

**ARTICLES OF INCORPORATION
SAVANNA CLUB
HOMEOWNERS' 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:

1. DEFINITIONS

- 1.1 "Articles" shall mean the Articles of Incorporation of the Association.
- 1.2 "Assessment" shall mean the share of the Association expenses required for the payment of the Association expenses which from time to time are assessed against the lots and the owners.
- 1.3 "Association" shall mean and refer to Savanna Club Property Owners' Association, Inc., its successors and assigns.
- 1.4 "Association Expenses" shall mean the expenses payable by Owners to the Association as shall be set forth in this Declaration.
- 1.5 "Association Property" shall mean all real and personal property transferred to the Association for the benefit of all members.
- 1.6 "Board" shall mean the Board of Directors of the Association.
- 1.7 "Savanna Club" is the name given to a planned unit development located in the County of St. Lucie, Florida, a portion of which is described upon Exhibit "A" hereto (which shall hereinafter be known as "Savanna Club Phase I").
- 1.8 "Common Area" shall mean those areas of real property shown on the subdivision plats of Savanna Club, together with all improvements thereto, which are devoted to the common use, recreation and enjoyment of the members of the Association. The term "Common Area" may sometimes be used interchangeably with the term "Association Property".
- 1.9 "Declaration" shall mean the covenants, conditions, restrictions, easements, and all other terms set forth in this document, and as same may be amended from time to time.

- 1.10 “Developer” shall mean and refer to WATERWOOD HOMES CORPORATION, a Florida corporation, its successors and assigns, including SAVANNA CLUB CORPORATION, a Florida corporation, its successors and assigns, with “assigns” meaning any person or entity given a written assignment of Developer rights which is recorded in the Public Records of St. Lucie County, Florida, and in which all of the rights and burdens of the Developer are assigned”.
- 1.11 “General Plan of Development” shall mean the subdivision plats of Savanna Club, as approved from time to time by the appropriate governmental agencies, and which shall represent the development plan and general uses of the real property.
- 1.12 “Institutional Mortgagee” shall mean any lending institution having a first lien on a “Lot” (hereinafter defined), including any of the following institutions: an insurance company or subsidiary thereof, a federal or state building and loan association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, a federal or state banking association, a real estate investment trust, or any mortgage banking company authorized to do business in the State of Florida.
- 1.13 “Lot” shall mean a residential parcel of real property as described on any of the recorded subdivision plats of Savanna Club. Unless the context specifically provides otherwise, reference to the term “Lot” shall include a single family manufactured home (also referred to as “Home”) and all other improvements on the Lot, but shall not require that a Home be on the Lot.
- 1.14 “Occupant” shall mean the occupant of a single family home in Savanna Club, who shall be the Owner, the lessee, or their respective guest.
- 1.15 “Owner” shall mean the fee simple titleholder of any Lot, whether one or more persons or entities.
- 1.16 “Property” shall mean all of the real and personal property now or hereafter subject to this Declaration. The real property to be initially subject hereto is described in Exhibit “A”, attached hereto and made a part hereof.
- 1.17 “Rules and Regulations” shall mean the rules, regulations, and policies which are attached to and incorporated into this Declaration, and as may be adopted by the Board from time to time by resolution duly made and carried.

- 1.18 "Transfer Date" shall mean the date that the Developer relinquishes the right to appoint a majority of the Directors to the Board of Directors. The Transfer Date shall occur one hundred twenty (120) days after the Developer has closed the sales of the last of the two thousand four hundred fifty-two (2,452) Lots contemplated by the general plan of development of Savanna Club, or ten (10) years after the Developer has closed the sale of the first Lot in Savanna Club, or after the Developer elects to relinquish its control of the Association, whichever shall first occur.
- 1.19 "Architectural Control Committee" or "ACC" shall mean the committee which is appointed by the Board of Directors of the Association for the purposes set forth in this Declaration.

2. NAME

The name of this Association shall be SAVANNA CLUB HOMEOWNERS' ASSOCIATION, INC., whose present address is 3492 Crabapple Dr., St. Lucie, Florida 34952.

3. GENERAL PLAN OF DEVELOPMENT AND PURPOSE OF ASSOCIATION

- 3.1 Developer plans to develop Savanna Club on property located in St. Lucie County, Florida, in accordance with the provisions of the Declaration. Developer also intends to set aside certain common areas in Savanna Club. The Association shall ultimately be conveyed ownership of the common areas. Developer further intends that easements shall be established across, over, under and upon the Property, 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 Declaration.
- 3.2 The purpose for which the association is organized is to provide an entity to own, manage, maintain, and operate certain lands located in Savanna Club. Said lands are to be used in common by all members of the association. The Association shall be responsible for the management of the Property in accordance with the terms and conditions of the Declaration, and as same may be amended from time to time.
- 3.3 The Association shall make no distribution of income to its members, directors or officers.

4. POWERS

- 4.1 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 these Articles or the Declaration.
- 4.2 The Association shall have all of the powers and duties set forth in the Declaration, these Articles, the By-Laws of the Association, and all powers and duties reasonably necessary to operate and administer Savanna Club properties pursuant to the Declaration, including but not limited to the following:
 - 4.2.1 To make and collect assessments against members to defray the costs and expenses of the Association.
 - 4.2.2 To use the proceeds of assessments in the exercise of its powers and duties.
 - 4.2.3 To own, maintain, repair, replace, operate and convey the property of the Association in accordance with the Declaration, 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.
 - 4.2.4 To purchase insurance upon the property of the Association and insurance for the protection of the Association and its members.
 - 4.2.5 To dedicate or to transfer all or any part of the Association's property to any public agency, authority, or utility for such purposes and subject to such conditions as may be approved by not less than fifty-one percent (51%) of the membership of the Association, and approval by not less than seventy-five percent (75%) of the institutional mortgagees holding mortgages encumbering the lots.
 - 4.2.6 To reconstruct the improvements to the Association's property after casualty, and to further improve the Association's properties, as provided in the Declaration.
 - 4.2.7 To make and amend reasonable rules and regulations regarding the use of the property of the Association, provided that notice of the proposed modification, addition or deletion to the Rules and Regulations is sent to each member of the Association before the proposed modification, addition or deletion becomes effective.

- 4.2.8 To contract for the management and/or operation of the Association property and to delegate to such contractors all powers and duties of the Association except such as are specifically required by the Declaration to have the approval of the Board or the membership of the Association. Any such contract may not exceed three (3) years, and must provide for termination by either party without cause and without payment of a termination fee on sixty (60) days written notice.
- 4.2.9 To employ personnel for reasonable compensation to perform the services required for proper operation and administration of the Association property.
- 4.2.10 To enforce by legal means the provisions of the Declaration, these Articles, the By-Laws of the Association, and the Rules and Regulations for the use of the Association's property as same may be promulgated, modified, or amended from time to time by the Association.
- 4.2.11 To pay taxes and assessments, which are liens against any part of the Association's property.
- 4.2.12 To pay the cost of all power, water, sewer, waste collection, and other utility services rendered to the property of the Association.
- 4.2.13 To grant such permits, licenses, and easements over the common areas for utilities, roads, and other purposes reasonably necessary or useful for the proper maintenance or operation of the common areas.
- 4.2.14 To suspend the right to use and enjoy the Association's property and facilities of any member for any period during which any assessment remains unpaid.
- 4.2.15 To do such other things as may be necessary in order to perform the duties and to exercise the powers provided for the Association in the Declaration.
- 4.3 All funds and the titles of all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration, these Articles, and the By-Laws of the Association.

5. MEMBERS

- 5.1 The members of the Association shall consist of all of the record owners of lots in Savanna Club.

- 5.2 Change of membership in the Association shall be established by recording in the Public Records of St. Lucie County, Florida, a deed or other instrument establishing a record title to a lot at Savanna Club, and the delivery to the Association of a certified copy of such instrument. The Owner designated by such instrument thus becomes a member of the Association and the membership of the prior owner is terminated as of the date of execution of such instrument.
- 5.3 The share of a member is the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except upon transfer of title of his lot.
- 5.4 Voting rights of the members shall be as expressed in the Declaration and By-Laws.

6. 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 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.

7. INCORPORATORS

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

NAME	ADDRESS
Harry E. Otterbein	9710 South U.S. Highway One Port St. Lucie, Florida 33452
George Levien	9710 South U.S. Highway One Port St. Lucie, Florida 33452

8. OFFICERS

- 8.1 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.
- 8.2 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 officer in the manner provided in the By-Laws. The officers, the duties of which are not incompatible; provided, however, 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.

9. FIRST OFFICERS

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

President	Harry E. Otterbein
Vice President	George Levien
Secretary	Allen Morgan
Treasurer	George Levien

10. BOARD OF DIRECTORS

10.1 The affairs of the Association will be managed by a Board consisting of five (5) Directors. Directors must be members of the Association or lessees who have a long term (five (5) years or greater) lease agreement with the Developer for a Lot.

10.2 Directors of the Association shall be elected at the annual Members’ Meeting in the manner determined by the By-Laws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the By-Laws.

10.3 The names and addresses of the persons who are to serve as the first Board are as follows:

NAME	ADDRESS
Allen Morgan	9710 South U.S. Highway One Port St. Lucie, Florida 33452
Harry E. Otterbein	9710 South U.S. Highway One Port St. Lucie, Florida 33452
George Levien	9710 South U.S. Highway One Port St. Lucie, Florida 33452

11. INDEMINIFICATION

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.

12. 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 the 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.

13 AMENDMENTS

13.1 Proposal. Any amendment to these Articles of Incorporation shall be proposed by the affirmative vote of a majority of the Directors present at a duly called meeting of the Board of Directors where a quorum is present, or by written petition to the Board of Directors signed by the ~~Owners~~ Voting Members of one-fourth (25%) of the Lots, or by the written request of the Developer to the Board of Directors.

13.2 Procedure; Notice and Format. Upon any amendment to these Articles of Incorporation being proposed as provided above, the proposed amendment shall be submitted by the Board of Directors to a vote of the Members not later than the next annual meeting, unless insufficient time to give proper notice remains before that meeting. An amendment may be considered at the annual or a special Member's meeting. The Board of Directors shall cause notice of the Members' meeting at which a proposed amendment is

to be considered to be given in accordance with the By-Laws of the Association. The full text of the amendment to the Articles of Incorporation to be considered shall be included in such notice. New words shall be inserted in the text by underlining and words to be deleted shall be lined through with hyphens; however, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "SUBSTANTIAL REWORDING OF THE ARTICLE OF INCORPORATION. SEE PROVISION ____ FOR PRESENT TEXT."

13.3 **Vote Required.** Except as otherwise provided by Florida law, or by specific provision of the Declaration or these Articles of Incorporation, amendment of these Articles of Incorporation shall require the affirmative vote not less than seventy-five percent (75%) of the members present, in person or by proxy, at the Annual Members' Meeting or a special meeting of the membership.

13.4 **Certificate; Recording.** A copy of each adopted amendment and any required joinders shall be attached to a certificate executed by an officer of the Association attesting to the fact that the amendment to the Articles of Incorporation was duly adopted. The amendment shall be effective when the certificate and copy of the amendment (and any joinders) are filed in the Office of the Secretary of State of Florida and recorded in the Public Records of St. Lucie County, Florida.

13.4.1 **Provisos.** Notwithstanding any provision contained in these Articles of Incorporation to the contrary:

A. No amendment shall operate to unlawfully discriminate against any Lot or class or group of Owners or Lots. A copy of any amendment shall be furnished to each Member as soon after the filing thereof in the Office of the Secretary of State of Florida and recording in the Public Records of St. Lucie County, Florida, as is practicable.

B. No amendment shall diminish or impair any of the rights, privileges, powers and/or options provided in these Articles of Incorporation if favor of or reserved to record owner(s) of any mortgage(s) or impair the priority or validity of any mortgage(s) unless the particular mortgagee(s) shall join and consent in the execution of the amendment. The notice referred to and described in Section 13.2 above shall also be given to any mortgagee which has advanced funds, or is under contract to

advance funds, to the Developer for the acquisition or construction of Savanna Club, and of which the Association has received written notice from the Developer (an "Acquisition or Construction Mortgagee"). A copy of any amendment shall be furnished to (a) any Acquisition or Construction Mortgagee, and (b) such Institutional Mortgagees as have made written request for copies of amendments to the Articles of Incorporation, as soon after the filing thereof in the Office of the Secretary of State of Florida and recording in the Public Records of St. Lucie County, Florida, as is practicable.

- C. No amendment shall diminish or impair any of the rights, privileges, powers and/or options provided in these Articles of Incorporation in favor of or reserved to the Developer, unless the Developer shall join and consent in the execution of the amendment. The notice referred to and described in Section 13.2 above shall also be given to the Developer. A copy of any amendment shall be furnished to the Developer as soon after the filing thereof in the Office of the Secretary of State of Florida and recording in the Public Records of St. Lucie County, Florida, as is practicable.
- D. No amendment may be made to the Articles which shall in any manner conflict with the terms, conditions, provisions, rights and obligations set forth in the Declaration.
- E. An amendment to the Articles to correct a scrivener's error, defect or omission need not be submitted for a vote of the Members and may be adopted by the affirmative vote of a majority of the entire Board of Directors.

14 RESERVED RIGHTS OF DEVELOPER

Notwithstanding the foregoing, or anything contained elsewhere in these Articles to the contrary, until the Transfer Date, Developer shall have the sole and exclusive control over all of the affairs and other matters of the Association and Developer shall have the sole and exclusive right to elect all officers and directors of the Association during the period of such control. During the period of control of Developer as aforesaid, all members of the Association, other than Developer, shall have a non-voting membership in the Association unless the provisions of this Paragraph are expressly waived in writing by Developer. Upon the occurrence of the Transfer Date, Developer shall have the right to appoint a member to the Board of Directors for so long as Developer (which shall include its successors and assigns) holds title to any lot within any portion of Savanna Club.