

ARTICLES OF INCORPORATION
OF
BELMONT HILL
PROPERTY OWNERS ASSOCIATION, INC.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

WE, THE UNDERSIGNED, hereby associate ourselves together for the purpose of becoming a corporation not-for-profit pursuant to Chapter 617, Laws of the State of Florida, providing for the formation, liability, rights, privileges, and immunities of a corporation not-for-profit.

ARTICLE I
NAME OF CORPORATION

The name of this Corporation shall be BELMONT HILL PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association".

ARTICLE II
GENERAL NATURE OF BUSINESS

The general nature of business to be conducted by the Association is to provide for maintenance, preservation and architectural control of the Property (as herein defined) and any additions thereto, as well as, provide for supplemental road maintenance and to provide for the staff expenses, if any, of the Architectural Control Board, fix annual and special assessments or charges to be levied against the Property, enforce any and all covenants and restrictions applicable to the Property, provide supplemental security services to the Property (such security services may be provided only as a means of supplementing governmental agencies, and expressly are not provided as a guarantee of safety or security to the Members, their guests, or others), provide for the operation and maintenance of the clubhouse, if any, and its surrounding grounds, and do any other things that in the opinion of the Board of Directors will promote the benefit and enjoyment of the owners of the Property within and around Belmont Hill, located in Citrus County, Florida, and herein described as that "Property" as defined in the Declaration of Covenants, Conditions, Restrictions and Easements for Belmont Hill, as it may be amended from time to time, recorded in the Public Records of Citrus County, Florida, as well as any other properties which, may by and through the recordation of other documents, be brought under the authority and control of the Association. The Association is not organized for profit and no part of the net earnings, if any, shall inure for the benefit of any member, individual, person, firm or corporation.

Purpose: The purpose of the Association is to provide for maintenance, preservation and architectural control of the real property described in the Declaration of Covenants, Conditions, Restrictions and Easements for Belmont Hill, as amended from time to time (the "Existing Properties") and any additions thereto (The Existing Properties and any additions thereto may be referred to as the "Properties"); and, the purpose of the Association is to promote health, welfare, and harmony among property owners and perform such other and further duties as may be imposed upon it, or assigned to it by Citrus Hills Investment Properties, or its successor, or its membership.

The Association shall indemnify and hold harmless the Board of Directors of the Association and each member thereof from any liability, loss claim, action or suit, including, but not limited to attorney's fees and costs arising from or by virtue of any action or failure to take action relative to their rights and duties as granted them by the Declaration of Covenants, Conditions, and Restrictions for Belmont Hill, these Articles of Incorporation and the By-Laws of the Association, except willful or gross malfeasance or misfeasance taken. The Association shall not be required to indemnify the Board of Directors or any member thereof where an action is brought against the Board of Directors or such member by the Association and in which the Association is successful.

ARTICLE III **POWERS**

The Association shall have the power to:

A. Exercise all the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions, and Restrictions for Belmont Hill, hereinafter called the "Declaration", applicable to the Property, as described therein, 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 of any charges and assessments which the Association may impose pursuant to the recorded Declaration, and any amendments thereto, as well as agreements of undertakings by purchasers in the Property, for the supplemental maintenance, repairs and replacement of the public rights-of-way and appurtenances thereto that are located on the Property which can include but is not limited to landscaping, paving, drainage, street lighting, operate and maintain the clubhouse and its surrounding grounds, and other such purposes and activities which the Association may lawfully conduct. To pay all expenses in connection therewith and all office and other expenses incident to the conduct of business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.

C. To have and to exercise all the common law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of these Articles and the Declaration.

D. To borrow money, and with the assent of a majority of the members, mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

ARTICLE IV **MEMBERS**

Every person or entity who is a record owner of a fee or undivided fee interest in any Parcel, as defined in the Declaration, in the properties shall be a Member of the Association. For the purposes of this paragraph only, a record owner, in addition to as described hereinabove, shall be defined to mean any purchaser under an Agreement for Deed who

is not in default of said Agreement for Deed, and all persons or entities who are obligated by the Declaration or amendments thereto to pay assessments to the Association or who by separate undertaking have agreed to pay such assessments shall be Members of the Association. The foregoing is not intended to nor shall it include any person or entity who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any such Parcel in the property.

ARTICLE V **VOTING RIGHTS**

Each owner of a Parcel, as defined in the Declaration, shall be entitled to one vote for each Parcel owned. Notwithstanding any provision to the contrary, Declarant, as defined in the Declaration, shall have the right to vote a majority of the votes cast at any meeting of the Members until such time as Declarant no longer holds title to 25% of the Parcels, or until such sooner time as Declarant waives the right to elect a majority of the Board of Directors by an instrument in writing. When persons, other than the Declarant, own 20% or more of the Parcels in the then-existing Property, they shall be entitled to elect one member of the Board of Directors. The Developer shall have the right to elect one member of the Board of Directors at the annual meeting until such time as Developer no longer holds the title to any portion of the Property.

The By-Laws of the Association shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting. A quorum for the transaction of business at any meeting of the members shall exist if twenty percent (20%) of the total number of members in good standing shall be present at the meeting, in person or by proxy (if the required quorum is not present, another meeting may be called and the required quorum shall be ten percent (10%) of the members); provided, however, that so long as the Declarant has the right to a majority of the votes at a meeting, only the Declarant need be present at a meeting for the election of directors.

ARTICLE VI **MEETINGS OF MEMBERS**

The By-Laws of the Association shall provide for an Annual Meeting of Members and may make provisions for regular and special meetings of Members other than the Annual Meeting. A quorum for the transaction of business at any meeting of the Members shall exist if 20% of the total number of Members in good standing shall be present at the meeting, in person or by proxy. If the required quorum is not present another meeting may be called and the required quorum shall be ten percent (10%) of the total number of Members in good standing.

ARTICLE VII **CORPORATE EXISTENCE**

The Corporation shall have perpetual existence.

ARTICLE VIII
BY-LAWS

The Board of Directors shall adopt By-Laws consistent with these Articles of Incorporation. Such By-Laws may be altered, amended or repealed by the Board of Directors in the manner set forth in the By-Laws.

ARTICLE IX
AMENDMENTS

Amendments to these Articles of Incorporation may be made by a 75% vote of the Board of Directors.

No amendment shall be made that is in conflict with the law or the Declaration as amended from time to time.

ARTICLE X
NUMBER OF DIRECTORS

The business of this Corporation shall be conducted by a Board of Directors which shall consist of not less than three persons. The names and addresses of the original Directors shall be:

Stephen A. Tamposi
2450 N. Citrus Hills Blvd.
Hernando, Florida 34442

John E. Pastor
2450 N. Citrus Hills Blvd.
Hernando, Florida 34442

Lisa Bazemore
2450 N. Citrus Hills Blvd.
Hernando, Florida 34442

The Directors of the Corporation shall be elected at the annual meeting of the Members, as specified in the By-Laws. The election of Directors shall be by majority vote.

Any Director may be removed from office at any time with or without cause by the affirmative vote of the Members, except that the Directors elected or appointed by the Declarant, as defined in the Declaration, may be removed only by the Declarant.

ARTICLE XI
SUBSCRIBERS

The name and street address of the Incorporator to these Articles of Incorporation is as follows:

Stephen A. Tamposi
2450 N. Citrus Hills Blvd.
Hernando, Florida 34442.

ARTICLE XII
INDEMNIFICATION OF OFFICERS AND DIRECTORS

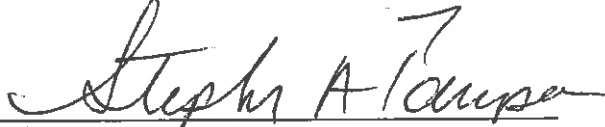
All Officers and Directors shall be indemnified by the Association against all expenses and liabilities, including attorney's fees reasonably incurred in connection with any proceeding or settlement thereof in which they may become involved by reason of holding such office. The Association may purchase and maintain insurance on behalf of all Officers and Directors against any liability asserted against them or incurred by them in their capacity as Officers and Directors or arising out of their status as such.

ARTICLE XIII
REGISTERED AGENT

The name and address of the appointed Registered Agent of the Corporation is:

Eric D. Abel
General Counsel
2450 N. Citrus Hills Blvd.
Hernando, Florida 34442

IN WITNESS WHEREOF, I, the undersigned Incorporator to these Articles of Incorporation have set my hand and seal this 30th day of June, 1998.



Stephen A. Tamposi, Incorporator

STATE OF FLORIDA
COUNTY OF CITRUS

I hereby certify that on this 30th day of June, 1998 before me an officer duly authorized personally appeared Stephen A. Tamposi, to me well known and personally known to be the person described in and who executed the foregoing instrument and that he acknowledged before my that he executed said instrument.

WITNESS my hand and official seal in the County and State aforesaid this the 30th day of June, 1998 and year last above written.

 Lisa M Bazemore
My Commission CC692067
Expires December 8, 2001



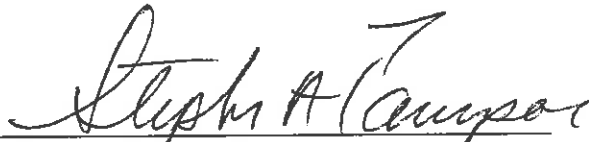
Notary Public
My Commission expires

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THE STATE OF FLORIDA NAMING AGENT UPON WHOM PROCESS MAY BE SERVED IN COMPLIANCE WITH SECTIONS 48.091 AND 607.034 FLORIDA STATUTES. The following is submitted:

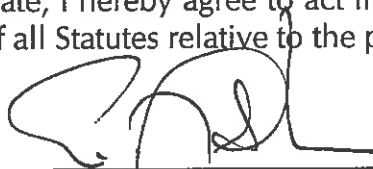
That Belmont Hill Property Owners Association, Inc., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at 2450 N. Citrus Hills Blvd., Hernando, Florida 34442, has named Eric D. Abel, Esq. as its agent to accept Service of Process within Florida.

DATED: June 30, 1998



Stephen A. Tamposi, Incorporator

Having been named to accept Service of Process for the above named corporation, at the place designated in this Certificate, I hereby agree to act in this capacity and further agree to comply with the provisions of all Statutes relative to the proper performance of my duties.



Eric D. Abel, Esq.
Registered Agent