

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of WATERCOLOR PRIVATE RESIDENCE CLUB CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on October 14, 2004, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number N04000205398. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this corporation is N04000009740.

Authentication Code: 104A00059286-101404-N04000009740-1/1

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Fourteenth day of October, 2004



Glenda E. Hood
Glenda E. Hood
Secretary of State

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FLORIDA DEPARTMENT OF STATE
Glenda E. Hood
Secretary of State

October 14, 2004

WATERCOLOR PRIVATE RESIDENCE CLUB CONDOMINIUM ASSOCIATI
245 RIVERSIDE AVE SUITE 500
ATTN: LEGAL DEPT
JACKSONVILLE, FL 32202

The Articles of Incorporation for WATERCOLOR PRIVATE RESIDENCE CLUB CONDOMINIUM ASSOCIATION, INC. were filed on October 14, 2004, and assigned document number N0400009740. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H04000205398.

A corporation annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file/effective date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have questions regarding corporations, please contact this office at the address given below.

Justin M Shivers
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 104A00059286

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

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ARTICLES OF INCORPORATION
OF
WATERCOLOR PRIVATE RESIDENCE CLUB
CONDOMINIUM ASSOCIATION, INC.

Pursuant to the provisions of Chapter 617, Florida Statutes, the undersigned, being a natural person, does hereby act as the incorporator in adopting the following Articles of Incorporation for the purpose of organizing a not for profit corporation.

ARTICLE I – Name:

The name of this corporation is: WaterColor Private Residence Club Condominium Association, Inc. (hereinafter referred to as the "Association").

ARTICLE II – Principal Office/Mailing Address:

The address of the Association's principal office is 29 Goldenrod Circle, Santa Rosa Beach, Florida 32459 and the mailing address is Riverside Avenue, Suite 500 – Attn. Legal Dept., Jacksonville, Florida 32202

ARTICLE III – Purposes:

The purposes for which the Association is formed are:

A. To exercise all of the powers and privileges, perform all of the duties, and fulfill all of the obligations of the Association as set forth in the Association's Bylaws and in the Declaration of Condominium for WaterColor Private Residence Club, A Condominium (the "Condominium Declaration"), duly recorded or to be recorded in the Public Records of Walton County, Florida, as both of which may lawfully be amended or supplemented from time to time, and to provide an entity for the furtherance of the interests of all of the Owners, including Developer, of Condominium Units and Fractional Interests in WaterColor Private Residence Club, A Condominium (the "Project"), with the objective of establishing and maintaining the Project as a condominium of high quality and value and enhancing and protecting its value, desirability, and attractiveness. Unless expressly indicated to the contrary, capitalized terms used herein shall have the meanings ascribed to them in the Condominium Declaration.

B. To fix, levy, collect, and enforce payment by all lawful means of all Assessments and other amounts levied pursuant to the terms of the Condominium Declaration; to pay all expenses in connection therewith and all administrative and other expenses incurred in exercising the Association's powers and performing its functions; to enforce the terms, covenants, restrictions, reservations, conditions, uses, limitations, and obligations set forth in the Condominium Declaration and the Association's Bylaws, and to make and enforce Rules and Regulations as provided therein.

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C. To purchase, acquire, own, hold, lease, either as lessee or lessor, sell, convey, exchange, encumber, borrow against, improve, construct, maintain, equip, operate, and generally deal in real property and all property of any and every kind or description, whether real or personal, or any interest therein.

D. To perform and carry on any lawful activity whatsoever which the Association may deem proper and convenient in connection with any of the foregoing purposes or otherwise, or which may be calculated directly or indirectly to promote the interests of the Association or to enhance or further the accomplishment of any of its powers, purposes, and objectives; to conduct its business either inside or outside the State of Florida; to have and to exercise all of the powers conferred by the laws of the State of Florida upon not for profit corporations formed under the laws pursuant to and under which the Association is formed, as such laws are now in effect and may at any time hereafter be amended.

E. To carry out all or any part of the foregoing purposes as principal, agent, or otherwise, either alone or in conjunction with any person, firm, association, or other corporation and in any part of the world; to employ or engage independent contractors and employees, including specifically one or more managing agents to carry out some or all of its purposes; and for the purpose of obtaining or furthering any of its purposes, to make and perform contracts of any lawful kind and description with any person, firm, corporation, government, or governmental subdivision, to do such acts and things, to sue and be sued in its own name, and to exercise any and all such powers as a natural person could lawfully make, perform, do, or exercise, provided that the same shall not be inconsistent with the Condominium Declaration, the Association's Bylaws, or the laws of the State of Florida.

F. To exercise all other common law or statutory powers of a corporation not for profit which are not in conflict with the Condominium Declaration, the Association's Bylaws, or any applicable provision of law.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and, except where otherwise indicated, the purposes and powers stated in each clause shall be in no way limited or restricted by reference to the terms or provisions of any other clause, but shall be regarded as independent purposes and powers.

ARTICLE IV - No Distributions:

The Association is organized on a nonstock basis, does not contemplate pecuniary gain or profit to the members thereof, and is organized solely for nonprofit purposes. No dividends shall be paid, and in no event shall the net earnings, income, or assets of the Association be distributed to, or inure to the benefit of, its members, Directors, or Officers, except upon the dissolution of the Association. Notwithstanding the foregoing, the Association may pay compensation in a reasonable amount to its members, Direc-

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tors, or Officers for services rendered, may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation, may make distributions to its members as permitted by Chapter 617, Florida Statutes. Any such payment, benefit, or distribution shall not constitute a dividend or a distribution of income or profit for purposes of this Article.

ARTICLE V – Term:

The period of duration of the Association shall be perpetual unless terminated by the Owners in the manner set forth in Article XVII of the Condominium Declaration.

ARTICLE VI – Members:

A. Each Owner, including Developer to the extent it is deemed an Owner of any Condominium Unit(s) or Fractional Interest(s) in accordance with the provisions of the Condominium Declaration, shall be a member of the Association until he ceases to be an Owner.

B. Each member shall have such rights, benefits, and privileges (including the right to vote at Association meetings) and be subject to such duties, obligations, and restrictions, including restrictions governing the transfer of a membership in the Association, as are set forth in the Condominium Declaration and the Association's Bylaws.

ARTICLE VII - Board of Directors:

A. The Board of Directors shall be elected or appointed in the manner provided in the Association's Bylaws. Provisions regarding the qualification, election, term, removal, and resignation of Directors shall be set forth in the Association's Bylaws.

B. The names and addresses of the persons who are to serve as the Association's initial Directors are:

Name:	Address:
Roderick T. Wilson	1701 East County Highway 30-A, Seagrove Beach, FL 32459
Nick Cassala	1701 East County Highway 30-A, Seagrove Beach, FL 32459
Eric Claussen	1701 East County Highway 30-A, Seagrove Beach, FL 32459

ARTICLE VIII - Officers:

The affairs of the Association shall be administered by a President, Vice President, Secretary, Treasurer, and such additional Officers as the Board of Directors may deem necessary or appropriate from time to time. The Officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each newly constituted Board, and shall serve at the pleasure of the Board.

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ARTICLE IX – Bylaws:

The initial Bylaws of the Association shall be adopted by its initial Board of Directors and may be altered, amended, or repealed by the members of the Association in the manner provided therein; provided, however, that the members may delegate their power to alter, amend, or repeal the Bylaws to the Board of Directors.

ARTICLE X – Amendments:

A. A proposed amendment to these Articles of Incorporation shall be set forth in a resolution adopted by the Board of Directors. A written notice setting forth the text of any such proposed amendment or a summary of the changes to be effected thereby shall be given to each member of the Association not less than ten (10) nor more than fifty (50) days prior to the date of the Annual or Special meeting at which such proposed amendment will be submitted to a vote.

B. Any such proposed amendment shall be adopted upon the affirmative vote of members casting a majority of the total votes eligible to be cast by all of the members of the Association present at the meeting at which such vote takes place or represented for thereat by proxy. Subsequent to the adoption of the amendment, articles of amendment which comply with Section 617.1006, Florida Statutes, shall be executed by the President or Vice President of the Association, acknowledged by one of such Officers, and delivered to the Department of State, State of Florida. Upon the filing such amendment by the Department of State, the amendment shall become effective and the articles of incorporation shall be amended accordingly.

C. Notwithstanding the foregoing provisions of this Article X to the contrary, no amendment to these Articles of Incorporation which materially affects the rights and privileges of Developer shall become effective unless and until approved, in writing, by Developer. Furthermore, so long as Developer is deemed the Owner of any Condominium Unit(s) and/or Fractional Interest(s) representing an aggregate undivided ownership interest of ten percent (10%) of the Common Elements submitted to the Condominium Declaration, Developer may unilaterally amend these Articles of Incorporation to effectuate any of the purposes set forth in Section 18.2 of the Condominium Declaration.

ARTICLE XI – Incorporator:

The name and address of the Incorporator, a natural person competent to contract, is as follows: Susan G. Whitlatch, 245 Riverside Avenue Suite 500, Jacksonville, FL 32202.

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ARTICLE XII - Registered Office and Agent:

The address of the initial registered office of the Association shall be 245 Riverside, Suite 500, Jacksonville, Florida 32202, and the name of the initial registered agent at such address shall be Christine M. Marx.

IN WITNESS WHEREOF, the Incorporator of the Association has hereunto set her hand and seal and caused these Articles of Incorporation to be signed this 14th day of October, 2004.

WATERCOLOR PRIVATE RESIDENCE CLUB
CONDOMINIUM ASSOCIATION, INC.

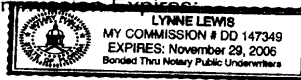
By: *Susan G. Whitlatch*
Susan G. Whitlatch, Incorporator

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

The foregoing Articles of Incorporation was acknowledged before me this 14th day of October, 2004, by Susan G. Whitlatch, as the Incorporator of the Association. She is personally known to me

Lynne Lewis
Notary Public - State of Florida

My Commission Expires:



ACCEPTANCE OF REGISTERED AGENT

Having been named as registered agent for the above stated corporation at the place designated in this certificate, I am familiar with and accept the appointment as registered agent and agree to act in this capacity.

Date: October 14th, 2004.

Christine M. Marx
Christine M. Marx

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