

ARTICLES OF INCORPORATION
OF
THE OCEAN AT THE BLUFFS SOUTH
CONDOMINIUM ASSOCIATION, INC.
(A Florida Corporation Not-For-Profit)

In order to form a corporation not-for-profit, under and in accordance with Chapter 617 of the Florida Statutes, we, the undersigned hereby associate ourselves into a corporation not-for-profit, for the purpose and with the powers hereinafter set forth and to that end, we do, by these Articles of Incorporation, certify as follows:

The terms contained in these "Articles" which are contained in the "Act" (as those terms are hereinafter defined), shall have the meaning of such terms set forth in such Act, and the following terms will have the following meanings:

A. "Act" means Condominium Act, Chapter 718, Florida Statutes, 1976, as amended by the 1984 Session of the Florida Legislature.

B. "Apartment" means "unit" as described in the Act and is that portion of the "Condominium Property" (as hereinafter defined) within a "Ocean Bluffs South Condominium" (as hereinafter defined) which is subject to exclusive ownership.

C. "Apartment Owner" means "unit owner" as defined in the Act and is the owner of an Apartment.

D. "Articles" means these Articles of Incorporation of the "Association" (as hereinafter defined).

E. "Assessment" means the share of funds required for the payment of "Common Expenses" (as such term is hereinafter defined) which from time to time is assessed against an Apartment Owner.

F. "Association" means The Ocean at the Bluffs South Condominium Association, Inc., a Florida corporation not-for-profit, responsible for operating "The Ocean at the Bluffs South, a Condominium" (as hereinafter defined).

G. "The Ocean at the Bluffs South" is the name given to a planned unit development located in the Town of Jupiter, Florida, of which "The Ocean at the Bluffs South, a Condominium" (as hereinafter defined) is a part.

H. "Board" means the Board of Directors of the Association.

I. "By-Laws" means the By-Laws of the Association.

J. "Common Elements" means the portion of the "Condominium Property" (as hereinafter defined) of each Ocean Bluffs South condominium (including all of the real property), not included in the Apartments of such Ocean Bluffs South condominium.

K. "Common Expenses" means the expenses for which Apartment Owners are liable to the Association as defined in the Act and as described in the "Condominium Documents" (as hereinafter defined).

L. "Condominium Declaration" means the Declaration of Condominium by which an Ocean Bluffs South condominium is submitted by "Developer" (as hereinafter defined) to the condominium form of ownership.

M. "Condominium Documents" means in the aggregate each Condominium Declaration, these Articles, the By-Laws of the Association, the "Recreational Covenants Agreement" (as hereinafter defined), and all of the instruments and documents referred to therein and executed in connection with an Ocean Bluffs South condominium.

N. "Condominium Property" means the real property and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with an Ocean Bluffs South condominium and which have been submitted to the condominium form of ownership by the Developer pursuant to the Act.

O. "Developer" means Burg & DiVosta Corporation, a Florida corporation, its successors, grantees and assigns. An Apartment Owner shall not, solely by the purchase of an Apartment, be deemed a successor or assign of Developer or of the rights of Developer under the Condominium Documents unless such Apartment Owner is specifically so designated as a successor or assignee of such rights in the instrument of conveyance or any other instrument executed by Developer.

P. "Director" means a member of the Board.

Q. "Member" means a member of the Association.

R. "Recreational Covenants Agreement" means that certain Agreement to be recorded amongst the Public Records of Palm Beach County, Florida, whereby the "Recreation Area" within Ocean Bluffs South Condominiums as therein described, are set aside by Developer for the benefit of the Association, the Apartment Owners, and other parties specified therein.

S. "The Ocean at the Bluffs South, a Condominium" is the name given to a condominium development located in the Town of Jupiter, Florida. This development is also referred to as "Ocean Bluffs South", "Ocean Bluffs South Condominium(s)", and the "Ocean Bluffs South condominium development".

T. "The Ocean at the Bluffs South Condominium Association, Inc." means that certain association created to hold and maintain the common elements and properties located in The Ocean at the Bluffs South, a Condominium.

ARTICLE I

NAME

The name of this Association shall be THE OCEAN AT THE BLUFFS SOUTH CONDOMINIUM ASSOCIATION, INC., whose present address is 10358 Riverside Drive, Palm Beach Gardens, Florida 33410.

ARTICLE II

PLAN FOR DEVELOPMENT AND
PURPOSE OF ASSOCIATION

A. Developer plans to develop the Ocean Bluffs South Condominiums on property located in the Town of Jupiter, Florida. Developer intends that the Ocean Bluffs South Condominiums, shall consist of seven (7) apartment buildings containing, in the aggregate, a maximum of one hundred ninety-eight (198) apartments. It is intended that each apartment building will be submitted to condominium ownership as a separate Ocean Bluffs South Condominium by the recording of a Condominium Declaration for that particular building and its appurtenances. As set forth in the Plan, Developer also intends to set aside a certain land area in the Ocean Bluffs South condominium development and to construct thereon certain improvements for the use of Apartment Owners, which land area and improvements ("Recreation Area") are described in the Recreational Covenants Agreement. The Association shall ultimately be conveyed ownership of the Recreation Area as provided in Paragraph E of Article II of the Recreational Covenants Agreement. Developer further intends that easements shall be established across, over, under and upon the Residential Property, including the Condominium Property of each Ocean Bluffs South Condominium and the Recreation Area in order to provide means of ingress, egress and for other purposes for the convenience and benefit of Members of the Association, their family members, guests, licensees and invitees and other parties as set forth in the Recreational Covenants Agreement.

B. The Association shall be the condominium association responsible for the operation of each Ocean Bluffs South Condominium, as well as all of the Ocean Bluffs South condominium development, including the Recreation Area. Each Apartment Owner shall be a Member of the Association as provided in these Articles. Developer and the Association shall enter into the Recreational Covenants Agreement and the Association shall ultimately be conveyed ownership of the Recreation Area as provided therein.

C. The purpose for which this Association is organized is to maintain, operate and manage the Ocean Bluffs South condominium development and Recreation Area and the improvements located therein now or in the future; all in accordance with the Plan set forth above and the Condominium Documents.

ARTICLE III

POWERS

The Association shall have the following powers which shall be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not-for-profit, which are not in conflict with the terms of the Condominium Documents or the Act.

B. The Association shall have all of the powers of a condominium association under the Act and shall have all of the powers reasonably necessary to implement the purposes of the Association including, but not limited to, the following:

1. to own, operate, maintain and convey the property of the Association in accordance with the Condominium Documents;

2. to make, establish and enforce reasonable rules and regulations governing Ocean Bluffs South Condominiums, the Recreation Area and the use of Apartments, Common Elements and Condominium Property;

3. to make, levy, collect and enforce Assessments against Apartment Owners in order to provide funds to pay for the expenses of the Association, the maintenance, operation and management of Ocean Bluffs South Condominiums and the Condominium Documents and the Act and to use and expend the proceeds of such Assessments in the exercise of the powers and duties of the Association;

4. to maintain, repair, replace and operate the Condominium Property and the Recreation Area in accordance with the Condominium Documents and the Act; and to maintain and operate the surface water management system as permitted by the South Florida Water Management District, including all lakes, retention areas, culverts and related appurtenances, if any;

5. to reconstruct improvements of the Condominium Property and the Recreation Area in the event of casualty or other loss;

6. to enforce by legal means the provisions of the Condominium Documents;

7. to employ personnel, retain independent contractors and professional personnel and enter into service contracts to provide for the maintenance, operation and management of the Condominium Property and the Recreation Area and to enter into any other agreements consistent with the purposes of the Association, including agreements as to the management of the Ocean Bluffs South Condominiums; and

8. to enter into the Recreational Covenants Agreement and any supplements, amendments or modifications thereto.

ARTICLE IV

MEMBERS

The qualification of Members, the manner of their admission to membership in the Association ("Membership"), the manner of the termination of such Membership, and voting by Members shall be as follows:

A. Until such time as the first Ocean Bluffs South Condominium is submitted to condominium ownership by the recordation of its Condominium Declaration, the Membership of this Association shall be comprised solely of the Subscribers ("Subscriber Members") to these Articles; and, in the event of the resignation or termination of any Subscriber Member, the remaining Subscriber Members may nominate and designate a successor Subscriber Member. Each of the Subscriber Members shall be entitled to cast one vote on all matters requiring a vote of the Membership.

B. Once the first Ocean Bluffs South Condominium is established by the recordation of its Condominium Declaration, the Subscriber Members' rights and interests shall be automatically terminated and the Apartment Owners within that and all subsequent Ocean Bluffs South condominiums submitted to condominium ownership, which shall mean in the first instance the Developer as the owner of the Apartments, shall be entitled to exercise all of the rights and privileges of Members.

C. Membership in the Association shall be established by the acquisition of ownership of fee title to an Apartment in any Ocean Bluffs South Condominium as evidenced by the recording of an instrument of conveyance amongst the Public Records of Palm Beach County, Florida, whereupon the Membership of the prior Apartment Owner thereof, if any, shall terminate as to that Apartment. Where title to an Apartment is acquired by conveyance from a party other than Developer in the case of sale, acquisition, inheritance, devise, judicial decree or otherwise, the person or persons thereby acquiring such Apartment shall not be a Member unless or until such acquisition is in compliance with Article XIV of the Condominium Declaration. New Apartment Owners shall deliver a true copy of the deed or other instrument of acquisition of title to the Association.

D. No Member may assign, hypothecate or transfer in any manner his Membership or his share in the funds and assets of the Association except as an appurtenance to his Apartment.

E. Membership in the Association shall be divided into classes ("Class Members") with the Apartment Owners of each Ocean Bluffs South Condominium constituting a separate class. Each class shall be designated by the same designation used to denote that particular Ocean Bluffs South Condominium. For example, Apartment Owners in Condominium 1 of the Ocean Bluffs South condominium development are "Class 1 Members".

F. In the event an Ocean Bluffs South condominium is terminated in accordance with its Condominium Declaration, the former Apartment

Owners in that Ocean Bluffs South Condominium shall no longer be Members or Class Members of the Association.

G. With respect to voting, the following provisions shall apply:

1. Either the Membership as a whole shall vote or the Class Members shall vote, which determination shall be made in accordance with subparagraphs G.2. and G.3. immediately below. However, in any event, each Apartment shall be entitled to only one (1) vote, which shall be exercised and cast in accordance with the Condominium Declaration and By-Laws.

2. In matters that require a vote, voting shall take place as follows:

(a) Matters substantially pertaining to a particular Ocean Bluffs South condominium shall be voted upon only by the Class Members of that Ocean Bluffs South Condominium and shall be determined by a majority of such Class Members at any meeting having a proper quorum (as determined in accordance with the By-Laws); and

(b) Matters substantially pertaining to the Association or to the Ocean Bluffs South condominium development as a whole shall be voted on by the Membership and shall be determined by a vote of the majority of the Membership in attendance at any meeting having a quorum (as determined in accordance with the By-Laws).

3. Any decision as to whether a matter substantially pertains to a particular Ocean Bluffs South Condominium for purposes of Class Member voting or to the Association or the Ocean Bluffs South condominium development as a whole for purposes of Membership voting shall be determined solely by the Board, but any matter material to the Recreation Area cannot be allocated by the Board to the vote of other than the full Membership. Notwithstanding the foregoing, no action or resolution affecting a particular Ocean Bluffs South Condominium which the Board determines to require the vote of the Membership shall be effective with regard to that particular Ocean Bluffs South Condominium unless the Class Members of that Ocean Bluffs South Condominium shall be given the opportunity to vote on said action or resolution.

4. The Membership shall be entitled to elect the Board as provided in Article IX of these Articles.

H. There shall be only one (1) vote for each Apartment, and if there is more than one (1) owner with respect to an Apartment as a result of the fee interest in such Apartment being held by more than one (1) person, such owners collectively shall be entitled to only one (1) vote in the manner determined by the Condominium Declaration.

ARTICLE V

TERM

The term for which this Association is to exist shall be perpetual; however, if the Association is dissolved, the property consisting of the surface water management system operated and maintained by the Association as a Common Element of each Ocean Bluffs South Condominium shall be conveyed to an appropriate agency of local government and if not accepted thereby, then it must be conveyed to a similar non-profit corporation.

ARTICLE VI

SUBSCRIBERS

The names and residences of the Subscribers to these Articles are as follows:

| NAME | ADDRESS |
|-------------------------|--|
| Charles H. Hathaway | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |
| Robert S. Kairalla | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |
| William E. Shannon, Jr. | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |

ARTICLE VII

OFFICERS

A. The affairs of the Association shall be managed by a President, one (1) or several Vice Presidents, a Secretary and a Treasurer and, if elected by the Board, an Assistant Secretary and an Assistant Treasurer, which officers shall be subject to the directions of the Board.

B. The Board shall elect the President, the Vice President, the Secretary and the Treasurer, and as many other Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board shall from time to time determine appropriate. Such officers shall be elected annually by the Board at the first meeting of the Board following the "Annual Members' Meeting" (as described in the By-Laws); provided, however, such officers may be removed by such Board and other persons may be elected by the Board as such officers in the manner provided in the By-Laws. The President shall be a Director of the Association, but no other officer need be a Director. The same person may hold two (2) offices, the duties of which are not incompatible; provided, how-

ever, the offices of President and Vice President shall not be held by the same person, nor shall the same person hold the office of President who holds the office of Secretary or Assistant Secretary.

ARTICLE VIII

FIRST OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

| | |
|----------------|-------------------------|
| President | Charles H. Hathaway |
| Vice President | Robert S. Kairalla |
| Secretary | William E. Shannon, Jr. |
| Treasurer | William E. Shannon, Jr. |

ARTICLE IX

BOARD OF DIRECTORS

A. The number of Directors on the first Board of Directors (the "First Board"), the "Initial Elected Board" (as hereinafter defined) and all Boards elected prior to the Annual Members' Meeting following the "Developer's Resignation Event" (as hereinafter defined) shall be three (3). The number of Directors elected by the "Purchaser Members" (as hereinafter defined) subsequent to the Developer's Resignation Event, shall be as provided in Paragraph J of this Article IX.

B. The names and addresses of the persons who are to serve as the First Board are as follows:

| NAME | ADDRESS |
|-------------------------|--|
| Charles H. Hathaway | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |
| Robert S. Kairalla | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |
| William E. Shannon, Jr. | 10358 Riverside Drive Palm Beach Gardens, Fl. 33410 |

Developer reserves the right to designate successor Directors to serve on the First Board for so long as the First Board is to serve, as hereinafter provided.

C. Upon the conveyance by Developer to Apartment Owners other than Developer ("Purchaser Members") of fifteen percent (15%) or more of the number of Apartments in a condominium at the Ocean Bluffs South condominium development which will eventually be operated by the Association, the Purchaser Members shall be entitled to elect one-third (1/3) of the Board, which election shall take place at a special meeting of the Membership to be called by the Board for such purpose (the "Initial Election Meeting"). Developer shall designate the remaining Directors on the Board at the Initial Election Meeting. The Director to be so elected by the Purchaser Members and the remaining Directors to be designated by Developer are hereinafter collectively referred to as the "Initial Elected Board" and shall succeed the First Board upon their election and qualification. Subject to the provisions of paragraph D of this Article IX, the Initial Elected Board shall serve until the next Annual Members' Meeting, whereupon the Directors shall be designated and elected in the same manner as the Initial Elected Board. The Directors shall continue to be so designated and elected at each subsequent Annual Members' Meeting until such time as the Purchaser Members are entitled to elect not less than a majority of the Directors on the Board.

D. Purchaser Members are entitled to elect not less than a majority of the Board upon the happening of any of the following events, whichever shall first occur:

1. Three (3) years after the first sale by Developer of an Apartment contained in the Ocean Bluffs South condominiums development has been closed, which closing shall be evidenced by the recording of an instrument of conveyance of an Apartment to a Purchaser Member amongst the Public Records of Palm Beach County, Florida; or

2. One hundred twenty (120) days after sales by Developer of seventy percent (70%) of the Total Apartments contemplated to be contained in the Ocean Bluffs South condominium development ("Total Apartments") have been closed, which closings shall be evidenced by the recording of instruments of conveyance of Apartments to each of such Purchaser Members amongst the Public Records of Palm Beach County, Florida; or

3. When all of the Total Apartments have been completed (as evidenced by the issuance of Certificates of Occupancy for all of same) and some have been sold to Purchaser Members and none of the others are being offered for sale by Developer in the ordinary course of business; or

4. When some of the Total Apartments have been conveyed to Purchaser Members and none of the others are being constructed or offered for sale by Developer in the ordinary course of business.

E. The election of not less than a majority of Directors by the Purchaser Members shall occur at a special meeting of the Membership to be called by the Board for such purpose (the "Majority Election Meeting").

F. At the Majority Election Meeting, Purchaser Members shall elect two (2) of the Directors, and Developer, until the Developer's Resignation Event, shall be entitled to designate one (1) Director. Developer reserves the right, until the Developer's Resignation Event, to name the successor, if any, to any Director it has so designated.

G. The Board shall continue to be so designated and elected, as described in Paragraph F above, at each subsequent Annual Members' Meeting, until the Annual Members' Meeting following the Developer's Resignation Event.

H. The Initial Election Meeting and the Majority Election Meeting shall be called by the Association, through its Board, within sixty (60) days after the Purchaser Members are entitled to elect a Director or the majority of Directors, as the case may be. A notice of meeting shall be forwarded to all Members in accordance with the By-Laws. The notice shall also specify the number of Directors which shall be elected by the Purchaser Members and the remaining number of Directors designated by Developer.

I. Developer shall cause all of its designated Directors to resign when Developer no longer holds at least five percent (5%) of the Total Apartments for sale in the ordinary course of business. In addition, Developer may at any time, in its sole discretion, cause the voluntary resignation of all of the Directors designated by it. The happening of either such event is herein referred to as the "Developer's Resignation Event". Upon the Developer's Resignation Event, the Directors elected by Purchaser Members shall elect successor Directors to fill the vacancies caused by the resignation or removal of Developer's designated Directors. These successor Directors shall serve until the next Annual Members' Meeting and until their successors are elected and qualified.

J. At each Annual Members' Meeting held subsequent to the year in which the Developer's Resignation Event occurs, all of the Directors shall be elected by the Members and upon the affirmative vote of a majority of the Board, the Board may be expanded to not greater than five (5) Directors.

K. The resignation of a Director who has been elected or designated by Developer and the resignation of an officer of the Association who has been elected by the First Board or the Initial Elected Board shall remise, release, acquit, satisfy, and forever discharge such officer or Director of and from any and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which the Association or Purchaser Members had, now have, or which any personal representative, successor, heir or assign of the Association or Purchaser Members hereafter can, shall or may have against said officer or Director for, upon, or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of such resignation.

L. The Association, prior to the Majority Election Meeting, shall not be bound either directly or indirectly to any contract or lease (including a management contract), unless there is a right of termination in such contract or lease, which is exercisable without cause and without penalty upon not more than ninety (90) days notice to the other party thereto.

ARTICLE X

INDEMNIFICATION

Every Director and every officer of the Association (and the Directors and/or officers as a group) shall be indemnified by the Association against all expenses and liabilities, including counsel fees (at all trial and appellate levels and whether or not suit be instituted) reasonably incurred by or imposed upon him or them in connection with any proceeding, litigation or settlement in which he may become involved by reason of his being or having been a Director or officer of the Association. The foregoing provisions for indemnification shall apply whether or not he is a Director or officer at the time such expenses and/or liabilities are incurred. Notwithstanding the above, in the event of a settlement, the indemnification provisions herein shall not be automatic and shall apply only when the Board approves such settlement and authorizes reimbursement for the costs and expenses of the settlement as in the best interest of the Association. In instances where a Director or officer admits or is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties, the indemnification provisions of these Articles shall not apply. Otherwise, the foregoing rights to indemnification shall be in addition to and not exclusive of any and all rights of indemnification to which a Director or officer may be entitled whether by statute or common law.

ARTICLE XI

BY-LAWS

The By-Laws of the Association shall be adopted by the First Board and thereafter may be altered, amended or rescinded by the affirmative vote of not less than a majority of the Members present at an Annual Members' Meeting or special meeting of the Membership and the affirmative approval of a majority of the Board at a regular or special meeting of the Board.

ARTICLE XII

AMENDMENTS

A. Prior to the recording of the first Condominium Declaration amongst the Public Records of Palm Beach County, Florida, these Articles may be amended only by an instrument in writing signed by all of the Subscribers to these Articles and filed in the Office of the Secretary of State of the State of Florida. The instrument amending

these Articles shall identify the particular Article or Articles being amended, give the exact language of such amendments, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles and shall be an exhibit to the Condominium Declaration upon the recording of any such Condominium Declaration.

B. After the recording of the first Condominium Declaration amongst the Public Records of Palm Beach County, Florida, these Articles may be amended in the following manner:

1. Notice of the subject matter of the proposed amendment shall be included in the notice of any meeting (whether of the Board or of the Membership) at which such proposed amendment is to be considered; and

2. A resolution approving the proposed amendment may be first passed by either the Board or the Membership. After such approval of a proposed amendment by one of said bodies, such proposed amendment must be submitted and approved by the other of said bodies. Approval by the Membership must be by a vote of a majority of the Members present at a meeting of the Membership at which a quorum is present and approval by the Board must be by a majority of the Directors present at any meeting of the Directors at which a quorum is present.

C. No amendment may be made to the Articles which shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the Condominium Declaration.

D. A copy of each amendment shall be certified by the Secretary of State of the State of Florida and recorded amongst the Public Records of Palm Beach County, Florida.

E. Notwithstanding the foregoing provisions of this Article XII, there shall be no amendment to these Articles which shall abridge, amend or alter the rights of Developer, including the right to designate and select the Directors as provided in Article IX hereof, without the prior written consent therefor by Developer.

IN WITNESS WHEREOF, the Subscribers have hereunto affixed their signatures, this ____ day of _____, 19____.

Charles H. Hathaway

Robert S. Kairalla

William E. Shannon, Jr.

STATE OF FLORIDA)
 :
COUNTY OF PALM BEACH)

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared CHARLES H. HATHAWAY, ROBERT S. KAIRALLA and WILLIAM E. SHANNON, JR., to me known to be the persons described as Subscribers in and who executed the foregoing Articles of Incorporation and they acknowledged before me that they executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, the Subscribers have hereunto affixed their signatures, this _____ day of _____, 19____.

Notary Public

My Commission Expires: