

STATE OF ALABAMA
COUNTY OF BALDWIN

ARTICLES OF INCORPORATION

OF

LEISURE LAKE

PROPERTY OWNERS ASSOCIATION, INC.

In compliance with the requirements of Alabama Code §§10-3A-1 through 10-3A-225 (1975), the undersigned, an Alabama limited partnership, hereby forms a corporation not for profit and does hereby certify that:

ARTICLE I

The name of the corporation is Leisure Lake Property Owners Association, Inc., hereafter called the "Association".

ARTICLE II

The principal office of the Association is located at 22675 Lake South, Foley, Alabama 36535.

ARTICLE III

Leisure Lake, Inc., whose mailing address is Post Office Box 1888, Daphne, Alabama 36526, and whose physical address is 22675 Lake South, Foley, Alabama, is hereby appointed the initial registered agent of this Association.

08/01/00

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

2000 August -17 3:30PM

Instrument Number 558916 Pages 9
Recording 25.00 Mortgage
Deed Min tax DP 1.00
Index Archive 3.00
Adrian T. Johns, Judge of Probate

558916

ARTICLE IV

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, the specific purposes for which it is formed are to provide for maintenance and management of the Common Area, for Leisure Lake, as set forth in the following:

Declaration of Covenants, Conditions, and Protective Restrictions recorded in Miscellaneous Book 79, Page 987; as amended by First Amendment to Declaration, dated as of the 8th day of September, 1994, and recorded in Miscellaneous Book 79, Page 1538; and further amended by Second Amendment to Declaration dated as of April 25, 1995, and recorded in Miscellaneous Book 83, page 1879, as further amended by Third Amendment to Declaration dated August 28, 1995 and recorded in Miscellaneous Book 84, page 813 and further amended by Fourth Amendment to Declaration date May 15, 1996 and recorded in Real Property Book 688, page 366, and further amended by Amended and Restated Declaration of Covenants, Conditions and Protective Restrictions, dated December 5, 1997 and recorded in Miscellaneous Book 96, page 836, and all further amended in Miscellaneous Book 100, Page 632 and further amended in Miscellaneous Book 101, Page 238, further amended by Supplement to Amended and Restated Declaration of Covenants, Conditions and Protective Covenants, dated September 9, 1999 and recorded at Instrument #511679, and all further amendments thereto.

(collectively, the "Declaration"), within that certain tract of property described as:

Leisure Lake, Unit I, Unit II and Unit III, in Slide 1480-A, Slide 1772-B through 1773-A, and Slide 1922-A in the records of the Office of the Judge of Probate of Baldwin County, Alabama.

and to promote the health, safety and welfare of the residents within the above-described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the applicable to the property and recorded or to be recorded in the Office of the Judge of Probate of Baldwin County, Alabama and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

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

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

(e) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes of annex additional

residential property and Common Area, provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3) of each class of members; and

(f) have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Law of the State of Alabama by law may now or hereafter have or exercise.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants or record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Such membership shall include owners of lots and/or units which are made subject to assessment by the Association pursuant to Article Eight of the Declaration.

ARTICLE VI

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Developer, and shall be entitled to one vote for each Lot owned. When more than

one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Developer (as defined in the Declaration), and shall be entitled to six (6) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(a) on January 1, 2008, or

(b) Developer records an instrument terminating the Class B membership.

ARTICLE VII

BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of three (3) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of directors until the selection of their successors are:

<u>NAME</u>	<u>ADDRESS</u>
Bill Weicht	22846 Lake South Foley, Alabama 36535
J. M. McElmurry, Jr.	Post Office Box 1888 Daphne, Alabama 36526
Richard E. Davis	Post Office Box 2925 Daphne, Alabama 36526

At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

ARTICLE VIII

INITIAL OFFICERS

The Initial Officers are:

President	J. M. McElmurry, Jr.
Vice-President	Bill Weicht
Secretary	Richard E. Davis

ARTICLE IX

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X

DURATION

The corporation shall exist perpetually.

ARTICLE XI

INDEMNITY

As partial inducement to the Directors and officers of the Corporation to accept such positions, the Corporation is and shall henceforth be obligated to indemnify and hold harmless all Directors and officers of the Corporation, whether or not their terms shall have expired, of and from any loss, expense, and liability or claimed liability of every kind whatsoever which they may at any time pay or incur as a direct or indirect consequence of any actions taken or omitted or alleged to have been taken or omitted by the Corporation, by other Directors or officers or by themselves as such Directors and officers, excepting only such as may be paid or incurred in relation to matters as to which they, respectively, shall be adjudged by action, suit or proceeding to be liable for negligence or misconduct in the performance of their duties for the Corporation. Such indemnification shall be cumulative and not exclusive of any other rights to which the Directors or officers may be entitled under any bylaws, agreements, corporate actions or otherwise. The Corporation is authorized to maintain insurance to meet the obligations contained in this Article X.

ARTICLE XII

AMENDMENTS

Amendment of these Articles shall require the affirmative vote of at least two-thirds (2/3) of the votes then entitled to be cast by members of the

Association present or represented by proxy at any meeting at which a quorum is present.

ARTICLE XIII

POWERS AND LIMITATIONS

In addition to all the lawful powers expressly or impliedly derived by the Corporation from these Articles, the Corporation and its officers and Directors shall have all such powers as are provided under and by the Alabama Non-Profit Corporation Act (excepting the powers stated in subsections (6) and (13) of Code, Title 10, Section 10-3A-12); and, such other rights and powers consistent with the purposes and limitations of the Corporation as shall be conferred by all other laws and regulations. However, notwithstanding anything to the contrary stated or implied in these Articles or permitted by applicable laws, the Corporation shall at all times be operated exclusively for fraternal, social, recreational and other non-profitable purposes, and no part of the net earnings of same may inure to the benefit of any member. Matters not covered by the provisions of these Articles, or the Bylaws, or the Alabama Non-Profit Corporation Act or other laws shall be governed by any applicable rules of Roberts Rules of Order.

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Alabama, we, the undersigned, constituting the incorporators of this Association, have executed these Articles of Incorporation this 17th day of August, 2000.

LEISURE LAKE, INC.

BY: Richard E. Davis

RICHARD E. DAVIS

ITS: Secretary

STATE OF ALABAMA)
COUNTY OF BALDWIN)

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that RICHARD E. DAVIS whose name as Secretary of Leisure Lake, Inc., an Alabama corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

GIVEN under my hand this the 17th day of August

Elizabeth C. [Signature]

NOTARY PUBLIC

My Commission Expires: Oct 24, 2002



THIS INSTRUMENT PREPARED BY:
RICHARD E. DAVIS, ESQUIRE
DAVIS & FIELDS, P.C.
Post Office Box 2925
Daphne, Alabama 36526
(334) 621-1555

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