

STATE OF ALABAMA
BALDWIN COUNTY

STATE OF ALABAMA,
BALDWIN COUNTY

I certify that this instrument was filed on

DEC 12 1983

AM

ARTICLES OF INCORPORATION
OF
BUENA VISTA CONDOMINIUM
OWNERS' ASSOCIATION, INC.
A NONPROFIT CORPORATION

and that no tax was collected. Recorded in
Book 47
Page 743-39 Judge of Probate
D.P. 1 Index \$ By etc

We, the undersigned persons of lawful age, for the purpose of becoming a nonprofit body corporate for the management of the common affairs and expenses of Buena Vista Condominium, a condominium located in Gulf Shores, Baldwin County, Alabama, formed simultaneously herewith pursuant to the provisions of Sections 35-8-1 to 35-8-22 CODE OF ALABAMA 1975 (hereinafter referred to as the Alabama Condominium Ownership Act) do hereby make, adopt and file these articles of incorporation pursuant to the provisions of the Alabama Nonprofit Corporation Act (Sections 10-3-1 to 10-3-172 CODE OF ALABAMA 1975).

REC-047-0743

ARTICLE ONE
NAME

1.1 The name of the corporation is Buena Vista Condominium Owners' Association, Inc.

ARTICLE TWO
DURATION

2.1 The duration of the corporation shall be perpetual.

ARTICLE THREE
OBJECTS, PURPOSES AND POWERS

3.1 The nature and business of the corporation, and the objects and purposes for which it is formed are as follows:

3.2 The corporation shall manage and administer the common affairs and expenses of Buena Vista Condominium, a condominium in Gulf Shores, Baldwin County, Alabama, formed simultaneously herewith pursuant to the provisions of the Alabama Condominium Ownership Act (Sections 35-8-1 to 35-8-22 CODE OF ALABAMA 1975) and, to that end, shall arrange for goods, services, common utilities and insurance coverage for the joint enjoyment, benefit and protection of the owners of Buena Vista Condominium and their respective real interests of ownership therein.

3.3 The corporation shall maintain, repair, replace, clean and sanitize the common elements of Buena Vista Condominium, as necessary.

3.4 The corporation shall assess and collect funds from the owners of the private individual units of Buena Vista Condominium and shall utilize such funds to pay for the common expenses (and limited common expenses, if any) of Buena Vista Condominium. Such expenses shall include, but shall not be limited to, garbage service, sewer service, water service, the lighting of common areas and grounds and the maintenance, as required, of common mechanical equipment and facilities and common recreational equipment and facilities. If ever required by law, the corporation shall also list the common areas for taxation for the benefit of Buena Vista Condominium. (However, no such law exists at the date of the adoption of these articles.) The corporation shall not arrange or be responsible for utilities or services benefitting solely private individual units of Buena Vista Condominium. Any surplus of funds so assessed in excess of such

MSC 047-0744

expenses at the end of any accounting period shall be retained by the corporation or refunded pro rata to the owners of private individual units of Buena Vista Condominium, as the corporation's Board of Directors may elect.

3.5 The corporation shall maintain forms of insurance coverage which are for the benefit of the unit owners. The premiums for such insurance shall be assessed to the owners of the private individual units of Buena Vista Condominium on a pro rata basis, in accordance with their respective shares of the common elements, and shall constitute a part of each unit owner's liability for common expense. The corporation shall advise each unit owner of the type and amount of insurance coverage maintained by the corporation. An insurance committee or trustee may be appointed by the corporation and charged with the responsibility for securing, maintaining and administering the proceeds of any such insurance. No unit owner or other person or entity having an insurable risk in Buena Vista Condominium shall be precluded from obtaining additional insurance, individually at his own expense and for his own exclusive benefit, against any risk, whether or not covered by insurance maintained by the corporation. Insurance maintained by the corporation shall include but shall not be limited to coverage of the entire condominium property against loss by fire, windstorm, rainstorm, flood and such other hazards as to which the corporation may desire insurance coverage, and liability insurance against any risk, such as death, personal injury, or damage to property, faced by unit owners or by the corporation in respect of their individual common (or limited common, if any)

REC-047-0715

ownership in or control over the condominium property, including but not limited to the acts and omissions of the corporation, its agents, servants and employees.

3.5(a) In the event of loss or damage to all or any part of Buena Vista Condominium the association shall have the power to assess the unit owners, on a pro rata basis, in accordance with their respective shares of the common elements, for the amount by which the cost of repair of such loss or damage exceeds the amount of insurance proceeds paid or due to be paid as the result of such loss or damage.

3.5(b) In the event of any damage to the condominium property, or any portion thereof, the association, and each of its officers and directors, shall hold the proceeds of insurance paid as the result of such loss, and all monies assessed and collected from the unit owners pursuant to the provisions of paragraph 3.5(a), above, in trust pending formal action at full meeting of the association unit owners, at which meeting there must be a quorum, and shall expend such monies in strict accordance with the wishes, expressed by vote, of a majority of the votes cast at such meeting. The trust hereby established shall be for the benefit of the unit owners and, in the case of mortgaged units, their respective mortgagees.

3.6 The corporation shall exercise the right of access to the private individual units of Buena Vista Condominium granted it by the Declaration of Condominium of Buena Vista Condominium during reasonable hours and upon prior notice (except during emergencies) as may be necessary for the maintenance, repair or replacement of any common elements (or limited common elements, if any) therein or

accessible therefrom, or for making emergency repairs necessary to prevent damage to any other unit or units or common areas.

3.7 The corporation may purchase units in Buena Vista Condominium and otherwise acquire, hold, lease, mortgage and convey the same. It may also lease or license the use of the common elements (and limited common elements, if any) in a manner not inconsistent with the rights of the owners of the private individual units of Buena Vista Condominium.

3.8 The corporation may acquire or enter into agreements whereby it acquires personal property, real property, leaseholds, memberships, units or other possessory or use interests in lands, facilities, services or utilities.

3.9 The corporation may enter into agreements by which its powers and responsibilities, or some of them, may be exercised or performed by some other person or persons.

3.10 The corporation shall have perpetual succession by its corporate name.

3.11 The corporation shall sue and be sued, complain and defend, in its corporate name.

3.12 The corporation may have a corporate seal, which may be altered at pleasure, and may use the same by causing it, or a facsimile thereof, to be impressed or affixed in a convenient manner.

3.13 The corporation may purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, pledge or otherwise dispose of, and otherwise use and deal in and with shares or other interests in, or obligations of, other

corporations, associations, partnerships or individuals, whether such entities be for profit or not for profit, or direct or indirect obligations of the United States, or of any other government, state, territory, governmental district, county or municipality, or any instrumentality organized under the auspices, powers or permission thereof.

3.14 The corporation may make contracts and incur liabilities, borrow at such rates of interest as the corporation may determine, issue notes, bonds or other obligations and secure any of its obligations by mortgage, or pledges of any or all of its property, franchises and income. Nothing in this paragraph shall be construed as conferring upon the corporation any interest of ownership in any part of Buena Vista Condominium, whether private or common elements (or limited common elements, if any); this corporation's sole interest with respect to Buena Vista Condominium being limited to the administration and management of the common affairs of the separate individual owners of the private individual units of Buena Vista Condominium.

3.15 The corporation may lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for payment for funds so loaned or invested.

3.16 The corporation may conduct its affairs, carry on its operations, and have offices and exercise the powers granted by the Alabama Nonprofit Corporation Act (Sections 10-3-1 to 10-3-172 CODE OF ALABAMA 1975) and the Alabama Condominium Ownership Act (Sections

MSC047-0748

35-8-1 to 35-8-22 CODE OF ALABAMA 1975) in any state, territory, district or possession of the United States, or in any foreign country.

3.17 The corporation may elect or appoint officers and agents of the corporation, define their duties and fix their compensation.

3.18 The corporation may make and alter bylaws, not inconsistent with these articles, the declaration of condominium of Buena Vista Condominium, the laws of the State of Alabama, or the United States, for the administration and regulation of the affairs of the corporation and of Buena Vista Condominium.

3.19 The corporation may indemnify any director or officer or former director or officer of the corporation, any person who may have served at its request as a director or officer of another corporation, whether for profit or not for profit, against expenses actually and necessarily incurred by such person in connection with the defense of any action, suit or proceeding in which such person is made a party by reason of having been such director or officer, except in relation to such matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty; but such indemnification shall not be deemed exclusive of any other rights to which such director may be or become entitled under any bylaws, agreement, vote of board of directors or members, or otherwise.

3.20 The corporation may cease its corporate activities and surrender its corporate franchise at any time subsequent to the termination of Buena Vista Condominium pursuant to the provisions of

the Alabama Condominium Ownership Act, Section 35-8-20 CODE OF ALABAMA 1975; and shall have and exercise all other powers, rights and duties necessary or convenient to the furtherance of any or all of the purposes for which the corporation is organized, including those set forth in the provisions of the Alabama Nonprofit Corporation Act and the Alabama Condominium Ownership Act, whether or not specifically set forth or enumerated in these articles.

ARTICLE FOUR
LIMITATION ON POWERS

4.1 Any income received by the corporation shall be applied only to the nonprofit purposes and objectives of the corporation as set forth above, and no part thereof, during membership or upon termination of membership, shall inure to the benefit of any private member or individual.

4.2 The corporation shall not engage in any transaction prohibited by Section 503(c) of the United States Internal Revenue Code as now enacted or as hereafter amended, or the Alabama Nonprofit Corporation Act, or the Alabama Condominium Ownership Act.

4.3 The corporation shall not apply accumulation of income in any manner which may subject it to denial of exemptions as provided by Section 504 of the United States Internal Revenue Code as now enacted or as hereafter amended.

4.4 No part of the activities of the corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in, (including the publication and distribution of statements) any political campaign on

behalf of any candidate for public office.

4.5 If, at any time, the corporation shall cease to carry out the purposes herein stated, all assets and property held by it, whether in trust or otherwise, shall after the payment of its liabilities, be paid over to an organization which itself has similar purposes and has established an appropriate tax exempt status under Section 501(c)(3) of the United States Internal Revenue Code as now enacted or as hereafter amended, and shall be applied exclusively for the purposes set forth above.

4.6 The corporation shall not serve as advertising or rental agent for the owners in the ordinary course of its business. This provision shall not prevent the corporation from referring prospective renters to the various owners on a rotating or some other equal basis, but under no circumstances shall the corporation receive and pool rental income for distribution to the owners on any basis other than according to the actual rental income generated by each individual unit. This paragraph may not be amended except by unanimous vote of the owners. In the event of such amendment, each owner, whether or not a designated voting member of the corporation, shall sign a certificate to be held in the corporate files acknowledging that the pooling of rental income may subject their interests of ownership in Buena Vista Condominium to registration under the federal securities acts and the Alabama Blue Sky Laws.

ARTICLE FIVE MEMBERSHIP AND VOTING

5.1 There shall be one hundred sixty two units of

MSC047-0751

W.047-0752

membership in Buena Vista Condominium Owners' Association, Inc., five units of membership for each of the eighteen two bedroom condominium units, and six units of membership for each of the twelve three bedroom condominium units. Each unit of Buena Vista Condominium shall have a number of votes equal to its units of membership in Buena Vista Condominium Owners' Association, Inc., as indicated above. A unit deed to one of the thirty private individual condominium units of Buena Vista Condominium from the Developer or some person or entity holding through, under or in direct chain of title from the Developer shall be conclusive evidence of membership in the corporation and shall serve as a certificate of membership therein.

5.2 When one of the condominium units of membership in the corporation is jointly or severally owned by two or more persons or other separate legal entities a majority of the collective owners of that unit shall advise the secretary of the corporation, in writing, of the name of some person, who may but who need not be one of their number, designated by them to exercise and cast the votes attributable to their unit, and the secretary shall enter such written designation, and such name, in a book kept for that purpose. Buena Vista Condominium Owners' Association, Inc., shall be entitled to rely on such designation and shall recognize as entitled to so vote only those thirty persons who shall have been so designated as voters, notwithstanding that persons or other entities other than those so designated may have various interests of ownership in the individual units from time to time. The majority of the owners of any private individual unit may redesignate, at any time, any person, whether or

not an owner, as entitled to exercise the votes of that unit by so notifying the secretary of Buena Vista Condominium Owners' Association, Inc., in writing. The corporation shall recognize only the votes of the last person so designated by a majority of the owners of each unit of Buena Vista Condominium.

5.3 The granting of a mortgage on a unit by its owner(s) shall be construed as conferring upon the mortgagee a conditional proxy to cast the votes attributable to that unit at any regular or special meeting of the association. The condition of such proxy shall be notice by such mortgagee to the association, in writing, of its intent to exercise the conditional proxy rights granted to it, as mortgagee, by the terms of this subparagraph. In the absence of such written notice, the association shall be entitled to recognize the unit owner(s) of mortgaged units as fully entitled to cast the votes attributable to their unit. However, once such written notice is received by the association, the mortgagee's right to cast the votes attributable to that unit shall be recognized by the association until the mortgagee withdraws its intent to cast such votes, in writing, or until the mortgage is paid in full and satisfied of record, whichever first occurs.

5.4 In the event of conflict between the provisions of subparagraphs 5.1, 5.2 and 5.3, above, the provisions of subparagraph 5.3 shall be controlling.

ARTICLE SIX OFFICERS

6.1 The officers of the corporation shall consist of a

president, vice president, secretary, treasurer and registered agent, and such other officers or assistant officers as may be deemed necessary by the directors. The offices of president and secretary may not be held by the same individual, but all other offices may be combined in any manner the members see fit. The officers may, but need not be, members of Buena Vista Condominium Owners' Association, Inc., or owners of all or any part of Buena Vista Condominium. They must, however, be among those designated as voters pursuant to the provisions of paragraph 5.3 of these articles. The initial officers shall be selected by the incorporators and shall serve until such time as the Developer has completed and sold at least three fourths (3/4) (or next greater fraction) of Buena Vista Condominium. Within thirty days of the Developers' closing of the sales of three fourths (3/4) (or next greater fraction) of the units of Buena Vista Condominium the Developers shall call the initial meeting of the members of Buena Vista Condominium. At such and all subsequent meetings of the members of Buena Vista Condominium Owners' Association, Inc., the Developer shall hold and exercise the votes of all unsold units of Buena Vista Condominium to which it continues to hold title at the time of such meeting or meetings. Subsequent to such initial meeting the officers elected shall serve in such manner and for terms, not exceeding three years, as may be prescribed in the corporation's bylaws. The initial officers, as selected by the incorporators, are as follows:

K.J. Altmyer, Jr.
P r e s i d e n t
Post Office Box 185
Gulf Shores, Al 36542

Thomas W. Klyce
Vice President
Post Office Box 818
Gulf Shores, Al 36542

Kenneth J. Altmyer, Sr.
Secretary/Treasurer
Post Office Box 185
Gulf Shores, Al 36542

REC'D 047 - 0/54

ARTICLE SEVEN
DIRECTORS

7.1 The initial Board of Directors shall consist of the incorporators, whose names are set forth below, who shall serve for initial terms which expire when their replacements are selected and qualified or ninety (90) days subsequent to the Developer's sale of three fourths (3/4) (or next greater fraction) of the private individual units of Buena Vista Condominium, whichever first occurs. Thereafter, the Board of Directors shall consist of the corporation's president, immediate past president, vice president, secretary, treasurer and two additional directors to be selected in a manner to be prescribed by the bylaws. Within ninety (90) days of the Developer's sale of three fourths (3/4) (or next greater fraction) of the units of Buena Vista Condominium the Developer shall call the initial meeting of the members of Buena Vista Condominium Owners' Association, Inc., which meeting shall be for the purpose of electing officers and directors of the corporation, and for the purpose of transacting whatever other business of the corporation as may properly be brought before the meeting. At such and all subsequent meetings of the members of Buena Vista Condominium Owners' Association, Inc., the Developer shall hold and exercise the votes of all unsold units of Buena Vista Condominium to which it continues to hold title at the time of such meeting. Subsequent to the initial meeting the directors elected shall serve in such manner and for terms, not exceeding three years, as may be prescribed by the bylaws. In order to assure

REC-047-0/55

continuity of management the nonofficer directors may be divided into classes according to nonuniform initial terms of office. Each director shall hold office for the term for which he is elected or appointed and until his successor shall have been elected or appointed and qualified.

7.2 A director may be removed from office prior to the expiration of his or her term, upon two thirds (2/3) vote of the other directors and written notice, by certified mail, to such removed director. Vacancies occurring in the Board of Directors for any reason shall be filled by appointment by the remaining directors, such appointed director to serve for the unexpired term of his predecessor in office.

7.3 The Board of Directors shall have control and management over the corporation's activities, determine all policies, discipline and assess members, and generally supervise the affairs of the corporation. The Board of Directors may, by resolution adopted by a majority of the directors in office, designate one or more committees, each of which shall consist of two or more directors, which committees, to but only to the extent provided in such resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation.

7.4 The initial directors of the corporation, and their respective addresses, are as follows:

K.J. Almyer, Jr.
Post Office Box 185
Gulf Shores, Al 36542

Thomas W. Klyce
Post Office Box 818
Gulf Shores, Al 36542

Kenneth J. Almyer, Sr.
Post Office Box 185
Gulf Shores, Al. 36542

ARTICLE EIGHT
REGISTERED OFFICE AND AGENT

8.1 The registered office of the corporation shall be 811 Highway 59 South, Gulf Shores, Alabama 36542. Its mailing address shall be P. O. Box 818, Gulf Shores, Alabama 36542.

8.2 The registered agent of the corporation shall be Samuel G. McKerral, whose address is 811 Highway 59 South, Gulf Shores, Alabama 36542. His mailing address is P. O. Box 818, Gulf Shores, Alabama, 36542.

ARTICLE NINE
INCORPORATORS

9.1 The names and addresses of the incorporators of Buena Vista Condominium Owners' Association, Inc., are as follows:

K.J. Altmyer
Post Office Box 185
Gulf Shores, Al 36542

Thomas W. Klyce
Post Office Box 818
Gulf Shores, Al 36542

Kenneth J. Altmyer, Sr.
Post Office Box 185
Gulf Shores, al 36542

ARTICLE TEN
AMENDMENTS

10.1 These articles may be amended by the votes representing three fourths (3/4) of the one hundred sixty two units of membership of Buena Vista Condominium Owners' Association, Inc., cast in person or by proxy at a meeting duly held in accordance with the provisions of the bylaws. The notice of any meeting at which an amendment to these articles is proposed shall be in writing and shall include specific notice of the nature and terms of the proposed amendment. No amendment may change, alter or eliminate any private individual unit, or effect any change in the percentage or fraction of


MSC 047-0157

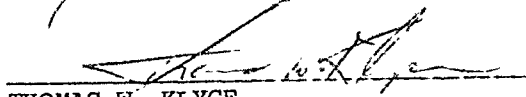
the ownership of the common elements attributable to that unit, unless all of the owners and record mortgage holders of that unit shall have agreed to such amendment, in writing. All amendments shall become effective only upon being placed of record in the Office of the Judge of Probate, Baldwin County, Alabama.


ARTICLE ELEVEN
RESOLUTION OF CONFLICTS

In the event of actual or apparent conflict between the provisions of these articles, the Declaration of Condominium of Buena Vista Condominium, or the By Laws of this association and Buena Vista Condominium, the provisions of the Declaration of Condominium of Buena Vista Condominium shall be controlling.

IN WITNESS WHEREOF, the undersigned incorporators of Buena Vista Condominium Owners' Association, Inc., have executed these articles of incorporation by subscribing their names this the 9th day of December, 1983.


K. J. ALTMYER, JR.


THOMAS W. KLYCE


KENNETH J. ALTMYER, SR.

REC'D 047-0158


STATE OF ALABAMA

BALDWIN COUNTY

CERTIFICATION OF INCORPORATION

I, the undersigned Judge of Probate of Baldwin County, Alabama, hereby certify that the Articles of Incorporation of Buena Vista Condominium Owners' Association, Inc., have this day been filed for record in the Probate Court of Baldwin County, Alabama; that the same have been examined and approved by me as being in compliance with the Alabama Nonprofit Corporation Act, Sections 10-3-1 to 10-3-172 CODE OF ALABAMA 1975, and the Alabama Condominium Ownership Act, Sections 35-8-1 to 35-8-22 CODE OF ALABAMA 1975, both as last amended, and that the incorporators of said corporation, their successors and assigns, constitute a body corporate under the name set forth in said certificate, namely, Buena Vista Condominium Owners' Association, Inc.

IN WITNESS WHEREOF, now therefore I, the Judge of Probate of Baldwin County, Alabama, hereunto set my hand and affix the seal of said Probate Court on this the 12th day of Dec., 1983.



Judge of Probate

MSC047-0/39