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This instrument was
prepared by:

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McKerall & Lee, P.C.
Attorneys at Law
Post Office Box 818
Gulf Shores, Alabama 36547

State of Alabama, Baldwin County
I certify this instrument was filed
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2006 December -21 4:12PM
Instrument Number 1021252 Pages 16
Recording 25.00 Mortgage
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Index DP 5.00
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Adrian I. Johns, Judge of Probate

STATE OF ALABAMA

BALDWIN COUNTY

**ARTICLES OF INCORPORATION
OF
SANIBEL, A CONDOMINIUM,
OWNERS' ASSOCIATION, INC.**

Preamble - Under and pursuant to the provisions of the Alabama Uniform Condominium Act of 1991, §§ 35-8A-1 to 35-8A-417 CODE OF ALABAMA 1975 [hereinafter the "Condominium Act"] and the Alabama Nonprofit Corporation Act, §§ 10-3A-1 to 10-3A-225 CODE OF ALABAMA 1975 [hereinafter the "Nonprofit Corporation Act"], the undersigned hereby forms a nonprofit corporation for the purposes and with the powers and duties hereinafter set forth.

1021252

ARTICLE ONE

Name and Place of Business

1. Name and Principal Place of Business - The name of the corporation shall be Sanibel, a Condominium, Owners' Association, Inc., hereinafter sometimes referred to as the "Association". Its principal place of business, as of the date these articles are adopted, shall be located at the offices of Sanibel Condominium, L.L.C., 1240 Commerce Drive, Gulf Shores, AL 36542, the mailing address of which is Post Office Box 2077, Gulf Shores, Alabama 36547. After Sanibel, a Condominium, is constructed, the principal place of business may be changed

to Sanibel, a Condominium, which is located at 1524 West Beach Boulevard, Gulf Shores, Alabama 36542.

ARTICLE TWO

Duration

1. Duration - The Association shall have perpetual existence, or, if Sanibel, a Condominium, is terminated, the Association shall terminate as soon as it has distributed all of its assets following the termination of Sanibel, a Condominium.

ARTICLE THREE

Purpose

1. Purpose - The purpose for which the Association is organized is to provide an entity pursuant to the Alabama Uniform Condominium Act of 1991 for the administration of the common affairs of Sanibel, a Condominium, located or to be located on lands in Baldwin County, Alabama, as more particularly described in the declaration of condominium filed simultaneously herewith in the office of the Judge of Probate, Baldwin County, Alabama.

ARTICLE FOUR

Powers and Duties

1. General Powers - The Association shall have all of the common law and statutory powers of a non-profit corporation which are not in conflict with the terms of the condominium documents or the Condominium Act. The Association shall also have all of the powers of a condominium association under the Condominium Act and shall have all of the powers reasonably necessary to implement the purposes of the Association, including, but not limited to, the power to:

a. Adopt Bylaws and Rules - Adopt and amend bylaws and rules and regulations;

b. Adopt Budgets - Adopt and amend budgets for revenues, expenditures and reserves and impose and collect assessments for common expenses from unit owners;

c. Employ Agents - Hire and discharge managing agents and other employees, agents and independent contractors;

d. Sue and Defend - Institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more unit owners on matters affecting the condominium;

- e. Make Contracts - Make contracts and incur liabilities;
- f. Oversee the Common Elements - Regulate the use, maintenance, repair, replacement and modification of common elements;
- g. Improve the Common Elements - Cause additional improvements to be made as a part of the common elements;
- h. Acquire Property - Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, but common elements may be conveyed or subjected to a security interest only pursuant to §35-8A-312 of the Condominium Act;
- i. Allow Use of the Common Elements - Grant easements, encroachments, leases, licenses and concessions through or over the common elements;
- j. Charge for the Common Elements - Impose and receive any payments, fees or charges or the use, rental or operation of the common elements, other than limited common elements described in §35-8A-202(2) and (4) of the Condominium Act, and for services provided to unit owners;
- k. Impose Fines - Impose against owners of units charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the declaration, bylaws and rules and regulations of the Association;
- l. Charge Fees - Impose reasonable charges for the preparation and recordation of amendments to the declaration, resale certificates required by §35-8A-409, or statements of unpaid assessments;
- m. Indemnify Officers and Directors - Provide for the indemnification of its officers and board and maintain directors' and officers' liability insurance;
- n. Pledge Income - Assign its right to future income, including the right to receive common expense assessments, but only to the extent the declaration expressly so provides;
- o. Corporate Seal - Have a corporate seal which may be altered at pleasure and to use the same by causing it or a facsimile thereof, to be impressed or affixed or in any other manner reproduced;
- p. Miscellaneous - Exercise any other powers conferred by the declaration or bylaws, exercise all other powers that may be exercised in this state by legal entities of the same type as the Association, and exercise any other powers necessary and proper for the governance and operation of the Association.

2. Duties - The Association shall have the duty to:

a. Keep Records - The Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office in Alabama a record of the names and addresses of its members entitled to vote, directors and officers. All books and records of the Association may be inspected by any member, director or officer, or his agent or attorney, for any proper purpose at any reasonable time.

b. Adopt Budgets - Adopt budgets for the unit owners' association, but only in the following manner: Within 30 days after adoption of any proposed budget for the condominium, the board of directors of the unit owners' association shall provide a copy thereof to all the unit owners, and shall set a date for a meeting of the unit owners to consider ratification of the budget not less than 14 days nor more than 30 days after delivery or mailing of the budget to the unit owners. Unless at that meeting two thirds of all the unit owners present in person or by proxy reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, the periodic budget last ratified by the unit owners shall be continued until such time as the unit owners ratify a subsequent budget proposed as set forth above.

c. Maintain the Common Elements - Be responsible for the maintenance, repair, and replacement of the common elements, and to this end each owner shall afford to the unit owners' association and its agents and employees, access through his unit reasonably necessary to enable the association to carry out its duties in this regard. The association shall be responsible to the unit owners for any damage to their units occasioned by the association's exercise of the rights granted by this subparagraph.

d. Hold Meetings - Hold meetings of the association at least once each year; and whenever requested by the president, by a majority of the members of the board of directors, or by unit owners having at least 20 percent of the votes of the association.

e. Notify Declarant of Legal Actions - Give the declarant reasonable notice of and an opportunity to defend against any legal action brought against the owners' association in respect of any matter which occurred or failed to occur during the period of declarant control.

f. Maintain Property Insurance - Maintain property insurance on the common elements and limited common elements insuring against all risks of direct physical loss commonly insured against. The total amount of insurance after application of any deductibles shall be not less than the greater of 80 percent of the actual cash value of the insured property at the time the insurance is purchased or such greater percentage of such actual cash value as may be necessary to prevent the applicability of any co-insurance provision and at each renewal date, exclusive of land, and other items normally excluded from property policies in the same area.

g. Maintain Liability Insurance - Maintain liability insurance, including medical payments insurance, in such amount as may be directed by the board of directors of the unit owners' association, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.

h. Notify Members of the Absence of Insurance - Promptly notify all unit owners in writing by hand delivered notice or by prepaid United States mail if any required property or liability insurance is not reasonably available.

i. Assist Members With Disclosure Requirements - Within ten days after a request by a unit owner, to furnish a certificate containing the information necessary to enable the unit owner to comply with the disclosure provisions of §35-8A-409 of the Act, which certificate must contain:

(1) A statement setting forth the amount of the monthly common expense assessment and any unpaid common expense or special assessment currently due and payable from the selling unit owner;

(2) A statement of any other fees payable by unit owners;

(3) The most recent regularly prepared balance sheet and income and expense statement, if any, of the association;

(4) The current operating budget of the association;

(5) A statement of any unsatisfied judgments against the association and any pending suit in which the association is a party;

(6) A statement describing any insurance coverage provided for the benefit of unit owners;

(7) A statement of the remaining term of any lease hold estate affecting the condominium and the provisions governing any extensions or renewal thereof;

(8) A statement of any restrictions in the declaration affecting the amount that may be received by a unit owner upon sale, condemnation, casualty loss to the unit or condominium or on termination of the condominium.

j. Keep financial records sufficiently detailed to enable the association to comply with the requirements of the immediately preceding subparagraph.

k. Make all financial and other records reasonably available for examination within Baldwin County by any unit owner and his authorized agents.

3. Loans to Directors and Officers Prohibited - The Association shall make no loans to its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

ARTICLE FIVE Membership

1. Members - The members of the Association shall consist of all of the record owners of condominium units in Sanibel, a Condominium, and after termination of Sanibel, a Condominium, members shall consist of those who are members at the time of such termination, and their successors and assigns.

2. Change of Membership - Change of membership in the Association shall be accomplished by recording in the public records of Baldwin County, Alabama, a deed or judgment establishing record title to a condominium in Sanibel, a Condominium. The grantee in such instrument shall thus become a member of the Association, and the membership of the prior owner shall thereby be terminated, provided, however, that any party who owns more than one unit shall remain a member of the Association so long as he shall retain title to or interest in any unit.

3. Common Elements May Not Be Separated - The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit for which that share is held.

4. Number of Votes - In all unit owners' association matters, each unit shall be entitled to one vote.

ARTICLE SIX Meetings

1. Meetings - Meetings of the Association shall be subject to the following rules (together with such other rules as the association may from time to time adopt):

a. Not less than 10 days nor more than 50 days in advance of any meeting, the secretary or other officer specified in the bylaws shall cause notice to be hand-delivered or sent prepaid by United States Mail to the mailing address designated in writing by each unit owner. The notice of any meeting must state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove an officer or a member of the board of directors.

b. A quorum shall be deemed present throughout any meeting of the unit owners' association if persons entitled to cast 50 percent of the votes which may be cast for election of members of the board of directors are present in person or by proxy at the beginning of the meeting.

c. If only one of multiple owners of a unit is present at a meeting of the unit owner's association, he is entitled to cast all of the votes allocated to that unit. If more than one of multiple owners are present, the votes allocated to that unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners. There is majority agreement if any one of the multiple owners casts the votes allocated to that unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the unit.

d. Votes allocated to a unit may be cast pursuant to a proxy duly executed by the unit owner. If a unit is owned by more than one person, each owner of the unit may vote or register protest to the casting of votes by the other owners of the unit through a duly executed proxy.¹ A unit owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date, unless it specifies a shorter term.

e. No votes allocated to a unit owned by the unit owners' association may be cast.

2. Statutory Conflicts - The scrivener notes that there are conflicts between the provisions of the Condominium Act and the provisions of the Nonprofit Corporation Act with respect to the subject of meetings. Compare §§ 35-8A-308 through 310 of the Condominium Act with §§ 10-3A-29 through 32 of the Nonprofit Corporation Act. The provisions set forth above are taken from the Condominium Act, as it is perceived to be controlling in the case of condominium owners' association on the principle that the specific controls the general and on the observation that the Condominium Act is the most recent pronouncement of the legislature on the subject.

ARTICLE SEVEN

Officers

1. Officers - The affairs of the Association shall be administered by a president, a vice-president, a secretary and a treasurer and such assistant secretaries and assistant treasurers as the Board of Directors may, from time to time, designate. Officers of the Association shall be elected by the Board of Directors at its first meeting following the annual meeting of the members

¹ This sentence is a verbatim reproduction of the second sentence of § 35-8A-310(b) of the Act.

of the Association. The names and addresses of the initial officers of the corporation, who shall serve until their successors are appointed by the Board of Directors, are as follows:

President/Treasurer	Vice President	Secretary
Wm. Stephen Quantz	Scott Raley	Brad Raley
Post Office Box 2077	Post Office Box 2077	Post Office Box 2077
Gulf Shores, AL 36547	Gulf Shores, AL 36547	Gulf Shores, AL 36547

ARTICLE EIGHT

Directors

1. Directors to Manage Association - The affairs of the Association will be managed by its directors.

2. Number of Directors - The number of directors shall never be less than three, but may be such other, greater, number as may be fixed by the bylaws. The number of directors may be increased or decreased from time to time by amendment to the bylaws. No decrease in number shall have the effect of shortening the term of any incumbent director.

3. Qualifications of Directors - Directors appointed by the declarant need not be members of the Association. All directors elected by the unit owners, other than the declarant, shall be members of the Association.

4. Rules Prior to Transfer of Control - The directors constituting the first board of directors are named below. Not later than 90 days after conveyance of 25 percent of the units which may be created to unit owners other than a declarant, at least one member and not less than 25 percent of the members of the unit owners' association's board of directors must be elected by unit owners other than the declarant. Not later than 90 days after conveyance of 50 percent of the units which may be created to unit owners other than a declarant, at least one member and not less than one third of the members of the unit owners' association's board of directors must be elected by unit owners other than the declarant.

5. Rules After Transfer of Control - Subject to the special rules regarding master associations, if applicable, not later than the termination of the period of declarant control, as defined in the declaration of condominium of Sanibel, a Condominium, the unit owners shall elect a board of at least three members, at least a majority of whom must be unit owners other than declarant. The board of directors so constituted shall then elect new officers. The members of the board of directors and the officers shall take office upon election. Thereafter, the directors of the Association shall be elected at the annual meeting of the members in the manner specified in the bylaws. A two thirds vote of all persons present in person and entitled to vote at any meeting of the unit owners at which a quorum is present may remove any member of the board of directors with or without cause, other than a member appointed by the declarant.

6. Vacancies - Any vacancy occurring in the board of directors and any directorship to be filled by any reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the board of directors. A director elected or appointed, as the case may be, to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by the board of directors for a term of office continuing only until the next election of directors.

7. Quorum of Directors - A majority of the directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors. If a quorum is present when the meeting is convened, the directors present may continue to do business, taking action by a vote of a majority of a quorum, until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum, or the refusal of any director present to vote.

8. Committees - The board of directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in such resolution, in these articles or in the bylaws, shall have and exercise all the authority of the board of directors, except that no such committee shall have the authority of the board of directors in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of such committee or any director or officer of the Association; amending the articles of incorporation, restating articles of incorporation, adopting a plan of merger or adopting a plan of consolidation with another association authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Association; authorizing the voluntary dissolution of the Association or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Association; or amending, altering or repealing any action or resolution of the board of directors which, by its terms, provides that it shall not be amended, altered or repealed by such committee. Other committees not having and exercising the authority of the board of directors in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him by law.

9. Meetings of Directors - Regular meetings of the board of directors or any committee designated thereby may be held with or without notice as prescribed in the bylaws. Special meetings of the board of directors or any committee designated thereby shall be held upon such notice as is prescribed in the bylaws. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors or any committee designated thereby need be specified in the notice of such meeting or the waiver of notice.

10. Action of Directors Without a Meeting - Any action required to be taken at a meeting of the directors of an association or any action which may be taken at a meeting of the directors or of a committee of directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by the directors. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or documents filed with either the probate judge or secretary of state.

11. Limitations on Board Powers - The board of directors of the Association may not act on behalf of the Association to amend the declaration, terminate the condominium, elect members of the board of directors or determine the qualifications, powers and duties, or terms of office of board members, except that the board may fill vacancies in its membership for the unexpired portion of any term. Nothing in these articles of incorporation or the bylaws may abrogate the provisions of this subparagraph.

12. Power to Avoid Declarant's Contracts - If entered into before the board of directors elected by the unit owners pursuant to the subparagraph immediately above takes office, any management contract, employment contract, any other contract or lease between the unit owners' association and the declarant or an affiliate of a declarant, or any contract or lease that is not bona fide or was unconscionable to the unit owners at the time entered into under the circumstances then prevailing, may be terminated without penalty by the unit owners' association at any time after the board of directors elected pursuant to the immediately preceding subparagraph takes office upon not less than 90 days notice to the other party.

13. Initial Directors - The initial directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

Wm. Stephen Quantz
Post Office Box 2077
Gulf Shores, AL 36547

Scott Raley
Post Office Box 2077
Gulf Shores, AL 36547

Brad Raley
Post Office Box 2077
Gulf Shores, AL 36547

ARTICLE NINE **Indemnification**

1. Officers and Directors Indemnified - 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 attorney's fees (at all trial and appellate levels) reasonably incurred by or imposed upon them in connection with any proceeding or litigation or settlement in which they may become involved by reason of their being or having been a director or officer of the Association. The foregoing provisions for indemnification shall apply whether or not they are a director or officer at the time such expenses are incurred. Notwithstanding the above, in the 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.

2. Board Members - Standard of Care - Except as otherwise provided in the declaration, the bylaws, these articles of incorporation or the provisions of the Condominium Act or the Nonprofit Corporation Act, Association's board of directors may act on behalf of the Association. The officers and members of the board of directors who are appointed by the declarant shall be required to exercise the care required of fiduciaries of the unit owners other than the declarant. The officers and members of the board of directors elected by the unit owners other than the declarant shall be required to exercise ordinary and reasonable care.

ARTICLE TEN

Bylaws

1. Minimum Requirements - The bylaws of the Association must provide for:

a. The number of members of the board of directors and the titles of the officers of the association;

b. Election by the board of directors of a president, vice president, treasurer, secretary and any other officers of the association the bylaws specify;

c. The qualifications, powers and duties, terms of office, and manner of electing and removing board members and officers and filling vacancies;

d. Which, if any, of its powers the board may delegate to other persons or to a managing agent;

e. Which of its officers may prepare, execute, certify, and record amendments to the declaration on behalf of the Association;

f. The method of amending the bylaws, but in no event shall the required percentage for amendment of the bylaws exceeds two thirds of the total Association; and this subparagraph may not be amended;

g. Such other matters as may be appropriate and not in conflict with the terms and provisions of this declaration or the Act.

2. Amendments to Bylaws - The directors shall have the power to alter, amend or repeal the bylaws, or adopt new bylaws; however, at any meeting of the members any change in the

bylaws by the board may be altered, amended or repealed by a two thirds vote of the members present or represented by proxy at the meeting.

ARTICLE ELEVEN Amendments

1. In General - Any instrument amending these Articles shall identify the particular Article or Articles being amended and give the exact language of such amendment, and a certified copy of each such amendment shall always be attached to any certified copy of these Articles.

2. Method of Amendment - These Articles may be amended at any time, but only in the following manner:

a. Resolution - The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of the members, which may be either an annual or a special meeting; and,

b. Notice - Written notice setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member in the manner prescribed in Article Six, above.

c. Two Thirds Vote Required - The proposed amendment shall be adopted upon receiving at least two-thirds of the votes entitled to be cast by members present or represented by proxy at the meeting. Any number of amendments may be submitted to the members and voted upon at one meeting, provided that all were noticed in the manner provided herein.

d. Alternative Method - Notwithstanding the foregoing, an amendment to these Articles may be made by a written statement signed by all members of the Association.

e. Directors Must Assent - No amendment to these Articles may be made by the members without an act of the directors.

3. Articles of Amendment - Upon the adoption of any amendment, articles of amendment shall be executed for the Association by the president or a vice president, and by its secretary or an assistant secretary, shall be verified by one of the officers signing the articles of amendment, and shall set forth:

a. The name of the Association;

b. The text of the amendment;

c. A statement setting forth the date of the meeting of the members at which the amendment was adopted, that a quorum was present at such meeting, and that such amendment received at least two-thirds of the votes entitled to be cast by members present or represented by proxy at such meeting; or,

d. A statement that such amendment was adopted by a consent in writing signed by all members entitled to vote thereon with respect thereto.

4. Amendment May Not Affect the Declaration - No amendment to these Articles shall in any manner reduce, amend, affect or modify the terms, conditions, provisions, rights and obligations set forth in the declaration of condominium of Sanibel, a Condominium.

5. Declarant Must Assent to Certain Amendments - Without the prior written consent of the declarant, no amendment to these Articles shall abridge, amend or alter the rights of the declarant with respect to Sanibel, a Condominium, including but not limited to the declarant's right to designate and select the directors as provided in these Articles and the declaration of condominium of Sanibel, a Condominium, nor shall any amendment make any changes in the qualifications for membership or the voting rights of the members, or make any change of any of the provisions which are for the benefit of the holder or the insurer of first mortgages on Sanibel, a Condominium, or its individual condominium units, or make any change that would terminate the Association, unless Sanibel, a Condominium, shall first have been terminated in accordance with provisions therefor in its declaration of condominium.

ARTICLE TWELVE Resolution of Conflicts

1. Priorities - Conflicts among the provisions of these Articles, the Association's bylaws, the provisions of the declaration of condominium of Sanibel, a Condominium, and the Condominium Act or the Nonprofit Corporation Act shall be resolved according to the following priority:

- a. Priority One - The Condominium Act.
- b. Priority Two - The Nonprofit Corporation Act.
- c. Priority Three - The Declaration of Condominium.
- d. Priority Four - These Articles
- e. Priority Five - The Bylaws.

ARTICLE THIRTEEN

Definitions

1. Definitions - Unless herein clearly provided to the contrary, or unless the context obviously otherwise requires, the terms used in these Articles shall have the same definitions and meanings as set forth in the Condominium Act and in the Declaration of Condominium of Sanibel, a Condominium.

ARTICLE FOURTEEN

Registered Office and Registered Agent

1. Registered Office and Agent Required - The Association shall have and shall continuously maintain within the State of Alabama a registered office and a registered agent. The agent may be a corporation qualified to do business in Alabama. The registered office may, but need not be, the Association's principal place of business.

2. Initial Registered Agent - The initial registered agent of the Association is Scott Raley.

3. Initial Registered Office - The initial registered office of the Association is:

Physical Address:

Scott Raley, President
Joe Raley Builders, Inc.
1240 Commerce Drive
Gulf Shores, Alabama 36542

NOTE: - There is no mail service to this physical address as of the date of these articles.

Mailing Address:

Scott Raley, President
Joe Raley Builders, Inc.
Post Office Box 2077
Gulf Shores, Alabama 36547

4. Change in Registered Office or Agent - The Association may change its registered office and registered agent by filing in the office of the Judge of Probate of Baldwin County a statement executed for the corporation by its president or a vice president, verified by him, and one copy thereof, setting forth:

- a. The name of the Association;
- b. The location and mailing address of its then registered office;
- c. If the location of the registered office is changed, the location or mailing address to which the registered office is to be changed;
- d. The name of its then registered agent;
- e. If its registered agent is changed, the name of his successor registered agent;
- f. That the address of its registered office and the address of the office of its registered agent, as changed, will be identical;
- g. That such change was authorized by resolution duly adopted by its board of directors.

5. Change of Address by Agent - If a registered agent changes his or its business address to another place within the same county, he or it may change such address and the registered office address of the corporation by filing a statement and one copy thereof signed by him or, if a corporation, by its duly authorized officer. The statement must recite that a copy has been mailed to the Association.

6. Resignation of Registered Agent - Any registered agent may resign as such agent upon filing a written notice thereof, executed in triplicate, with the Judge of Probate of Baldwin County, Alabama, and the appointment of such agent shall terminate upon the expiration of 30 days after receipt of the notice by the probate judge.

ARTICLE FIFTEEN

Dissolution

Dissolution - If Sanibel, a Condominium, is terminated, the Association shall wind up its affairs and distribute its assets in an orderly manner in accordance with the provisions of the declaration of condominium of Sanibel, a Condominium, the Condominium Act and the Nonprofit Corporation Act. The directors shall be strict trustees of the Association's assets during the termination and dissolution period. In the event of conflict between the condominium provisions and the nonprofit corporation provisions, the condominium provisions shall prevail.

ARTICLE SIXTEEN
Incorporator

The name and address of the incorporator is:

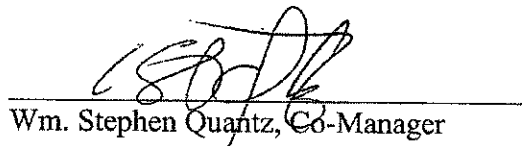
Sanibel Development, L.L.C.
Post Office Box 2077
Gulf Shores, Alabama 36547

IN WITNESS WHEREOF, the declarant SANIBEL DEVELOPMENT, L.L.C., has caused these articles to be executed by Scott Raley and Wm. Stephen Quantz, its Co-Managers, this the 19th day of December, 2006..

SANIBEL DEVELOPMENT, L.L.C.



Scott Raley, Co-Manager (SEAL)




Wm. Stephen Quantz, Co-Manager (SEAL)

STATE OF ALABAMA
BALDWIN COUNTY

Corporate Acknowledgment

I, the undersigned authority, in and for said county, in said state, hereby certify that SCOTT RALEY and WM. STEPHEN QUANTZ, whose names as Co-Managers of SANIBEL DEVELOPMENT, LLC., are signed to the above and foregoing instrument, and who are known to me, acknowledged before me on this date that, being informed of the contents of the instrument they, as such Co-Managers and with full authority, executed the same voluntarily on the day the same bears date, for and as the act of the said Sanibel Development, LLC.

Given under my hand and official seal this the 19th day of December, 2006



Notary Public
My Commission Expires

