

STATE OF ALABAMA

COUNTY OF BALDWIN

ARTICLES OF INCORPORATION
OF
BELLE CHASE HOMEOWNERS ASSOCIATION, INC.

Be it known that the undersigned natural person, acting as the incorporator of a corporation to be organized under the laws of the State of Alabama and more particularly the Alabama Non-Profit Corporation Act, Sections 10-3A-1 et seq., 1975, as amended, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE
NAME

The name of the corporation shall be Belle Chase Homeowners Association, Inc.

ARTICLE TWO
DURATION

This corporation is and shall remain an Alabama corporation organized not for profit. The duration of this corporation shall be perpetual, unless and until it is hereafter lawfully dissolved.

ARTICLE THREE
OBJECTS, PURPOSES AND POWERS

This corporation does not contemplate pecuniary gain or profit to the members thereof and none of its income or profits shall be distributable to its members, directors, officers or other individuals. The specific purposes of this corporation are to (a) provide for the maintenance, service and repair of the common areas of Belle Chase, a Subdivision, as recorded in SLIDE 1659 A of the records in the Office of the Judge of Probate, Baldwin County, Alabama, and any other future unit of said Subdivision, (collectively referred to as "Subdivision"); b) promote the health, safety, welfare and general enjoyment of the neighborhood by the owners of all of the lots in the Subdivision; and c) for architectural control of the common areas and of the residential lots within the Subdivision. In order to be able to accomplish the hereinabove stated purposes, the corporation shall have the following powers and authority:

1. To exercise all of the powers and privileges and perform all of the duties and obligations of an association of lot owners in order to assist in the enhancement and preservation of the natural beauty of each lot in the Subdivision and to allow each of the lot owners in the Subdivision to attain the maximum use and enjoyment of said units or lots in the Subdivision and of the common areas therein; and

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2. To fix, levy, collect and enforce payment, by any lawful means, of all charges and assessments against its members and to pay all expenses in connection therewith and all other expenses incident to the conduct of the business of the corporation; and

3. To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the corporation; and

4. To borrow money and, with the assent of a majority of the votes of the Members entitled to be cast at a meeting of the corporation, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

5. To contract with others to provide the services necessary for the management, maintenance and repair of all common areas of the Subdivision and all improvements located therein, specifically including but not limited to all common areas, easements and rights of way, landscaped areas, improvements and to perform all other obligations imposed on the Association by the Declaration of Covenants, Conditions and Restrictions for Belle Chase, a subdivision, recorded in Miscellaneous Book 89, page 59 of the records in the Office of the Judge of Probate, Baldwin County, Alabama, and any such Declaration recorded in connection with any future unit of the Subdivision, (hereinafter referred to as "Restrictive Covenants"); and

6. To be responsible for the payment of taxes, insurance, repairs, utility bills and any other expenses necessary for the maintenance of the aforesaid common areas of the Subdivision and to pay the operating expenses of every kind and nature whatsoever of the Subdivision and to make any other desirable improvements to said common areas which, from time to time, the corporation shall deem advisable.

7. To establish liens, assessments or other charges applicable to the Subdivision for the support and benefit of the corporation, the welfare or betterment of the Subdivision and as required and authorized by the Restrictive Covenants; and

8. To construct, install, extend, operate, maintain, repair and replace utilities, systems, services or other facilities for the welfare or betterment of the Subdivision; and

9. To provide a unified effort for the members in protecting the value of the property of the members of the corporation, to foster and promote family living in the Subdivision and to promote public relations and more cordial relations among all lot owners and other parties within the Subdivision; and

10. To construct, promote, develop and maintain public and recreational facilities and other activities of any kind which will be for the common good of the corporation's members; and

11. To gather and disseminate factual information regarding the area in and about the Subdivision and to combat all influences and actions which are intended to disparage or adversely affect the Subdivision and to engage in and promote all matters of the common interest of its members and to engage in such other activities as may be to the mutual benefit of the owners of lots in Subdivision and to do such other things as may be necessary and proper for the carrying out and accomplishment of the above objects and purposes and of such other objects and purposes as are deemed necessary and proper by its directors; and

12. To transact all business consistent with the purposes for which the corporation is organized and honor all obligations imposed by the Restrictive Covenants, with the proceeds of all operations of the corporation to be retained by the corporation and used in the payment of any indebtedness which may be incurred by the corporation and for such other purposes as may be lawful; and

13. To exercise all of the authority and powers given and granted unto an Alabama corporation organized pursuant to the Alabama Non-Profit Corporation Act, as the same may be amended or supplemented from time to time; and

14. To exercise all of the powers reasonably necessary to implement the objects and purposes of the association as hereinabove set forth which are not inconsistent with the Constitution and Laws of the State of Alabama.

ARTICLE FOUR
MEMBERSHIP

1. This corporation shall issue no shares of stock of any kind or nature whatsoever. Every person or entity who is a record owner of a lot in Subdivision shall be a member of the corporation. The members shall enjoy such qualifications, rights and privileges as may be fixed by these Articles, the By-Laws of the corporation and the laws of the State of Alabama.

2. The legal title to a lot in the Subdivision held by a vendor under a vendor's lien deed or a mortgagee under a mortgage shall not qualify the holder thereof for membership in the corporation. The foreclosure or deed in lieu of foreclosure of any vendor's lien or mortgage of a lot in the Subdivision shall terminate the grantee's or mortgagor's membership in the corporation with respect to such lot, whereupon all rights to such membership shall vest in the party who has purchased said property at such foreclosure sale or by deed in lieu of foreclosure.

ARTICLE FIVE
VOTING RIGHTS

The Association shall have two (2) classes of voting membership:

Class A: Class A Members shall be all owners, with the exception of the Declarant, as defined in the Restrictive Covenants, and shall be entitled to one (1) vote for each lot owned. When more than one (1) person or entity holds an interest in a lot, then the vote attributable to such lot shall be exercised as they, themselves, may determine, but in no event shall more than one (1) vote be cast with respect to such lot.

Class B: Class B members shall be the Declarant, and the Declarant shall be entitled to three (3) votes for each lot owned, as set forth in the Restrictive Covenants. Class B membership shall cease and be converted to Class A membership upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or (b) on July 1, 1998.

Meetings of the Members shall be held in such place and with such frequency as may be provided in the By-Laws. Membership rights, including voting rights, may be suspended by the Board of Directors if such member shall have failed to pay when due any assessment or charge lawfully imposed upon him or upon any lot owned by him, or if the member, his family, his tenant or any guest shall violate any rule, regulation or by-law of the corporation applicable to the subdivision.

ARTICLE SIX
REGISTERED OFFICE AND AGENT

The address of the initial registered office of the corporation is 800 Piccadilly Square Drive, Mobile, Alabama, 36609. Charles H. Reeber, who is a resident of Mobile County, Alabama, is designated as the initial registered agent of the corporation at such address.

ARTICLE SEVEN
GOVERNMENT

1. The number of directors of the corporation shall be not less than three (3) nor more than nine (9), as may be determined by the By-Laws adopted by the members, and as the same may be amended from time to time in the future. The number of directors constituting the initial board of directors of the corporation is three (3) and the names and addresses of the persons to serve as such initial directors until their successors are duly elected as herein provided, are as follows:

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NAME AND ADDRESS

Fred Riel
800 Piccadilly Square Drive
Mobile, Alabama 36609

Charles H. Reeber
800 Piccadilly Square Drive
Mobile, Alabama 36609

Tom Stokes
800 Piccadilly Square Drive
Mobile, Alabama 36609

2. The name and address of the incorporator of the corporation is as follows:

Charles H. Reeber
800 Piccadilly Square Drive
Mobile, Alabama 36609

3. Any action required or permitted to be taken at any meeting of the board of directors may be taken without a meeting if, prior to such action, written consent thereto is signed by all members of the board and such written consent is filed with the minutes of the proceedings of the board.

4. The power to adopt, alter, amend or repeal the By-Laws of the corporation shall be vested in the board of directors, unless otherwise provided in the By-Laws.

5. The election of officers and directors of the corporation, the method of their selection, the terms of their office and the establishment of their authority, powers and duties shall be as provided for in said By-Laws. Any officer or director may be removed from office by three-fourths of the voting members of the corporation, whether or not for cause, except as otherwise provided herein.

ARTICLE EIGHT
OFFICERS

The officers of the corporation shall consist of a President and a Secretary-Treasurer. Additional officers or assistant officers may be elected with such titles and duties as may be designated in the By-Laws.

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ARTICLE NINE
INDEMNIFICATION AND NONLIABILITY OF MEMBERS

1. Every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including legal fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the corporation, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of wilful malfeasance in the performance of his duties; however, in the event of any settlement, the indemnification herein shall apply only when the board of directors shall approve such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which each such director or officer may be entitled.

2. There shall be no individual liability against members for corporate debts or obligations, but the entire corporate property shall be liable for lawful claims of any persons.

ARTICLE TEN
AMENDMENTS

These Articles of Incorporation may be amended by a two-thirds (2/3) vote of the total members at a special meeting of the membership called for that purpose.

Amendments may also be made at a regular meeting of the membership by a two-thirds (2/3) vote of the total members upon notice given as provided by the By-Laws, of intention to submit such amendments. However, no amendment shall be effective without the written consent of the Declarant until after five (5) years from the date of the filing of these Articles of Incorporation.

ARTICLE ELEVEN
DISSOLUTION

Any dissolution or liquidation of the corporation shall be in accordance with the Alabama Non-Profit Corporation Act or other laws of the State of Alabama then in effect.

ARTICLE TWELVE
FHA/VA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of

additional properties, mergers and consolidation, mortgaging of common area, dedication of common area and dissolution and amendment of these Articles.

IN WITNESS WHEREOF, the Incorporator has hereunto set his hand and affixed his seal, and, by the execution hereof, does verify the above and foregoing Articles of Incorporation on the 26th day of JUNE, 1996.

Charles H. Reeber
CHARLES H. REEBER
Incorporator

This instrument was prepared by

Beth McFadden Rouse
McFadden, Lyon & Rouse, L.L.C.
718 Downtowner Boulevard
Mobile, Alabama 36609

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RECORDED FEE 25.00
STATE OF ALABAMA
BALDWIN COUNTY
CERTIFICATE OF RECORDATION
FILED AND NOTED FOR RECORDATION

JUL 15 2 27 PM '96

DEPT. OF REVENUE
RECORDS SECTION
ALABAMA DEPT. OF REVENUE
JUL 15 1996
JUDGE OF PROBATE