

Prepared by and Return to: Tunnell & Raysor, P.A.
Post Office Box 151
Georgetown, Delaware 19947
TBS:wh

CERTIFICATE OF INCORPORATION

OF

TOWNHOMES OF WATERSIDE CONDOMINIUM ASSOCIATION, INC.

FIRST: The name of this Corporation is Townhomes of WaterSide Condominium Association, Inc.

SECOND: The address of the registered office in the State of Delaware is, 660 S. Coastal Highway, P.O. Box 309, Bethany Beach, Sussex County, Delaware 19930. The name of its Registered Agent at such address is Townhomes of WaterSide Condominium Association, Inc.

THIRD: This Corporation is not organized for profit and shall have no authority to issue capital stock.

FOURTH: The general purposes and objects for which this Corporation is organized, and the powers which it shall have are to maintain, operate and administer the common areas and community facilities in "Townhomes of WaterSide" and such property which may from time to time be annexed thereto; to enforce the covenants, restrictions, easements, charges and liens provided in the Declaration to be enforced by the Association; to assess, collect and disburse the charges created under the Declaration, all in the manner set forth in, and subject to the provisions of the Declaration, and to exercise all powers and privileges and to perform all duties and obligations of the Association under the Declaration.

LAW OFFICES
TUNNELL & RAYSOR, P.A.
GEORGETOWN, DEL

State of Delaware
Secretary of State
Division of Corporations
Delivered 12:59 PM 04/28/2004
FILED 12:59 PM 04/28/2004
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FIFTH: This Corporation shall have the following general powers and any and all other powers which are now or may hereafter be granted by law to non-profit corporations organized under the General Corporation Law of the State of Delaware.

(a) For the purposes of this Corporation as hereinabove stated, and not for pecuniary profit, to acquire by deed, will, or otherwise, and to hold, own, build, deal, mortgage or otherwise give liens against, and to lease, sell, exchange, transfer or in any other manner dispose of real or personal property of every kind and description;

(b) For the purposes hereinabove stated and not for pecuniary profit, to acquire, hold, deal in, mortgage, pledge, lease, sell or exchange or in any other manner dispose of any kind or type of personal property;

(c) For the purposes of this Corporation which are hereinabove stated, and not for pecuniary profit, to enter into, make and perform contracts of every kind for every lawful purpose with any person, firm or corporation, or association, municipal body politic, country, territory, state or any subdivision thereof, colony or dependency; and without limitation, as to amount, to borrow or raise money, to make, accept, endorse, discount, execute, sell and issue promissory notes, drafts, bills of exchange, warranties, bonds, debentures, and other instruments, whether negotiable or non-negotiable, transferable or non-transferable, and whether secured by mortgage, pledge or otherwise, as may be permitted by the laws of the State of Delaware for a non-stock, non-profit corporation.

SIXTH: It is the intention that each of the objects, purposes and powers specified in the Certificate shall, except when otherwise specified, be nowise limited or restricted by reference to or inference from the terms of any other provision of this Certificate of Incorporation, or that

The objects, purposes and enumeration of specific purposes and powers shall not be construed to restrict in any manner the general purposes and powers of this Corporation.

SEVENTH: The name and address of the Incorporator is as follows:

Tempe Brownell Steen P.O. Box 151, Georgetown, DE 19947

EIGHTH: This Corporation shall have perpetual existence.

NINTH: The private property of the members of this Corporation shall not be subject to the payment of the debts of this Corporation to any extent whatsoever.

TENTH: Business and affairs of this Corporation shall be conducted by the members and such officers as shall be elected and empowered according to the By-Laws.

ELEVENTH: Meetings of the members may be held at such times and places as may from time to time be prescribed by the By-Laws.

TWELFTH: This Corporation reserves the right to amend, alter, or repeal any provisions contained in the Certificate of Incorporation in the manner now or hereafter prescribed by the statutes of the State of Delaware; and all rights and powers conferred on the members and officers herein are granted subject to this reservation.

THIRTEENTH: No property in this Corporation, including cash on deposit in any bank or depository, shall upon dissolution of this Corporation inure to any member of this Corporation. In the event of dissolution, the property of this Corporation shall be distributed to such other non-profit, non-stock corporations or organizations which shall have similar purposes and objectives as this Corporation, which distribution shall be approved by the Board of Directors.

FOURTEENTH: No part of the net revenue of this Corporation shall inure to the benefit of any member thereof.

FIFTEENTH: Provisions relating to the members of the Corporation are stated in the Declaration Establishing a Plan for Condominium Ownership of Townhomes of WaterSide.

SIXTEENTH: The members of the Corporation shall have the right to vote for the election and removal of directors and upon such other matters with respect to which a vote of members is required under the Declaration or under the provisions of Title 5 of the General Corporation Law of Delaware.

SEVENTEENTH: Reference is made to Section 145 (and any other relevant provisions) of the General Corporation Law of the State of Delaware. Particular reference is made to the class of persons (hereinafter called "Indemnities") who may be indemnified by a corporation incorporated under the laws of the State of Delaware pursuant to the provisions of such Section 145, namely, any person (or the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall (and is hereby obligated to), indemnify the Indemnities, and each of them (i) in each and every situation where the Corporation is obligated to make such indemnification pursuant to the aforesaid statutory provisions, and (ii) in each and every situation where, under the aforesaid statutory provision, the Corporation is not obligated, but is nevertheless permitted or empowered, to make

such indemnification, it being understood, with respect to any situation under this Clause (ii), that the Corporation shall promptly make or cause to be made, by any of the methods referred to in subsection (d) of such Section 145, a determination as to whether such Indemnitee acted in good faith and in a manner such Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, in the case of any criminal action or proceeding, had no reasonable cause to believe that such Indemnitee's conduct was unlawful.

I, THE UNDERSIGNED, for the purpose of forming a Corporation under the Laws of the State of Delaware, do make, file and record this Certificate and do declare that the facts herein stated are herein true, and that we have accordingly hereunto set our respective Hands and Seals, this 21 day of April, A.D. 2004.

Wendy Ellen Hansen
Witness

Tempe Brownell Steen (SEAL)
Tempe Brownell Steen

STATE OF DELAWARE :

: SS.

COUNTY OF SUSSEX :

BE IT REMEMBERED, that on this 21st day of April, A.D. 2004, personally appeared before me, the Subscriber, a Notary Public in and for the State and County aforesaid, Tempe Brownell Steen, party to the foregoing Certificate of Incorporation, known to me personally to be such, and acknowledged the said Certificate to be her act and deed, respectively, the facts therein stated are truly set forth.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.

Wendy Ellis Herman
Notary Public

P:\Wendy\Correspondence\MISC-W\WaxerSideTownhomes\CO1041504.wpd

WENDY ELLIS HERMAN
NOTARY PUBLIC
STATE OF DELAWARE
COMMISSION EXPIRES AUG. 8, 2005

PAGE 1



State of Delaware

SECRETARY OF STATE
 DIVISION OF CORPORATIONS
 P.O. BOX 898
 DOVER, DELAWARE 19903

040525786

9001061

07-26-2004

TUNNELL & RAYSOR, P.A.
 30 EAST PINE STREET
 P. O. BOX 151
 GEORGETOWN
 ATTN: WENDY HERMAN

DE 19947

DESCRIPTION	AMOUNT
TOWNHOMES OF WATERSIDE CONDOMINIUM ASSOCIATION, INC. 3803006 0133 Change of Agent	
Filing Fee	5.00
Court Municipality Fee, Grgetown	20.00
Surcharge Assessment-Sussex	6.00
Page Assessment-Sussex County	18.00
FILING TOTAL	49.00
CHARGED TO ACCOUNT	49.00

State of Delaware
Secretary of State
Division of Corporations
Delivered 11:02 AM 07/19/2004
FILED 11:02 AM 07/19/2004
SRV 040525786 - 3803006 FILE

**STATE OF DELAWARE
CERTIFICATE OF CHANGE
OF REGISTERED AGENT AND/OR
REGISTERED OFFICE**

The Board of Directors of Townhomes of WaterSide Condominium Association, Inc.
a Corporation of Delaware, on this 25th day of
June, A.D. 2004, do hereby resolve and order that the
location of the Registered Office of this Corporation within this State be, and the
same hereby is 8 Mulberry
Street, in the City of Georgetown
County of Sussex Zip Code 19947

The name of the Registered Agent therein and in charge thereof upon whom
process against this Corporation may be served, is Circle J Property
Management, L.L.C.

Townhomes of WaterSide Condominium Association, Inc. a Corporation of Delaware,
does hereby certify that the foregoing is a true copy of a resolution adopted by the
Board of Directors at a meeting held as herein stated.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be
signed by an authorized officer, the 25th day of June,
A.D., 2004.

By: [Signature]
Authorized Officer

Name: Robin T. James
Print or Type Robin T. James

Title: Managing member
Managing Member/President

LAW OFFICES

TUNNELL & RAYSOR, P.A.

STARBOARD CENTER
SUITE ONE
OCEAN HIGHWAY
P.O. BOX 156
BETHANY BEACH, DELAWARE 19930

WRITER'S DIRECT DIAL:

(302) 854-0530

1-(800)-533-2897

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(302) 227-1314
FAX #(302) 227-5829

30 EAST PINE STREET
P.O. BOX 151
GEORGETOWN, DE 19947
(302) 856-7313
FAX #(302) 856-7329

TELECOPY TRANSMITTAL REPORT

DATE: December 7, 2005

CLIENT: Townhomes of Waterside
Condominium Association, Inc.

RE: Certificate of Incorporation and Certificate of Change of Registered Agent
TO: Circle J Property Management, L.L.C. (854-9070)
FROM: Tempe Brownell Steen **TELEX NO. 302-539-1089**
OPERATOR: Wendy Herman

NO. PAGES INCLUDING TRANSMITTAL REPORT: 10

COMMENT: Copies of your certificates per your request.

IF PROBLEMS ARE EXPERIENCED WITH THIS TRANSMITTAL PLEASE CALL 302-539-8222 or 800-533-2897.

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