

EXHIBIT E

**ARTICLES OF INCORPORATION
OF
PENMAN CENTER OFFICE CONDOMINIUM ASSOCIATION, INC.**

A Corporation Not For Profit

In order to form a corporation not for profit under Chapter 617, Florida Statutes, the undersigned hereby incorporate the corporation for the purposes and with the powers herein specified, pursuant to the following Articles of Incorporation:

I. NAME

The name of the corporation (the "Association") is PENMAN CENTER OFFICE CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit.

II. PRINCIPAL OFFICE

The initial principal place of business and mailing address of the Association is 2315 Beach Boulevard – Suite 102, Jacksonville Beach, Florida 32250. The principal office of the Association will be located in Florida, but the Association may maintain offices and transact business in such places, within or without the State of Florida, as may be from time to time designated by the Board of Directors.

III. PURPOSE

The purpose for which the Association is organized is to administer the operation and management of Penman Center Office Condominium (the "Condominium"), which may be established by recording the Declaration of Condominium therefor (the "Declaration") in the public records of Duval County, Florida, in accordance with the Condominium Act, Chapter 718, Florida Statutes (the "Act"), upon certain real property situated in Duval County, Florida (the "County"). The Association will perform the acts and duties incident to the operation and management of the Condominium, in accordance with the provisions of these Articles of Incorporation, the Bylaws of the Association to be adopted (the "Bylaws") pursuant hereto, and the Declaration, as amended from time to time, as and when the real property described in the Declaration together with the improvements situated thereon are submitted to the condominium form of ownership; and to own, operate, encumber, lease, manage, sell, convey, exchange, and otherwise deal with the said real property, the improvements thereon, and such other property, real and personal, as may be or become part of the Condominium ("Condominium Property"), to the extent necessary or convenient in the administration of the Condominium, as provided for in the Declaration. The Association will be conducted as a nonprofit organization for the benefit of its members. The powers of the Association to operate and administer the Condominium Property will not be effective as to any portion of real property unless and until such property has been submitted to the condominium form of ownership by the Declaration or an amendment thereto. All terms contained herein will have the same meaning as contained in the Declaration.

IV. POWERS

The Association will have all of the powers and privileges granted to corporations not for profit under the laws of Florida, subject to and to be exercised in accordance with the provisions hereof and the Declaration, the Bylaws, and the Act.

EXHIBIT E**V. MEMBERS**

The qualifications of members, manner of their admission to the Association, and termination of membership and voting rights, will be as follows:

1. The owners of all Units in the Condominium will be "Members" of the Association, including the Developer, H & H Seaside Development, L.L.C. and no other persons or entities will be entitled to membership except as provided for in Paragraph 5 of this Article V.

2. Membership will be established by the acquisition of the fee title to a Unit in the Condominium, or by acquisition of a fee ownership interest therein by voluntary conveyance or operation of law, and the membership of any person or entity will be automatically terminated when such person or entity is divested of all title or his or her entire fee ownership in such Unit; provided, however, that nothing herein contained will be construed as terminating the membership of any person or entity owning fee title to or a fee ownership interest in two or more Units at any time while such person or entity will retain fee title to or a fee ownership interest in any Unit.

3. The interest 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 the Unit(s) owned by such Member. The funds and assets of the Association will be expended, held, or used only for the benefit of the membership and for the purposes authorized herein, in the Declaration, and in the Bylaws.

4. On all matters upon which the membership will be entitled to vote, as hereinafter provided, there will be one and only one vote for each Unit in the Condominium, which vote will have the weight provided for in the Declaration and may be exercised or cast by the owner(s) of each Unit as provided for in the Bylaws. Should any Member own more than one Unit, such Member will be entitled to exercise or cast one vote having the weight provided for in the Declaration for each such Unit owned, in the manner provided for in the Bylaws.

5. Until the first Unit is conveyed to an Owner other than the Developer, the membership of the Association will be comprised of the directors as set forth in Article VI, each of whom will be entitled to cast a vote on all matters upon which the membership would be entitled to vote.

VI. DIRECTORS

1. The number of members of the first Board of Directors will be three (3). The number of members of succeeding Board of Directors will be as provided in the Bylaws.

2. When Unit Owners other than the Developer own fifteen percent (15%) or more of the Units that ultimately will be operated by the Association, the Unit Owners other than the Developer will be entitled to elect, in a manner to be provided in the Bylaws, not less than one-third of the members of the Board of Directors of the Association. Unit Owners other than the Developer will be entitled to elect, in a manner to be provided in the Bylaws, not less than a majority of the members of the Board of Directors, as follows: (i) three years after fifty percent (50%) but less than ninety percent (90%) of the Units that will be operated ultimately by the Association have been conveyed to purchasers; or (ii) three (3) months after ninety percent (90%) of the Units that ultimately will be operated by the Association have been conveyed to purchasers; or (iii) when all of the Units that ultimately will be operated by the Association have been completed, and some of the units have been conveyed to purchasers and none of the others are being offered for sale by the Developer in the ordinary course of business; or (iv) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or (v) seven (7) years after

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recording of the Declaration, whichever occurs first. The Developer will be entitled to elect not less than one (1) member of the Board of Directors as long as the Developer holds for sale in the ordinary course of business at least five percent (5%) of the Units in the Condominium. Notwithstanding the foregoing, Developer will be entitled at any time to waive in writing its rights hereunder, and thereafter to vote in elections for members of the Board of Directors in the same manner as any other Unit Owner Member of the Association, except for purposes of reacquiring control of the Association or selecting the majority of the members of the Board of Directors. After Unit Owners other than the Developer elect a majority of the members of the Board of Directors, the Developer will, within a reasonable time and in a manner to be provided in the Bylaws, relinquish control of the Association and will deliver to the Association all property of the Unit Owners and the Association held or controlled by the Developer.

3. Within seventy five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association will call, and give not less than sixty (60) days notice of, an election for the member of the Board of Directors as provided in Section 718.301(2) of the Florida Statutes.

VII. OFFICERS

The Board of Directors will appoint at the annual meeting of Members each year, a President, Secretary, Treasurer, and as many Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors will deem advisable from time to time. The President will be elected from the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice President will not be held by the same person, nor will the office of President and Secretary or Assistant Secretary be held by the same person. The officers will have such powers and duties as may be prescribed by the Bylaws or as may be determined from time to time by the Board of Directors subject to the Bylaws.

VIII. INITIAL DIRECTORS AND OFFICERS

The name and addresses of the members of the first Board of Directors and the officers who, subject to the provisions of the laws of Florida, these Articles of Incorporation and the Bylaws, will hold office for the first year of the Association's corporate existence, and thereafter until their successors are selected and have qualified, are as follows:

<u>Name</u>	<u>Address</u>	<u>Position</u>
Lynn L. Hileman	2315 Beach Blvd. – Suite 102 Jacksonville Beach, FL 32250	Director/President/Secretary
Robert M. Hamil	2315 Beach Blvd. – Suite 102 Jacksonville Beach, FL 32250	Director / Vice President
Valerie L. Hileman	2315 Beach Blvd. – Suite 102 Jacksonville Beach, FL 32250	Director / Treasurer