

ARTICLES OF INCORPORATION

OF

ASHFORD PARK PROPERTY OWNERS' ASSOCIATION, INC.

The undersigned, for the purpose of organizing a nonprofit corporation pursuant to the Alabama Nonprofit Corporation Act (Code of Al. 1975, §§ 10-3A-1 through 10-3A-225, inclusive), does hereby adopt the following Articles of Incorporation:

ARTICLE ONE

NAME

The name of the corporation shall be ASHFORD PARK PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE TWO

EXISTENCE

The period of duration of the corporation shall be perpetual.

ARTICLE THREE

PURPOSE AND POWERS

Section 1. This corporation shall be a corporation not for profit, and no part of its net earnings shall inure to the benefit of any member, director or officer of the corporation. The corporation shall not contribute to or participate or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office. Nothing contained herein shall prohibit the corporation from paying reasonable wages or other compensation for valuable services rendered to the corporation.

577356

State of Alabama, Baldwin County
I certify this instrument was filed
and taxes collected on:

2001 January - 4 12: 1PM
Instrument Number 577356 Pages 9
Recording 25.00 Mortgage
Deed Min Tax
Index BP 1.00
Archive 2.00
Kerian T. Jones, Judge of Probate

Section 2. The corporation is organized to provide for the acquisition, construction, management, maintenance, care, preservation and architectural control of the residential, multi-family, multi-use and business lots and the common areas and common facilities within Ashford Park, a subdivision and planned unit development as per plat thereof to be recorded in the records of the Office of the Judge of Probate of Baldwin County, Alabama, and any additions thereto (the "Subdivision"), and to promote the health, safety and welfare of the residents of the Subdivision.

Section 3. The corporation shall have all powers conferred upon it by or otherwise permitted to corporations organized under the Alabama Nonprofit Corporation Act. Without limiting the generality of the foregoing, the corporation shall also have the authority and power, but not the obligation, to do the following:

- (a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the corporation as set out in that certain Declaration of Covenants and Restrictions for Ashford Park and any Declaration of Supplemental Covenants and Restrictions for Ashford Park, all of which are applicable to the Subdivision and recorded or to be recorded in the Office of the Judge of Probate of Baldwin County, Alabama, as the same may be supplemented or amended from time to time (the "Declaration");
- (b) To fix, levy, collect and enforce payment by any lawful means, periodic maintenance charges or other assessments from its members and to expend the proceeds of such maintenance charges or assessments for the operation of the corporation and for all things necessary or incidental to the corporation's purposes enumerated herein;
- (c) To contract with others to provide the services, benefits and advantages desired by the corporation, which may include, but are not limited to, traffic

control, landscape maintenance, security services, and garbage and waste collection and disposal;

- (d) To enforce covenants, conditions, restrictions, reservations, servitudes, easements, liens or charges applicable to the Subdivision for the support and benefit of the corporation and for the welfare or betterment of the Subdivision;
- (e) To construct, install, extend, operate, maintain, repair and replace facilities for the welfare or betterment of the Subdivision; and to protect the value of the property of its members in the Subdivision;
- (f) To engage in and promote all matters in the common interest of its members; and
- (g) To engage in such other activities as may be for the mutual benefit of its members, 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.

ARTICLE FOUR

MEMBERSHIP

Membership in the corporation shall be established by acquisition of ownership of a fee simple interest in a lot in the Subdivision, as it is constituted from time to time (a "Lot"), whether by conveyance, devise, judicial decree or otherwise and by recordation among the public records of Baldwin County, Alabama, of the deed or other instrument establishing the acquisition and designating the Lot affected thereby and by delivery to the corporation of a true copy of such recorded deed or other instrument. The new owner designated in such deed or other instrument shall thereupon become and be a member of the corporation, and the membership of the prior owner, as to the Lot designated, shall be terminated. The Declarant

named in the Declaration (the "Declarant") shall be a member with regard to each and every Lot in the Subdivision now or hereafter owned by it for all purposes herein without further act or deed. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

ARTICLE FIVE

VOTING RIGHTS

The corporation shall have two classes of voting membership, described as follows:

Class A. Class A members shall be the owners (with, while a Class B member, the exception of the Declarant) of all Lots in the Subdivision (as it is constituted from time to time), who shall be entitled to one (1) vote for each Lot owned. When more than one person or entity holds an interest in a Lot, all such persons shall be members. The vote for such lot shall be exercised as determined by the owners thereof, who shall so advise the Secretary of the corporation prior to any meeting. In the absence of such advice, such Lot's vote shall be suspended in the event more than one person seeks to exercise it. In no event shall more than one Class A vote be cast with respect to any Lot.

Class B. The only Class B member shall be Declarant, which shall be entitled to three (3) votes for each Lot owned in the Subdivision (as it is constituted from time to time). The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership; provided, however, that if, after conversion of the Class B membership to Class A membership, the Subdivision is thereafter increased (as contemplated in Article 1, Section 6 of the Master Declaration) with the result that the total votes outstanding in Class A membership would not equal or exceed the total votes outstanding in Class B membership if there were then a Class B membership, the Class B membership shall

thereupon be reinstated until the then total votes outstanding in the Class A membership again equals or exceeds the then total votes outstanding in the Class B membership.

ARTICLE SIX

INITIAL REGISTERED OFFICE

The location of the initial registered office of the corporation shall be at 3501 Gulf Shores Parkway #7, Gulf Shores, Alabama 36542. Barton E. Kaiser is the initial registered agent of the corporation at such address.

ARTICLE SEVEN

BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed and controlled by a Board of Directors consisting of not less than three (3) nor more than nine (9) persons. Subject to this limitation, the number of Directors shall be fixed by the Bylaws. The number of directors may be increased or decreased from time to time by amendment to the Bylaws, but no decrease in number shall have the effect of shortening the term of any incumbent Director. Directors shall be elected to office by the membership in the manner and for the term provided in the Bylaws. The first Board of Directors shall be three (4) in number and shall serve the corporation until successors shall be duly elected and qualified. A majority of the Directors shall constitute a quorum at any meeting of the Board of Directors and the majority of the vote of those present shall be the lawful act of the Board of Directors. The names and post office addresses of the members of initial Board of Directors, who shall hold office until their successors are duly elected and have qualified, are as follows:

| <u>NAME</u> | <u>ADDRESS</u> |
|-------------------|--|
| Anthony P. Kaiser | Post Office Box 1318 Gulf Shores, Alabama 36547 |
| Barton E. Kaiser | Post Office Box 1318 Gulf Shores, Alabama 36547 |
| T.E. Mitchell | Post Office Box 579 Bay Minette, Alabama 36507 |
| Bill Spriggs | 6475 Spanish Fort Blvd. Spanish Fort, Alabama 36527 |

ARTICLE EIGHT

INCORPORATORS

The name and address of the incorporator of the Association are as follows:

| <u>NAME</u> | <u>ADDRESS</u> |
|-------------------|--|
| Barton E. Kaiser | Post Office Box 1318 Gulf Shores, Alabama 36547 |
| Anthony P. Kaiser | Post Office Box 1318 Gulf Shores, Alabama 36547 |
| T.E. Mitchell | Post Office Box 579 Bay Minette, Alabama 36507 |

ARTICLE NINE

ANNEXATION OF ADDITIONAL PROPERTIES

The Declarant has the right to annex additional property and common areas (regardless of whether contiguous or not and regardless of whether residential, multi-family or commercial) to the Subdivision, pursuant to paragraph 21 of the Declaration.

ARTICLE TEN

OFFICERS

The officers of the Association shall consist of a President, one or more Vice Presidents, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Additional officers may be elected by the Board of Directors with such title and duties as may be designated.

ARTICLE ELEVEN

BYLAWS

The corporation shall adopt Bylaws governing the conduct of the affairs of the corporation. The Bylaws may be altered, amended or rescinded by a majority vote of the Directors or by three-fourths of the voting members of the corporation.



ARTICLE TWELVE

INDEMNIFICATION AND LIMITATION OF LIABILITY

Section 1. The corporation shall, to the fullest extent permitted by applicable law, indemnify every officer, director, member of the Architectural Control Board of the Subdivision, the Architectural Review Representative of the Subdivision and committee member (each an "Indemnified Party" and collectively "indemnified Parties") against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such Indemnified Party in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors of the corporation) to which he or she may be a party by reason of being or having been an

Indemnified Party. The Indemnified Parties shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The Indemnified Parties shall have no personal liability with respect to any contract or other commitment made by them in good faith, on behalf of the corporation, and the corporation shall indemnify and forever hold each such Indemnified Party free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Indemnified Party, or former Indemnified Party may be entitled.

Section 2. Notwithstanding the duty of the corporation to maintain and repair parts of the common areas of the Subdivision, as provided in the Declaration, the corporation shall not be liable to its members for injury or death to persons or damage to property, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the corporation, or caused by other members of the corporation or other persons.

Section 3. Neither the corporation, its officers and directors, the Declarant, the Architectural Control Board nor the Architectural Review Representative shall, in any way or manner, be held liable to any owner or any other person or entity for failure to enforce, or for any violation of, the restrictions, conditions, covenants, reservations, liens or charges herein contained by any member or owner of a Lot.

ARTICLE THIRTEEN

DISSOLUTION

If the corporation shall be dissolved, its members shall own the common areas of the Subdivision and all assets of the corporation as tenants in common in undivided shares allocated on the basis of one (1) share for each Lot of the Subdivision owned, and their respective mortgagees, if any, shall have mortgages and liens upon the respective undivided shares of the members.

IN WITNESS WHEREOF, the incorporators have hereunto set their hand and seal this the 19th day of December, 2000.

ASHFORD PARK PROPERTY
OWNERS' ASSOCIATION

By: 
ANTHONY P. KAISER
Its Incorporator


BARTON E. KAISER
Its Incorporator


T.E. MITCHELL
Its Incorporator