all or any portion of the Common Area; and (ii) amendment of these Articles of Incorporation; and (iii) the merger, consolidation, or dissolution of this Association. Developer's approval of all of the foregoing also is required so long as Developer's prerogatives continue under Article VIII-A of the Declaration.

ARTICLE XIV

Voting Requirements

Section 1. Percentage Requirements. Unless the context expressly requires only the approval of those members present and voting, any provision of these Articles, the Declaration, or the Bylaws that expressly requires the approval of a specified percentage of the membership requires the approval of those members entitled to cast the requisite percentage of the total votes eligible to be cast by the membership. In the absence of an express voting requirement, the majority vote of those members present and voting at a meeting duly called and convened is sufficient.

Section 2. Two-Thirds of Class. Any of the following constitute Extraordinary Action that must be approved by two-thirds (2/3) of the members: (i) any mortgaging of this Association's property as provided in Article III(e) of these Articles; (ii) any merger or consolidation of this Association as provided in Article III(g) of these Articles; (iii) any dissolution of this Association as provided in Article IX of these Articles; and (iv) amending these Articles of Incorporation as provided in Article XII of these Articles.

Section 3. Two-thirds of Those Present. Any of the following constitute Extraordinary Action that requires the approval of two-thirds (2/3) of those members present and voting: (i) capital improvements to the Common Area, as provided in Article IV, § 7, of the Declaration; (ii) any special assessment for capital improvements to the Common Area, as provided in Article V, § 5, of the Declaration; and (iii) any extension of the Declaration to any lands other than the Unplatted Lands, as provided in Article VIII, § 3, of the Declaration.

Section 4. Notice and Quorum Requirements. As provided in Article IX, § 3, of the Declaration, written notice of any meeting at which any Extraordinary Action enumerated in this Article will be taken must be given to all Owners not less than 30 days, nor more than 60 days, in advance of such meeting. The presence of members or proxies entitled to cast at least sixty percent (60%) of the votes of the membership constitutes a quorum. If the required quorum is not forthcoming, another meeting may be called on not less than ten days written notice; and the required quorum at the subsequent meeting will be reduced to fifty percent (50%).

Section 5. Written Action. Any action that may be taken at any membership meeting, including any Extraordinary Action enumerated in this Article, may be taken without a meeting, without prior notice, and without a vote if: (i) written consent, setting forth the action so taken, is signed by those Owners entitled to exercise not less than the minimum number of votes necessary to authorize or take such action at a meeting; and (ii) within 10 days after obtaining such written consent, notice thereof is given to those members who have not so consented in writing.

Section 6. Certification. An instrument signed by any executive officer of this Association, and attested by this Association's Secretary under this Association's seal, is conclusive that any required approval has been obtained in the manner provided in these Articles as to Persons without actual knowledge to the contrary.

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR
THE SERVICE OR PROCESS WITHIN THE STATE OF FLORIDA AND NAMING
THE REGISTERED AGENT UPON WHOM PROCESS MAY BE SERVED

Paradise Beach Resort St. Augustine, Inc., desiring to organize under the laws of the State of Florida as a corporation not for profit with its registered officer, as indicated in its Articles of Incorporation, at 8641 Baypine Road, Suite 1, Jacksonville, FL 32256-7515, has named S. W. Register, Jr., whose business is identical with such registered office, as its registered agent to accept service of process within this state, all in accordance with Section 607.034, Florida Statutes.

ACCEPTANCE

Having been named to accept service of process for the above stated corporation, at the place designated in this certificate, I hereby accept to act in this capacity and agree to comply with the provisions of the laws of the State of Florida relative to maintaining such registered office.

Dated this 28th day of April, 1993.

S. W. Register, Jr.,
Registered Agent

ARTICLE XV

Interpretation

Express reference is made to the terms and provisions of the Declaration where necessary to interpret, construe, and clarify the provisions of these Articles. Without limitation, all terms defined in the Declaration have the same meaning where used in these Articles; and the rules of interpretation set forth in the Declaration apply to the interpretation, construction, application, and enforcement of these Articles. By subscribing and filing these Articles, the incorporator intends their provisions to be consistent with the provisions of the Declaration and to be interpreted, construed, applied, and enforced with those of the Declaration to avoid inconsistencies of conflicting results.

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of Florida, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this 28th day of April, 1993.

B. Thomas Whitefield,
Incorporator

STATE OF FLORIDA
COUNTY OF DUVAL

BEFORE ME, the undersigned authority, this day personally appeared B. Thomas Whitefield, who is personally known to me and is the person described in, and who signed the foregoing Articles of Incorporation of Paradise Beach Resort St. Augustine, Inc., and who acknowledged to me that he executed and subscribed such Articles for the purposes set forth therein.

WITNESS my hand and official seal this _____ day of _____, 1993.

(Print Name)
Notary Public, State of Florida
My Commission Expires: