

ARTICLES OF INCORPORATION
MERRITT ISLAND COOPERATIVE HOUSING ASSOCIATION, INC.
A Nonprofit Corporation

FIRST: This is to certify that we, the Subscribers,

<u>Name</u>	<u>Address</u>
Richard Koch	195 treasure St, Apt 207, Merritt Island, FL 32952
Louis Knight	200 Bounty St, Apt. 106, Merritt Island, FL 32952
Raymond Crawford	180 Bounty St., Apt. 107, Merritt Island, FL 32952
Francis Roe	200 Bounty St., Apt 107, Merritt Island, FL 32952

All being of full legal age, do, under and by virtue of Chapter 617 of the Florida Statutes, associate ourselves with the intention of forming a corporation to provide housing on a non-profit cooperative basis.

SECOND: The name of the corporation is Merritt Island Cooperative Housing Association, Inc. The corporation shall commence business with the filing of these Articles, and have perpetual existence. The principal office of the corporation will be located at 35 North Banana River Drive, Merritt Island, Florida. The resident agent of the corporation is Thomas R. Townsend, Jr., whose post office address is P.O. Box 563, Rockledge, FL 32955.

THIRD: The purpose for which the corporation is formed, and the business and the objects to be carried on and promoted by it, are as follows:

- a) To provide under the provisions of the National Housing Act, as amended, dwelling accommodations on a cooperative basis for families and individuals and to assist further the provision of housing for moderate and low-income families.
- b) To construct, own, operate and provide on a non-profit cooperative basis, housing and related amenities, facilities, services and other activities for persons and families now or hereinafter residing in the residential complex known as Merritt Island Co-op Apartments, Merritt Island, Florida.
- c) To maintain and improve, and to buy, sell, convey, assign, mortgage or lease any real estate and any personal property necessary or incident to the provision of such housing.
- d) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien.
- e) To apply for and obtain or cause to be obtained from the Federal Housing Commissioner, hereinafter called the "Commissioner, a contract or contracts of mortgage insurance pursuant to the provisions of the National Housing Act, as amended.
- f) To enter into any kind of activity, and to perform and carry out contracts of any kind necessary to, or in connection with, or incidental' to the accomplishment of the non-profit purposes of the cooperative corporation.
- g) To make refunds to members, occupants of dwelling units, or others as provided by the by-laws and/or occupancy agreements.

FOURTH: Any natural person approved by the Board of Directors shall be eligible for membership, provided that he or she executes a Subscription Agreement and Occupancy Agreement in the usual form employed by the Corporation covering a specific unit in the housing complex.

Application for membership shall be presented in person on a form prescribed by the Board of Directors, and all such applications shall be acted upon promptly by the Board of Directors.

The members shall consist of the Subscribers as have been approved for membership by the Board of Directors and who have paid for their membership and received membership certificates. The status of the Directors in office at the time these by-laws are approved and adopted as members shall terminate at the first annual meeting of members. The authorized membership of the Corporation shall consist of two hundred and sixteen (216) memberships.

Membership shall be evidenced by a Certificate of Membership issued by the Corporation to the member. Each membership certificate shall state that the Corporation is organized under the laws of the State of Florida, the name of the registered holder of the membership represented thereby; the Corporation lien rights as against such membership as set forth in this Article, and the preferences and restrictions applicable thereto, and shall be in such form as shall be approved by the Board of Directors.

Membership certificates shall be consecutively numbered, bound in one or more books, and shall be issued therefrom upon certification as to full payment. Every membership certificate shall be signed by the President or Vice President, and the Secretary, and shall be sealed with the corporate seal.

Except as provided herein, memberships shall not be transferable and, in any event, no transfer of membership shall be made upon the books of the Corporation within ten (10) days next preceding the annual meeting of the members. In all transfers of membership, the Corporation shall be entitled to a fee it deems appropriate to compensate it for the processing of the transfer.

FIFTH:

a) If, upon death of a member, his membership in the Corporation passes by will or intestate distribution to a member of his immediate family, such legatee or distributee may, by assuming in writing the terms of the applicable Occupancy Agreement within sixty (60) days after the member's death, and paying all amounts due thereunder, become a member. If a member dies and the Corporation shall have an option to purchase the membership from the deceased member's estate in the manner provided in paragraph "b" of this Article, written notice of the death being equivalent to notice of intention to withdraw. If the Corporation does not exercise such option, the provisions of paragraph "c" of this Article shall be applicable, the references to member therein to be construed as references to the legal representative of the deceased member. As used herein, the term "member of his immediate family shall mean a member's spouse or a parent, parent-in-law, grandparent, great-grandparent brother, sister, child, grandchild, great-grandchild, stepchild, niece, nephew, or child-in-law of the member or member's spouse.

b) If a member desires to leave the complex, he shall notify the Corporation in writing of such intention and the Corporation shall have an option for a period of thirty (30) days commencing the first day of the month following the giving of such notice, but not the obligation, to purchase the membership, together with all of the member's rights with respect to the dwelling unit occupied by him, at an amount to be determined by the corporation as representing the transfer value thereof, less any amounts due by the member to the Corporation under the Occupancy Agreement and less the cost or estimated cost of all deferred maintenance, including: painting, redecorating, floor finishing, and such repairs and replacements as are deemed necessary by the Corporation to place the dwelling unit in the same condition as at the time of purchase by the member. The purchase by the Corporation of the membership will immediately terminate the member's rights and the member shall forthwith vacate the unit occupied by him.

c) If the Corporation waives in writing its right to purchase the membership under the foregoing option, or if the Corporation fails to exercise such option within the thirty (30) day period, the member may sell his membership to any person who has been duly approved by the Corporation as a member and occupant.

If the Corporation agrees, at the request of the member, to assist the member in finding a purchaser, the Corporation shall be entitled to charge the member a fee it deems reasonable for this service. When the transferee has been approved for membership and has executed the prescribed Occupancy Agreement, the retiring member shall be released of his obligations under his Occupancy Agreement, provided he has paid all amounts due the Corporation to date.

Whenever the Corporation elects to purchase a membership, the term "transfer value" shall mean the sum of money as set forth in the by-laws.

SIXTH: In the event the Corporation has terminated the rights of a member under an Occupancy Agreement for cause, the member shall be required to deliver promptly to the Corporation his membership certificate and his Occupancy Agreement, both endorsed in such manner as may be required by the Corporation. The Corporation shall thereupon at its election either (1) purchase said membership at its transfer value as defined in the by-laws or the amount the retiring member originally paid for the acquisition of his membership certificate, whichever is the lesser, or (2) proceed with reasonable diligence to effect a sale of the membership to a purchaser and at a sales price acceptable to the Corporation. The retiring member shall be entitled to receive the amount so determined, less the following amounts (the determination of such amounts by the Corporation to be conclusive):

a) any amounts due to the Corporation from the member under his Occupancy Agreement;

b) the cost or estimated cost of all deferred maintenance, including: painting, redecorating, floor finishing and such repairs and replacements as are deemed necessary by the Corporation to place the dwelling unit in the same condition as at the time of purchase by the member, and

c) legal and other expenses incurred by the Corporation in connection with the default of such member and the resale of his membership. In the event the retiring member for any reason shall fail for a period of ten (10) days after demand to deliver to the Corporation his endorsed membership certificate, said membership certificate shall forthwith be deemed to be cancelled and may be reissued by the Corporation to a new purchaser.

SEVENTH: The affairs of the Corporation shall be governed by a Board of Directors composed of seven persons, a majority of whom shall be members of the Corporation. Each Director shall have one vote. The term of the Directors in office on the date these Articles are approved shall expire when their successors have been elected at the first annual meeting called for that purpose. The first annual meeting shall be held within sixty (60) days after the purchase by the Corporation of the housing complex to be owned by the Corporation. Thereafter, the annual meetings of the Corporation shall be held on the first Tuesday of February each succeeding year at seven o'clock p.m.

Until the first membership election, the Board of Directors will consist of the following named individuals:

Richard Koch	195 treasure St, Apt. 207, Merritt Island, FL 32952
Francis Roe	200 Bounty St., Apt 107, Merritt Island, FL 32952
Duane Feller	185 Treasure St., Apt 101, Merritt Island, FL, 32952
Raymond Crawford	180 Bounty St., Apt. 107, Merritt Island, FL 32952
James Murray	100 Mutiny Lane, Apt. 102, Merritt Island, FL 32952
Margaret Porter	120 Mutiny Lane, Apt. 207, Merritt Island, FL 32952
Louis Knight	200 Bounty St., Apt. 106, Merritt Island, FL 32952

EIGHTH: The principal officers of the Corporation shall be a President, a Vice-president, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of directors. The Directors may appoint such other officers as in their judgement may be necessary.

The names of the officers who are to serve until the first election or appointment under the Articles of Incorporation are: Richard Koch, President; Margaret Porter, Vice-president; Louis Knight, Treasurer, and Raymond Crawford, Secretary

NINTH: Notwithstanding any other provision contained herein the Corporation, formed hereby is authorized to enter into a contract (Regulatory Agreement) with the Federal Housing Commissioner and shall be bound by the terms thereof to enable the Commissioner to carry out the provisions of the National housing Act as amended. Upon execution, the contract (Regulatory Agreement). shall be binding upon the Corporation, its successors; and assigns, so long as a mortgage is outstanding: unpaid, and insured or held by the Federal Housing Commissioner.

TENTH: No contract or other transaction between this Corporation and any other corporation, and no act of this Corporation, shall in any way be affected of invalidated by the fact that any of the directors or officers of this Corporation are pecuniarily or otherwise interested in, or are directors or officers of, such other corporation; any directors individually, or any firm of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of this Corporation, provided the fact that he or such firm is so interested, shall be disclosed on the minutes of this Corporation; and any director of this. Corporation who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors of this Corporation, which shall authorize any such contract or transaction provided, however, such director may not vote thereat to authorize any such contract or transaction.

ELEVENTH: No dividend shall be paid at any time upon any membership issued by this Corporation.

TWELVTH: The duration of the Corporation shall be perpetual.

THIRTEENTH: The housing project of this Corporation shall be operated exclusively for the benefit of the persons or families who are entitled to occupancy in such housing project by reason of membership in this corporation.

FOURTEENTH: All income and earnings of the Corporation shall be used exclusively for corporate purposes and no part of the net income or net earnings of the Corporation shall inure to the benefit or profit of any private individual, firm, corporation or association.

FIFTEENTH: these Articles of Incorporation may be amended by the vote of two-thirds (2/3) of the majority of the entire regular membership present at any regular or special meeting. Amendments may be proposed by the Board of Directors or by Petition signed by at least twenty (20) of the total members. A description of any proposed amendment shall accompany the notice of any regular or special meeting at which a proposed amendment is to be discussed and voted upon, and shall be served upon each member by certified mail, unless said unit owner waives in writing the right to receive notice by certified mail, at least fourteen (14) days prior to the meeting. A copy of the amendments shall also be posted with the notice in a conspicuous place on the cooperative property.

SIXTEENTH: By-laws will be hereinafter: adopted at the first annual meeting. The by-laws of the Cooperative may be amended, made, altered or rescinded by the affirmative vote of the majority of the entire regular membership of record present at any regular or special meeting provided that no amendment shall become effective unless and until it has received any necessary approval of the administration. Amendments may be proposed by the Board of Directors or by petition signed by at least twenty (20) percent of the members. A description of any proposed amendment shall accompany the notice of any regular or special

meeting at which such proposed amendment is to be voted upon.

SEVENTEENTH: Any other provision of these Articles of Incorporation or the By-laws of the Corporation notwithstanding:

a) so long as any property of the Corporation is encumbered by a mortgage insured or held by FHA (1) the Corporation shall not be voluntarily dissolved without the prior written consent of FHA and (2) upon any dissolution, no title or right to possession and control of such property and no right to collect rents or other payments, due therefrom shall pass to any person who is not bound by a regulatory agreement in a manner satisfactory to HUD.

b) no distribution (as defined in such regulatory agreement) shall be made except in conformance with such regulatory agreement; and

c) in the event that any provisions of the articles of incorporation or the By-Laws of this corporation shall be in conflict with any provision of such regulatory agreement, the provisions of such regulatory agreement shall control.

Signed by the incorporators this 18th day of December, 1980

The Incorporators

Richard A Koch
Louis A Knight
Raymond G Crawford
Francis M Roe