

who are voting in person or by proxy at a meeting duly called for this purpose.

REC. 52976 421

Section 4. BUILDERS' ASSESSMENTS. Each Builder as a Class C member, for each Lot, if Lot is for single-family construction, or if the Lot is for multi-family construction, for each Unit to be built upon said Lot by the Builder, shall pay twenty-five (25%) percent of the annual assessment rate fixed for Class A membership until a Lot is sold by the Builder or a Unit is built upon the Lot and is sold by Builder or otherwise occupied or until a rental Unit is first occupied at which time a full assessment shall be paid by the Owner of said Unit. In the event Developer actually owes deficits as required by Article V, Section 3, Builder shall, in addition to paying 25% of the annual assessment, reimburse Developer for a pro-rata share of said funded deficits based on a percentage of Units to be built upon the Lots then owned by Builder in the Property at the time the deficits are paid by the Developer.

Section 5. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the ASSOCIATION, through its BOARD, may levy in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repaving, repair or replacement of a capital improvement upon the COMMON OPEN SPACE, including fixtures and personal property related thereto, if any, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. WORKING CAPITAL CONTRIBUTION. In addition to ASSESSMENTS for COMMON EXPENSES, the first OWNER other than a Builder, acquiring title from DEVELOPER to a UNIT and the first Owner acquiring title from a Builder to a Unit shall pay to the ASSOCIATION a contribution to a working capital fund of the ASSOCIATION in an amount equal to two (2) months' ASSESSMENTS for COMMON EXPENSES, which shall be in addition to the OWNER's responsibility for ASSESSMENTS for COMMON EXPENSES. The working capital fund shall be used by the ASSOCIATION for start-up expenses or otherwise as the Board of Directors of the ASSOCIATION shall determine from time to time and need not be restricted or accumulated.

Section 7. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or Section 4 shall be sent to all MEMBERS not less than ten (10) days, nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast one-third (1/3) of all the votes of each class of membership shall constitute a quorum.

Section 8. RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all LOTS unless there are both attached and detached single family Units or multi-family Units built or to be built on said Lots, in which case the Assessments for each type of Unit built or to be built on said Lots may differ so long as there are different benefits to be derived from the Association for each class of Units, but, each class of Units will be assessed at a uniform rate, based upon a fraction, the numerator of which is 1 and the denominator of which shall be the number of that particular class of Units subject to Assessments, subject to Sections 3 and 4 hereof.

Section 9. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES. The Annual ASSESSMENTS provided for herein shall commence as to all LOTS initially subjected to the Declaration, subject to Section 3 and 4 hereof, on the first day of the month following conveyance by the DEVELOPER of the first UNIT in the PROJECT. The Assessments as to annexed portions of the PROJECT shall commence as to each annexed portion on the first day of the month following conveyance by the Developer of the first Unit in each annexed portion. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The BOARD shall fix the amounts of the annual assessment against each LOT at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every OWNER subject thereto. The due dates shall be established by the BOARD. The assessments, at the election of the BOARD, may be collected on a monthly, quarterly or annual basis. The ASSOCIATION shall, upon demand, and for a reasonable charge, furnish a certificate signed

by an officer of the ASSOCIATION setting forth whether the assessments on a specified LOT have been paid. A properly executed certificate of the ASSOCIATION as to the status of assessments on a LOT is binding upon the ASSOCIATION as of the date of its issuance. The ASSOCIATION may delegate to a mortgage company or financial institution responsibility for collection of assessments.

Section 10. APPLICATION OF PAYMENTS. Any payments made to the ASSOCIATION by any OWNER shall first be applied towards any sums advanced and paid by the ASSOCIATION for taxes and payment on account of superior mortgages, liens or encumbrances which may have been advanced by the ASSOCIATION in order to preserve and protect its lien, next toward reasonable attorneys' fees incurred by the ASSOCIATION incidental to the collection of ASSESSMENTS and other moneys owed to the ASSOCIATION by the OWNER and/or for the enforcement of its lien; next towards interest on any ASSESSMENTS or other moneys due to the ASSOCIATION, as provided herein, and next towards any unpaid ASSESSMENTS owed to the ASSOCIATION, in the inverse order that such ASSESSMENTS were due.

Section 11. EXEMPT PROPERTY. All properties dedicated to, and accepted by a local public authority exempt from taxation by the laws of the State of Florida shall be exempt from the ASSESSMENTS created herein. However, no land or improvements devoted to dwelling use shall be exempt from said ASSESSMENTS.

ARTICLE VI DEFAULT

Section 1. LATE FEES AND INTEREST. If any ASSESSMENT is not paid within ten (10) days after the due date, the ASSOCIATION shall have the right to charge the defaulting OWNER a late fee of ten (10%) percent of the amount of the ASSESSMENT, or Ten (\$10.00) Dollars, whichever is greater, plus interest at the then highest rate of interest allowable by law from the due date until paid. If there is no due date applicable to any particular ASSESSMENT, then the ASSESSMENT shall be due ten (10) days after written demand by the ASSOCIATION.

Section 2. ACCELERATION OF ASSESSMENTS. If any OWNER is in default in the payment of any ASSESSMENT owed to the ASSOCIATION for more than thirty (30) days after written demand by the ASSOCIATION, the ASSOCIATION upon written notice to the defaulting OWNER shall have the right to accelerate and require such defaulting OWNER to pay to the ASSOCIATION ASSESSMENTS for COMMON EXPENSES for the next twelve (12) month period, based upon the then existing amount and frequency of ASSESSMENTS for COMMON EXPENSES. In the event of such acceleration, the defaulting OWNER shall continue to be liable for any increases in the regular ASSESSMENTS for COMMON EXPENSES, for all special ASSESSMENTS for COMMON EXPENSES, and/or for all other ASSESSMENTS Payable to the ASSOCIATION.

Section 3. LIEN FOR ASSESSMENTS. The ASSOCIATION HAS A LIEN ON EACH LOT for unpaid ASSESSMENTS owed to the ASSOCIATION by the OWNER of such LOT, and for late fees and interest, and for reasonable attorneys' fees incurred by the ASSOCIATION incident to the collection of the ASSESSMENT or enforcement of the lien, and all sums advanced and paid by the ASSOCIATION for taxes and payment on account of superior mortgages, liens or encumbrances in order to preserve and protect the ASSOCIATION's lien. The lien is effective from and after recording a claim of lien in the public records in the county in which the LOT is located, stating the description of the LOT, the name of the record OWNER, and the amount due as of the recording of the claim of lien. A recorded claim of lien shall secure all sums set forth in the claim of lien, together with all ASSESSMENTS or other moneys owed to the ASSOCIATION by the OWNER until the lien is satisfied. The lien is in effect until all sums secured by it have been fully paid or until the lien is barred by law. The claim of lien must be signed and acknowledged by an officer or agent of the ASSOCIATION. Upon payment in full of all sums secured by the lien, the person making the payment is entitled to a satisfaction of the lien.

Section 4. COLLECTION AND FORECLOSURE. The ASSOCIATION may bring an action in its name to foreclose a lien for ASSESSMENTS in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid ASSESSMENTS without waiving any claim of lien, and the applicable OWNER shall be liable to the ASSOCIATION for all