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**ARTICLES OF INCORPORATION  
FOR  
THE CASCADES OF GROVELAND HOMEOWNERS' ASSOCIATION, INC.  
(a corporation not-for-profit)**

The undersigned, acting as Incorporator(s) of a corporation pursuant to Chapter 617, Florida Statutes, adopt(s) the following Articles of Incorporation:

**ARTICLE I. - NAME**

The name of the corporation shall be The Cascades of Groveland Homeowners' Association, Inc. (the "Association").

**ARTICLE II.  
PRINCIPAL PLACE OF BUSINESS AND MAILING ADDRESS**

The initial principal place of business and mailing address of the corporation shall be 4037 Avalon Park East Boulevard, Orlando, Florida 32828.

**ARTICLE III. - PURPOSE(S)**

The corporation is organized as a corporation not-for-profit under Chapter 617 of the laws of the State of Florida. The specific purposes for which the corporation is organized are:

1. To promote the health, safety and social welfare of the Owners of Property within that residential area referred to as The Cascades of Groveland and described in the Declaration of Restrictions and Protective Covenants for The Cascades of Groveland (the "Declaration") by Levitt and Sons, of Lake County, LLC, a Florida limited liability company, to be recorded in the Public Records of Lake County, Florida.
2. To own and maintain, repair and replace the general and/or Common Area, landscaping and other improvements in and/or benefiting the property for which the obligation to maintain and repair has been delegated and accepted.
3. To control the specifications, architecture, design, appearance, elevation and location of, and landscaping around, all buildings and improvements of any type, including walls, fences, swimming pools, antennae, sewers, drains, disposal systems or other structures constructed, placed or permitted to remain in the Property, as well as the alteration, improvement, addition or change thereto.
4. To operate without profit for the benefit of its members.
5. To perform those functions reserved to the Association in the Declaration.
6. To operate, maintain and manage the surface water or stormwater management system(s) in a manner consistent with the St. John's River Water Management District (the

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"District") permit requirements and applicable District Rules, and shall assist in the enforcement of the provisions of the Declaration which relate to the surface water or stormwater management system.

#### **ARTICLE IV.- GENERAL POWERS**

The general powers that the Association shall have are as follows:

1. To hold funds solely and exclusively for the benefit of the members for the purposes set forth in these Articles of Incorporation.
2. To promulgate and enforce rules, regulations, bylaws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized.
3. To delegate power or powers where such is deemed in the interest of the Association.
4. To affix assessments to be levied against Lots within the Property and the costs of effectuating the objects and purposes of the Association and to create reasonable reserves for such expenditures, and to authorize its Board of Directors, in its discretion, to enter into agreements with mortgage companies and other organizations for the collection of such assessments.
5. To pay taxes and other charges, if any, on or against the Common Area.
6. To have all powers conferred upon a corporation by the laws of the State of Florida, except as prohibited herein. The Common Area cannot be mortgaged or conveyed without the affirmative vote of at least two-thirds of the Class A Membership.
7. To levy and collect adequate assessments against members of the Association for the cost of maintenance and operation of the surface water or stormwater management system.

#### **ARTICLE V. MANNER OF ELECTION OF DIRECTORS**

Directors shall be elected or appointed in accordance with the provisions of the Bylaws of the Association.

#### **ARTICLE VI. - MEMBERS**

1. Every Owner of a Lot which is subject to Assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment.
2. The Association shall have two classes of voting membership:
  - a. 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.

b. Class B. The Class B Member(s) shall be the Developer. The Class B Member shall be entitled to the same number of votes held by all other Members of the Association plus one; provided, however, that notwithstanding any provision to the contrary, the Developer shall have the right to appoint the entire Board of Directors of the Association until 90 days after 100% of the Lots have been conveyed to Owners other than the Developer, or at an earlier date at the sole discretion of the Developer.

The Developer shall call a meeting, as provided in the Bylaws for Special Meetings, to provide for the turnover of control of the Board of Directors to the Owners at this time. The Developer shall have the right to appoint one member to the Board of Directors for so long as the Developer owns any portion of the Property.

#### **ARTICLE VII. - DIRECTORS**

The Board of Directors of the Corporation shall be comprised of at least three (3) directors. The initial members of the Board of Directors and their street addresses are:

Dave Schmitt, P.E.	4037 Avalon Park East Boulevard Orlando, Florida 32828
Robert Hutson	4037 Avalon Park East Boulevard Orlando, Florida 32828
Ron Utterback	4037 Avalon Park East Boulevard Orlando, Florida 32828

As long as Developer shall have the right to appoint the Board of Directors, Directors need not be Members of the Association and need not be residents of the State of Florida. All Directors appointed by the Developer shall serve at the pleasure of the Developer, and may be removed from office, and a successor Director may be appointed at any time by the Developer. At the first annual election to the Board of Directors where Directors are elected by the Members, the term of office of the elected Director receiving the highest plurality of votes shall be established at two (2) years, with the other elected Directors to serve for a term of one (1) year. Elections shall be by plurality votes. All Directors shall hold office until the election of new directors at the next annual meeting or resignation of said Director. Each year thereafter, as many Directors shall be elected and appointed, as the case may be, as there are regular terms of office of Directors expiring at such time, and the term of the Director so elected or appointed at each annual election shall be for two (2) years expiring at the second annual election following their election, and thereafter until their successors are duly elected and qualified, or until removed from office with or without cause by the affirmative vote of a majority of the Members which elected or appointed them. Any Director appointed by the Class B Member shall serve at the pleasure of the Class B Member and may not be removed except by action of the Class B

Member, and may be removed from office, and a successor director may be appointed, at any time by the Class B Member.

### **ARTICLE VIII. - OFFICERS**

The Officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board may from time to time, by resolution, create. Any two or more offices may be held by the same person except the offices of President and Secretary. Officers shall be elected for one (1) year terms in accordance with the procedures set forth in the Bylaws. The names of the Officers who are to manage the affairs of the Association until the first annual meeting of the Board of Directors and until their successors are duly elected and qualified are:

President/Treasurer	Robert Hutson
Vice President/Secretary	Dave Schmitt, P.E.

### **ARTICLE IX. INITIAL REGISTERED AGENT AND STREET ADDRESS**

The street address of the Corporation's initial registered office is: 4037 Avalon Park East Boulevard, Orlando, Florida 32828 and the name of the initial Registered Agent at such address is: Robert Hutson.

### **ARTICLE X. - INCORPORATOR**

The name and street address of the Incorporator for these Articles of Incorporation is: Robert Hutson, 4037 Avalon Park East Boulevard, Orlando, Florida 32828.

### **ARTICLE XI. - CORPORATE EXISTENCE**

The Association shall have perpetual existence.

### **ARTICLE XII. - BYLAWS**

The Board of Directors shall adopt Bylaws consistent with these Articles.

### **ARTICLE XIII. AMENDMENTS TO ARTICLES OF INCORPORATION AND BYLAWS**

For so long as the Developer has the right to appoint the entire Board of Directors of the Association, the Developer may unilaterally amend these Articles. As such time as the Developer no longer has the right to appoint the entire Board of Directors of the Association, amendment of these Articles requires the approval of at least two-thirds of the membership votes. No amendment affecting the Developer or its successor or assign of Developer of the Property shall be effective without the prior written consent of said Developer or its successors or assigns, as Developer.

**ARTICLE XIV.**  
**INDEMNIFICATION OF OFFICERS AND DIRECTORS**

1. The Association hereby indemnifies any Director or officer made a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding:

a. Whether civil, criminal, administrative or investigative, other than one by or in the right of the Association to procure a judgment in its favor, brought to impose a liability or penalty on such person for any act alleged to have been committed by such person in his capacity of Director or officer of the Association, or in his capacity as a Director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred as a result of such action, suit or proceeding or any appeal therein, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association, and in criminal actions or proceedings, without reasonable ground for belief that such action was unlawful. The termination of any such action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not in itself create a presumption that any such Director or officer did not act in good faith in the reasonable belief that such action was in the best interests of the Association or that he had reasonable grounds for belief that such action was unlawful.

b. By or in the right of the Association to procure a judgment in its favor by reason of his being or having been a Director or officer of the Association, or by reason of his being or having been a Director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise which he served at the request of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, if such person acted in good faith in the reasonable belief that such action was in the best interests of the Association. Such person shall not be entitled to indemnification in relation to matters as to which such person has been adjudged to have been guilty of negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court, administrative agency, or investigative body before which such action, suit or proceeding is held shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such tribunal shall deem proper.

2. The Board of Directors shall determine whether amounts for which a Director or officer seeks indemnification were properly incurred and whether such Director or officer acted in good faith and in a manner he reasonably believed to be in the best interests of the Association, and whether, with respect to any criminal action or proceeding, he had no reasonable ground for belief that such action was unlawful. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding.

3. The foregoing rights of indemnification shall not be deemed to limit in any way the powers of the Association to indemnify under applicable law.

4. The Association shall obtain directors and officers liability insurance providing such coverage as the Board of Directors of the Association may determine from time to time.

#### **ARTICLE XV.**

#### **TRANSACTIONS IN WHICH DIRECTORS OR OFFICERS ARE INTERESTED**

1. With the exception of Directors and Officers appointed by the Class B. Members, any financial or familial interest of an Officer or Director in any contract or transaction between the Association and one (1) or more of its Directors or officers, or between the Association and any other corporation, partnership, association or other organization in which one (1) or more of its Directors or officers are directors or officers, or have a financial interest, shall be disclosed, and further shall be voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction or solely because his or their votes are counted for such purpose. No Director or officer of the Association shall incur liability by reason of the fact that he is or may be interested in any such contract or transaction.

2. Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorized the contract or transaction, but must abstain from voting on the issue.

#### **ARTICLE XVI. - 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. In the event of termination, dissolution or final liquidation of the Association, the responsibility for the operation and maintenance of the surface water or stormwater management system must be transferred to and accepted by an entity which would comply with Section 40(c)-42.027, Florida Administrative Code, and be approved by the District prior to such termination, dissolution or liquidation.

**SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 7 day of March, 2005.

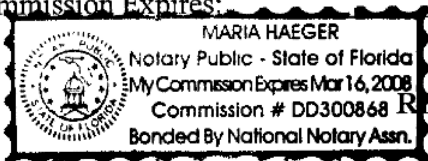
[Signature]  
Robert Hutson

STATE OF FLORIDA  
COUNTY OF Orange

The foregoing instrument was acknowledged before me this 7 day of March, 2005, by Robert Hutson, who is personally known to me or who has produced a Florida driver's license as identification.

Serial No.: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

[Signature]  
Notary Public  
Name: Maria Haeger



**REGISTERED AGENT**

The undersigned hereby accepts appointment as Registered Agent of Cascades of Groveland Homeowners' Association, Inc. this 7 day of March, 2005.

[Signature]  
Robert Hutson