

Exhibit B to Declaration Establishing
AVALON BEACH CLUB, A CONDOMINIUM

ARTICLES OF INCORPORATION

OF

AVALON BEACH CLUB CONDOMINIUM ASSOCIATION, INC.

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under and pursuant to Chapter 617 of the Florida Statutes, and do certify as follows:

ARTICLE I

The name of this corporation shall be AVALON BEACH CLUB CONDOMINIUM ASSOCIATION, INC., and, for convenience shall be referred to in this instrument as the "Corporation".

ARTICLE II

The purpose for which the Corporation is organized is to provide an entity, pursuant to the Condominium Act, which is Chapter 718, Florida Statutes, for the operation of AVALON BEACH CLUB, A CONDOMINIUM, hereinafter referred to as the "Condominium", located upon the following lands in St. Lucie County, Florida:

Lots 1,2,25,26,27,28 & 29, Block 7, REVISED MAP OF FORT PIERCE BEACH, according to the Plat thereof, recorded in Plat Book 8, Page 29, of the Public Records of St. Lucie County, Florida, and Lots 13, 14,15, & 16, Block 3, REVISED MAP OF FORT PIERCE BEACH, according to the Plat thereof recorded in Plat Book 8, Page 29, of the Public Records of St. Lucie County, Florida, LESS THAT PART DEEDED to the St. Lucie County Erosion District in Official Records Book 175, Page 2388, of the Public Records of St. Lucie County, Florida.

The Corporation shall make no distribution of income to its members, directors or officers.

That property owned by the Corporation or the owners of units and undivided interest in the common elements, limited common elements and surplus of the Condominium, not defined in the Declaration of Condominium as a "unit", is herein referred to as "Condominium Property".

ARTICLE III

The powers of the Corporation shall include and be governed by the following provisions:

A. The Corporation 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, the declaration, the bylaws of the Corporation, herein called the "Articles", "Declaration", and "Bylaws" respectively, as they may be established from time to time, and the Act.

B. The Corporation shall have all of the powers under and pursuant to the Act and the Declaration and shall have all of the powers reasonably necessary to implement the purposes of the Corporation, including but not limited to the following:

1. To make, establish and enforce reasonable rules and regulations governing the use of the Condominium or portions thereof;

2. To determine, levy and collect assessments against the Members to provide the funds to pay the Common Expenses of the Condominium as is provided in the Declaration, the Bylaws and the Condominium Act, and to use and expend the proceeds of such assessments in the exercise of the powers and duties of the Corporation;

3. To maintain, repair, replace and operate the Condominium, specifically including all portions of the Condominium Property of which the Corporation has the right and power to maintain, repair, replace and operate in accordance with the Declaration, the Bylaws, and the Condominium Act;

4. To reconstruct or restore improvements in the Condominium Property after casualty or other loss and to make further improvements of the Condominium Property;

5. To enforce by legal means the provisions of the Declaration, these Articles, the Bylaws, the Rules and Regulations of the Corporation governing the use of the Condominium, and all other documents referred to in the Declaration and these Articles of Incorporation;

6. To contract for the operation, management and maintenance of the Condominium and to delegate to the contracting party all of the powers and duties of the Corporation, except those which may be required by the Declaration to have approval of or to be exercised by the Board of Directors or the Members of the Corporation, and except those whose delegation is expressly prohibited by the Declaration or these Articles;

7. To acquire and enter into agreements to acquire leaseholds, easements, memberships or other possessory or use interest in lands or facilities, whether or not contiguous to the lands of the Condominium, intended to provide for the enjoyment or other use or benefit to the Members;

8. To acquire by purchase, lease or otherwise Units of the Condominium whether or not offered for sale or lease or surrendered by their Owners to the Corporation or purchased at foreclosure or other judicial sale; and to sell, lease, mortgage, cast the votes appurtenant to or otherwise deal with Units acquired by, and to sublease Units leased by the Corporation or its designee;

9. To approve or disapprove the sale, mortgage or lease of Units as may be provided by the Declaration and the Bylaws;

10. To employ personnel to perform the services required for proper operation and maintenance of the Condominium;

11. To obtain insurance for the Condominium;

12. All funds and the titles of all properties acquired by the Corporation and their proceeds shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation and the Bylaws.

13. The powers of the Corporation shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Bylaws.

ARTICLE IV

The qualification of the members of the Corporation, herein called "Members", the manner of their admission to membership and termination of such membership, and voting by Members shall be as follows

1. All Condominium unit owners as defined in the Declaration, herein called "Condominium Unit Owners", or "Unit Owners", shall be Members of the Corporation, and no other persons or entities shall be entitled to membership, except as provided in paragraph numbered 5 of Article IV.

2. Membership shall be established by the acquisition of fee title to a condominium unit as defined in the Declaration, herein called a "Condominium Unit", or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise, and the membership of any party shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in any Condominium Unit, except that nothing herein contained shall be construed as terminating the membership of any party who may own two or more Condominium Units or who may own a fee ownership interest in two or more Condominium Units, so long as such party shall retain title to or a fee ownership interest in any Condominium Unit.

3. The interest of a Member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his Condominium Unit. The funds and assets of the Corporation shall belong solely to the Corporation subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Condominium, and in the Bylaws which may be hereafter adopted.

4. On all matters on which the membership shall be entitled to vote, there shall be only one vote for each Condominium Unit, which vote may be exercised or cast by the owner or owners of each Condominium Unit in such manner as may be provided in the Bylaws hereafter adopted by the Corporation. Owners of the cabana condominium units, as defined in the Declaration, herein called "Cabana Units", or "Condominium Cabana Units" shall not be entitled to vote, provided, however, that such restrictions in no way shall limit the right of such Cabana Unit Owner to vote by virtue of his right as a Condominium Unit Owner. Should any Member own more than one Condominium Unit, such Member shall be entitled to exercise or cast as many votes as he owns Condominium Units, in the manner provided by said Bylaws.

5. Until such time as the property described in Article II herein, and the improvements which may be hereafter constructed thereon, are submitted to a plan of Condominium ownership by the recordation of said Declaration, the membership of the Corporation shall be comprised of the subscribers to these Articles, each of which subscribers shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

ARTICLE V

The Corporation shall have perpetual existence.

ARTICLE VI

The principal office of the Corporation shall be located at 1521 Alton Road, Miami Beach, FL 33139, but the Corporation may maintain offices and transact business in such other places within or without the State of Florida as may from time to time be designated by the Board of Directors.

ARTICLE VII

The affairs of the Corporation shall be managed by the President of the Corporation, assisted by the Vice President, Secretary and Treasurer, and if any, the Assistant Secretaries and Assistant Treasurers, subject to the directions of the Board of Directors. The Board of Directors, or the President, with the approval of the Board of Directors, may employ a Managing Agent and/or such managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Condominium, and the affairs of the Corporation, and any such person or entity may be so employed without regard to whether such person or entity is a member of the Corporation or a director or officer of the Corporation, as the case may be.

ARTICLE VIII

The number of the First Board of Directors of the Corporation shall be three (3). The number of members of succeeding Boards of Directors shall be as provided from time to time by the Bylaws of the Corporation. The members of the Board of Directors shall be elected by the Members at the Annual Meeting of the membership as provided by the Bylaws of the Corporation, and at least a majority of the Board of Directors shall be Members or shall be authorized representatives, officers or employees of a corporate Member. Notwithstanding the foregoing, so long as the developer, as defined in the Declaration, herein called the "Developer", is the owner of one or more Condominium Units, the Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Corporation. The Developer may designate and select the persons to serve as members of each said Board of Directors in the manner provided in the Bylaws of the Corporation. The rights of Developer may be assigned by it to any other party taking over Developer's position in the Condominium.

ARTICLE IX

The Board of Directors of the Corporation shall elect a President, Secretary, Treasurer, and as many Vice Presidents, Assistant

Secretaries and Assitant Treasurers as the Board of Directors shall be elected from among the membership of the Board of Directors, but no other officer need by a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of the President and Vice President shall not be held by the same person nor shall the office of President and Secretary of Assistant Secretary be held by the same person.

ARTICLE X

The names and residences of the First Board of Directors, who, subject to the provisions of these Articles, the Bylaws, and the laws of the State of Florida, shall hold office for the first year of the Corporation's existence or until their successors are elected and have qualified, are as follows:

MARKUS A. FRANKEL
1175 101st Street
Bay Harbor Islands, FL 33154

THOMAS J. NORTHCUTT
3241 NE 56th Court
Ft. Lauderdale, FL 33308

THOMAS J. NORTHCUTT, JR.
1120 99th Street, #302
Bay Harbor Islands, FL 33154

ARTICLE XI

The subscribers to these Articles are the three (3) persons herein named to act and serve as members of the First Board of Directors of the Corporation, the names of which subscribers and their respective residences are more particularly set forth in Article X above.

ARTICLE XII

President: MARKUS A. FRANKEL
Vice President: THOMAS J. NORTHCUTT
Secretary/Treasurer: THOMAS J. NORTHCUTT, JR.

ARTICLE XIII

The original Bylaws of the Corporation shall be adopted by a majority vote of the Members present at a meeting of Members at which a majority of the membership is present, and thereafter, such Bylaws may be altered or rescinded at a meeting of Members by a majority vote of the membership.

ARTICLE XIV

Every director and every officer of the corporation shall be indemnified by the Corporation against all expenses and liabilities,

including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE XV

An amendment or amendments to these Articles may be proposed by the Board of Directors of the Corporation acting upon a vote of the majority of the Directors, or by the Members of the Corporation owning a majority of the Condominium Units, whether meeting as Members or by instrument in writing signed by them. Upon any amendment or amendments to these Articles being proposed by said Board of Directors, or Members, such proposed amendment or amendments shall be transmitted to the President of the Corporation or other officer of the Corporation in the absence of the President, who shall thereupon call a special meeting of the Members of the Corporation for a date not sooner than twenty (20) days nor later than sixty (60) days from the receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give to each Member written or printed notice of such meeting, stating the time and place of the meeting and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed or presented personally to each Member not less than ten (10) nor more than thirty (30) days before the date set for such meeting. If mailed, such notice shall be deemed to properly given when deposited in the United States Mail, addressed to the Member at his residence as it appears on the records of the Corporation, the postage thereon prepaid. Any Member may, by written waiver of notice signed by such Member, waive such notice and such waiver when filed in the records of the Corporation, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such Member. At such meeting, the amendment or amendments proposed must be approved by an affirmative vote of the Members owning not less than nine (9) Condominium Units in order for such amendment or amendments of these Articles, the written vote of any Member shall be recognized if such Member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Corporation at or prior to such meeting.

Notwithstanding the foregoing provisions of this Article XV, no amendment to these Articles which shall abridge, amend or alter the right of Developer to designate and select Members of each Board of Directors of the Corporation, as provided in Article VIII hereof, may be adopted or become effective without the prior written consent of

Developer, and provided, further, that in no event shall there be any amendment to these Articles so long as the Developer shall own one (1) or more Condominium Units without the prior written consent of the Developer being first had and obtained.

ARTICLE XVI

The street address of the initial registered office of this Corporation is 1090 Kane Concourse, Suite 202, Bay Harbor Islands, FL 33154, and the name of the initial registered agent of this Corporation at that address is David M. Lazan.

IN WITNESS WHEREOF, the subscribers have hereunto set their hands and seals this 1st day of January, 1982.

[Signature] (SEAL)
MARKUS A. FRANKEL
[Signature] (SEAL)
THOMAS J. NORTHCUIT
[Signature] (SEAL)
THOMAS J. NORTHCUIT, JR.

STATE OF FLORIDA)
COUNTY OF DADE) SS:

BEFORE ME, the undersigned authority, personally appeared MARKUS A. FRANKEL, THOMAS J. NORTHCUIT and THOMAS J. NORTHCUIT, JR., who being first by me duly sworn, acknowledged that they executed the foregoing Articles of Incorporation for the purposed therein expressed, this 1st day of January, 1982.

[Signature] (SEAL)
NOTARY PUBLIC STATE OF FLORIDA

My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES
ON _____

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE
FOR THE SERVICE OF PROCESS WITHIN THIS STATE,
NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

In pursuant of Chapter 48.091, Florida Statutes, the following is submitted, in compliance with said Act:

First - That AVALON BEACH CLUB CONDOMINIUM ASSOCIATION, INC., desiring to organize under the Laws of the State of Florida, with its principal office as indicated in the Articles of Incorporation at the City of Bay Harbor Islands, County of Dade, State of Florida, has named DAVID M. LAZAN, located at 1090 Kane Concourse, Suite 202, City of Bay Harbor Islands, State of Florida, its agent to accept service of process within this State.

Having been named to accept service of process for the above stated Corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said office.


RESIDENT AGENT