

Section 7. Not more than two of the officers may also be directors. The Officers may be invited to the directors meetings in an ex officio capacity as the directors from time to time may declare.

ARTICLE IX.

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties, for the improvement and maintenance of the Common Area, and for providing these services enumerated in Article II of these By-Laws.

Section 3. Maximum Annual Assessment. Until October 17, 1978, the maximum annual assessment shall be Thirty Six and No/100 (\$36.00) Dollars per Lot.

(a) After October 17, 1978, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year or an amount equal to the increase in the consumer price index from the previous year, whichever is greater, without a vote of the membership.

(b) After October 17, 1978, the maximum assessment may be increased above 5% or the increase in the consumer price index by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in 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, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, 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 5. Notice and Quorum for Assessment Meetings. Written notice of any meeting called for the purpose of increasing an annual assessment or levying a special assessment shall be sent to all members not less than 15 days nor more than 45 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty-five percent (55%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 45 days following the preceding meeting.

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