

**EXHIBIT "B" TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
SILVERTON - UNIT ONE, A SUBDIVISION**

**ARTICLES OF INCORPORATION
OF
SILVERTON OF PENSACOLA HOMEOWNERS ASSOCIATION, INC.
(A Corporation Not For Profit)**

OR BK 4494 PG 219
Escambia County, Florida
INSTRUMENT 99-682594

ARTICLE I - NAME

This corporation shall be known as SILVERTON OF PENSACOLA HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "ASSOCIATION." The principal office of the ASSOCIATION shall be located at 3298 Summit Boulevard, #18 Pensacola, FL 32503, but meetings of the members and directors may be held at such places within the State of Florida, County of Escambia, as may be designated by the Board of Directors.

ARTICLE II - REGISTERED OFFICE AND REGISTERED AGENT

The address of the initial registered office is 3298 Summit Boulevard, #18 Pensacola, FL 32503. The Board of Directors may from time to time change the principal office of the ASSOCIATION to any other address in the State of Florida. The name of the initial registered agent is Joseph J. Campus, III.

ARTICLE III - PURPOSES AND POWERS

The purpose for which this ASSOCIATION is organized is to create an entity which can provide for maintenance and architectural control of the Subdivision and common properties and architectural control of the residential lots within that certain tract of property described as follows, to-wit:

For legal description, see Exhibit "A" attached and incorporated herein by reference which is or will be platted as Silverton - Unit One.

Together with any and all other property added to the control of the ASSOCIATION by amendment to the Declaration of Covenants, Conditions and Restrictions affecting the above-described property (it is contemplated that at least two Future Phases shall be added and brought under the control of the ASSOCIATION as provided in the Declaration of Covenants, Conditions and Restrictions), and to promote the health, safety and welfare of the residents within the Subdivision and to:

a. Exercise all of the powers and privileges and perform all of the duties and obligations of the ASSOCIATION as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration," applicable to the property and recorded in the Public Records of Escambia County, Florida, as 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, all charges or assessments pursuant to the terms of the Declaration, to pay all expenses in connection therewith, and all office and other expenses incident to the conduct of the business of the ASSOCIATION, including all licenses, taxes or governmental charges levied or imposed against the property of the ASSOCIATION;

c. Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the ASSOCIATION;

d. Borrow money and, with the assent of two-thirds (2/3) of 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;

e. Dedicate, sell, or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; no such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of the members agreeing to such dedication, sale, or transfer;

f. Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, or annex additional property and Common Area, provided that any such merger, consolidation, or annexation shall have the consent of two-thirds (2/3) of each class of members;

g. Have and exercise any and all powers, rights and privileges which a corporation not for profit organized under the Florida law may now or hereafter have or exercise by law.

ARTICLE IV - QUALIFICATION AND MANNER OF ADMISSION OF MEMBERS

Every person or entity who is a record owner of a Lot, either individually or jointly with others which is subject by covenants of record to assessment by the ASSOCIATION, including a contract seller, shall be a member of the ASSOCIATION. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the ASSOCIATION.

A member, unless acting in the capacity of a duly elected officer of the ASSOCIATION, does not have the authority to act for the ASSOCIATION solely by virtue of being a member.

ARTICLE V - VOTING RIGHTS/TRANSITION OF CONTROL

The ASSOCIATION shall have two classes of voting membership:

Class A. Class A members shall be all owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each lot owned. When more than one (1) person or entity holds an interest in a lot, then the vote attributable to such lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B. Class B members shall be the Declarant, as defined in the Declaration of Covenants, Conditions, and Restrictions, and shall be entitled to three (3) votes for each lot owned, as set forth in the Declaration. Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, provided, however, that if, after conversion of the Class B membership to Class A membership Unit Two or Unit Three is annexed, the Class B membership shall thereupon be reinstated with Declaration being a Class B member as to all lots owned by Declarant in the annexed unit until the then total votes outstanding in the Class A membership again equals or exceeds the then total votes outstanding in the Class B membership in that unit.

Notwithstanding the foregoing, members other than the Declarant (which excludes builders, contractors, or others who purchase a Lot for the purpose of constructing improvements thereon for resale) are entitled to elect at least a majority of the members of Board of Directors three months after ninety percent (90%) of the Lots in the Subdivision, including all future phases, have been conveyed to members.

Declarant shall be entitled to elect at least one member to the Board of Directors as long as Declarant holds at least five percent (5%) of the Lots for sale in the ordinary course of business.

After Declarant relinquishes control of the ASSOCIATION, Declarant may continue to vote any Declarant owned lots in the same manner as any other member.

In all events, Class B membership shall cease to exist and be converted to Class A and shall not thereafter be reinstated on December 31, 2006.

ARTICLE VI - TERM OF EXISTENCE

This corporation is to exist perpetually.

ARTICLE VII - INCORPORATOR

The name and address of the Incorporator is Jeffrey A. Michael, 3298 Summit Boulevard, #18 Pensacola, FL 32503.

ARTICLE VIII - BOARD OF DIRECTORS

The business affairs of this ASSOCIATION shall be managed by the Board of Directors, which shall initially consist of three (3) members. The number of Directors may be increased or decreased from time to time as provided in the Bylaws, but shall never be less than three (3).

The members of the Board of Directors need not be members of the ASSOCIATION and shall serve for a term as set forth in the Bylaws.

The President of the ASSOCIATION shall at all times be a member of the Board of Directors, and members of the Board of Directors shall be elected and hold office in accordance with the Bylaws.

The names and street addresses of the persons who are to serve as the first Board of Directors of the corporation are:

1. Jeffrey A. Michael
3298 Summit Boulevard, #18
Pensacola, FL 32503
2. Jon A. Franz
3298 Summit Boulevard, #18
Pensacola, FL 32503
3. Alley E. McInnis
3298 Summit Boulevard, #18
Pensacola, FL 32503

ARTICLE IX - OFFICERS

The officers of this ASSOCIATION shall be a President, who shall at all times be a member of the Board of Directors, a Vice President and Secretary/Treasurer, and such other officers as the Board of Directors may from time to time create.

The names of the persons who are to serve as officers of this ASSOCIATION until the first election are:

President:	Jeffrey A. Michael
Vice President:	Jon A. Franz
Secretary/Treasurer:	Alley E. McInnis

The officers shall be selected at the annual meeting of the Board of Directors as provided in the Bylaws and each shall hold office until he shall sooner resign or shall be removed or otherwise disqualified to serve. Officers shall serve at the pleasure of the Directors.

ARTICLE X - DISSOLUTION

The ASSOCIATION may be dissolved with the assent given in writing and signed by not less than three-fourths (3/4) of the 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 acceptance of such dedication is refused, the assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE XI - AMENDMENTS

These Articles of Incorporation may be amended by a two-thirds (2/3) vote of the total members at a special meeting of the membership called for that purpose.

Amendments may also be made at a regular meeting of the membership by a two-thirds (2/3) vote of the total members upon notice given, as provided by the Bylaws, of intention to submit such amendments. However, no amendment shall be effective without the written consent of the Developer until after six (6) years from date of filing these Articles of Incorporation with the Secretary of State, State of Florida.

ARTICLE XII - DEFINITIONS

The terms used herein shall have the same definition as set forth in the Declaration of Covenants, Conditions and Restrictions and the Bylaws.

ARTICLE XIII - FHAVA APPROVAL

As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of additional properties, mergers and consolidations, mortgaging of common area, dedication of common area, and dissolution and amendment of these Articles.

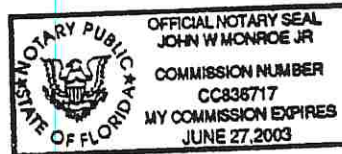
IN WITNESS WHEREOF, I, the undersigned subscribing incorporator, have hereunto set my hand and seal this 21st day of October, 1999, for the purpose of forming this corporation not for profit under the laws of the State of Florida.


Incorporator - Jeffrey A. Michael

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing was acknowledged before me this 21st day of October, 1999, by Jeffrey A. Michael; who is personally known to me.


NOTARY PUBLIC



RESIDENT AGENT'S CERTIFICATE

Pursuant to Chapter 48.091, Florida Statutes, the following is submitted in compliance with said Act:

SILVERTON OF PENSACOLA HOMEOWNERS ASSOCIATION, INC., a Florida Corporation Not For Profit, desiring to organize under the laws of the State of Florida, with its principal office as indicated in the Articles of Incorporation, in Pensacola, Escambia County, Florida, has named Joseph J. Campus, III, whose address is 3298 Summit Boulevard, #18 Pensacola, FL 32503, as its agent to accept service of process within this State.

Acknowledgment and Acceptance

Having been named to accept service of process for the above stated corporation (or Association) at the place designated in this Certificate, I hereby accept such designation and agree to comply with the provisions of said Act relative to keeping open said office.



JOSEPH J. CAMPUS, III

EXHIBIT "A" TO ARTICLES OF INCORPORATION
OF SILVERTON OF PENSACOLA HOMEOWNERS ASSOCIATION, INC.

LAND DESCRIPTION:

A PARCEL OF PROPERTY LOCATED IN SECTION 20, TOWNSHIP 1 SOUTH, RANGE 30 WEST ESCAMBIA COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE POINT OF INTERSECTION OF THE WEST LINE OF LOT 4, ACCORDING TO PLAT RECORDED IN DEED BOOK "P", AT PAGE 375 OF THE PUBLIC RECORDS OF SAID COUNTY, AND THE CENTERLINE OF THE 20 FOOT WIDE PAVING IN OLIVE ROAD (S.R. NO. 290, 66' R/W). SAID POINT ALSO BEING ON THE CENTERLINE OF THE 66' RIGHT-OF-WAY OF OLIVE ROAD; THENCE SOUTH 89 DEGREES 38 MINUTES 00 SECONDS EAST ALONG SAID CENTERLINE FOR 639.40 FEET; THENCE SOUTH 06 DEGREES 40 MINUTES 06 SECONDS WEST FOR 33.20' TO THE SOUTH R/W LINE OF OLIVE ROAD AND THE POINT OF BEGINNING; THENCE SOUTH 06 DEGREES 40 MINUTES 06 SECONDS WEST FOR 706.26 FEET; THENCE SOUTH 83 DEGREES 19 MINUTES 54 SECONDS EAST FOR 166.08 FEET; THENCE NORTH 06 DEGREES 40 MINUTES 06 SECONDS EAST FOR 12.61 FEET; THENCE SOUTH 83 DEGREES 19 MINUTES 54 SECONDS EAST FOR 220.00 FEET; THENCE NORTH 06 DEGREES 40 MINUTES 06 SECONDS EAST FOR 736.18 FEET TO THE SOUTH R/W LINE OF OLIVE ROAD; THENCE NORTH 89 DEGREES 38 MINUTES 00 SECONDS WEST ALONG THE SOUTH R/W LINE OF OLIVE ROAD (66' R/W) FOR 387.42 FEET TO THE POINT OF BEGINNING, CONTAINING 8.37 ACRES MORE OR LESS.