

ARTICLES OF INCORPORATION
OF
ISLAND BEACH RESORT HOMEOWNERS' ASSOCIATION, INC.

The undersigned, being of full age, for the purposes of organizing a nonprofit corporation under the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Chapter 317A, does hereby adopt, sign and acknowledge the following Articles of Incorporation:

ARTICLE 1 - NAME

The name of this corporation is ISLAND BEACH RESORT HOMEOWNERS' ASSOCIATION, INC.

ARTICLE 2 – PURPOSE AND POWERS

This corporation is formed for the purpose of constituting and acting as the association of unit owners within the meaning of the Minnesota Common Interest Ownership Act, Minnesota Statutes Sections 515B.1-101 to 515B.4-118 (the "Act"), for ISLAND BEACH RESORT, a common interest community (CIC) to be duly constituted under the Act upon certain land located in St. Louis County, Minnesota. Such purposes shall include, but not be limited to, managing, operating and administering ISLAND BEACH RESORT.

ARTICLE 3 – NO PECUNIARY GAIN

The corporation is organized as a nonprofit corporation. The corporation shall in no way, directly or indirectly, incidentally or otherwise, afford pecuniary gain to any of its directors or officers, nor shall any part of the net earnings of the corporation in any way inure to the private benefit of any such member, director, or officer of the corporation, or to any private shareholder or individual except as permitted by Section 528(c)(1)(D) of the Internal Revenue Code, and except that the corporation shall be authorized to make reasonable allowances and payment for actual expenditures incurred or services rendered for or on behalf of the corporation, including the services of an officer or director.

ARTICLE 4 - DURATION

The duration of this corporation shall be perpetual.

ARTICLE 5 - REGISTERED OFFICE

The location of the registered office of the corporation shall be 2200 Water Street, Duluth, Minnesota 55812.

ARTICLE 6 - INCORPORATOR

The name and address of the incorporator of the corporation is as follows:

<u>NAME</u>	<u>ADDRESS</u>
Jennifer L. Carey	Hanft Fride P.A. 1000 US Bank Place 130 West Superior Street Duluth, MN 55802

ARTICLE 7 – FIRST DIRECTORS

(a) The number of Directors constituting the first Board of Directors is three (3), their names and addresses being as follows:

<u>NAME</u>	<u>ADDRESS</u>
Ronald Edmunds	1704 Trail Drive Duluth, MN 55803
Michael W. Edmunds	2304 Shore Drive Duluth, MN 55812
Bill Cheslak	66 East St Marie St Duluth, MN 55803

(b) Said first Directors shall serve until the first meeting of the members or until their successors have been duly elected and qualified.

ARTICLE 8 – NO STOCK

The corporation shall have no stock.

ARTICLE 9 – MEMBERS

Each owner of a Unit in ISLAND BEACH RESORT, a common interest community, shall be a member of the Association, and no other person or entity shall be entitled to membership. The Declarant, or its successors in interest or assigns, shall be entitled to membership in the Association only so long as the same are the owner of one or more Units in ISLAND BEACH RESORT, a common interest community. Each membership is appurtenant to the Unit on which it is based and shall transfer automatically by voluntary or involuntary conveyance of the ownership of that unit. Persons or entities who hold an interest merely as security shall not be members unless and until ownership is acquired.

ARTICLE 10 – NO PERSONAL LIABILITY

Members, directors and officers of this corporation shall not be personally liable corporate obligations.

ARTICLE 11 – CUMULATIVE VOTING

Cumulative voting for the election and removal of Directors is prohibited.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this _____ day of _____, 2009.

Jennifer L. Carey