



Peggy M Haines, Washtenaw REST 5396103

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

BROMLEY PARK SUBDIVISION NO. 1

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as recorded in Liber 34 of Plats on Pages 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32 and 33 of Washtenaw County Records

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "**Declaration**") is made this 31 day of October, 2002, by **PULTE LAND COMPANY, LLC**, a Michigan limited liability company, the address of which is 26622 S. Woodward Ave., Suite 110, Royal Oak, Michigan 48067 (hereinafter sometimes referred to as "**Developer**").

R E C I T A L S:

A. Developer is developing certain real property ("Property") located in Superior Township, Washtenaw County, Michigan, which is described on attached Exhibit "A".

B. Developer desires to develop the Property as a single family residential subdivision pursuant to a subdivision plat recorded by Developer ("Subdivision"). The Subdivision is known as Bromley Park Subdivision No. 1.

C. Developer desires to: promote the proper use and appropriate development and improvement of the Property; protect the owners of the Property against improper use of surrounding lots and/or parcels as may depreciate the value of the Property; guard against the construction of buildings with improper or unsuitable materials; promote adequate and reasonable development of the Property; encourage the construction of attractive improvements on the Property and establish appropriate locations of such improvements to secure and maintain proper setbacks from the streets and adequate free spaces between structures; promote high standards of maintenance and operation of open areas, facilities and services for the benefit and convenience of all owners of the property and all residents; and, in general, provide for a residential subdivision of the highest quality and character.

NOW, THEREFORE, Developer hereby declares that the real property described on attached Exhibit "A" is, and any parcels and/or lots into which the Property may be divided is, and shall be, held, transferred, sold, conveyed and occupied subject to the conditions, covenants, restrictions, reservations and grants hereinafter set forth, together with such other conditions, covenants, restrictions, reservations and grants which are hereafter recorded with respect to the Property; all of which conditions, covenants, restrictions, reservations and grants are for the benefit of and shall run with and bind the Property and all parties having any right, title or interest in the Property or any part thereof, or improvements thereon, as well as their heirs, successors and assigns.



ARTICLE 1
DEFINITIONS

Section 1.1 "**Association**" shall mean Bromley Park Homeowners Association, a Michigan non-profit corporation, to be formed by Developer for the purposes described herein, and its successors and assigns.

Section 1.2 "**Township**" shall mean the Township of Superior, a Michigan municipal corporation.

Section 1.3 "**Common Areas**" shall mean those portions of the Subdivision which are for the common use and enjoyment of the Owners including those designated on the recorded plat with respect to the Subdivision or as otherwise referenced in this Declaration, together with any improvements constructed within the foregoing areas, including without limitation, the Entrance Way, Landscaping and Perimeter Improvements, Irrigation Improvements and Storm Water Drainage Facilities.

Section 1.4 "**Community Center**" shall mean the community center area(s) which are to be included in the Project, including the pool and related recreational facilities to be constructed within such community center area(s).

Section 1.5 "**Community Association**" shall mean Bromley Park Community Association, a Michigan non-profit corporation which may be formed by Developer for the purposes described herein, and its successors and assigns.

Section 1.6 "**Community Member**" shall mean a member of the Bromley Park Community Association.

Section 1.7 "**Community Association Declaration**" means the Declaration of Covenants, Conditions and Restrictions of the Bromley Park Community Association dated 10-31- , 2002, and recorded in Liber 4229, Pages 965 , Washtenaw County Records, as it may be amended from time to time.

Section 1.8 "**Developer**" shall mean Pulte Land Company, LLC, a Michigan limited liability company, its successors and assigns.

Section 1.9 "**Entrance Way, Landscaping and Perimeter Improvements**" shall mean any entrance way monuments, signs, landscaping and related improvements, and any perimeter landscaping, sidewalks, or fencing installed by Developer within the Common Areas.

Section 1.10 "**Irrigation Improvements**" shall mean any irrigation systems and related facilities, including meters and back flow protectors, that may be installed by Developer in the Common Areas.

Section 1.11 "**Lot**" shall mean each unit of land designated for residential use and the construction thereon of a single family dwelling unit, as identified on the recorded plat with respect to the Subdivision.



Section 1.12 "**Member**" shall mean a member of the Bromley Park Homeowners Association.

Section 1.13 "**Owner**" shall mean the holder or holders of the record fee simple title to, and/or the land contract purchaser of, a Lot, whether one or more persons or entities. The term "Owner" shall not include any mortgagee or any other person or entity having an interest in a Lot merely as security for the performance of an obligation, unless and until such mortgagee or other person or entity shall have acquired fee simple title to such Lot by foreclosure or other proceeding or conveyance in lieu of foreclosure. If more than one person or entity owns fee simple title to a Lot, or in the event any Lot is subject to a land contract, then the interests of all such persons or entities, and the interest of the land contract seller and purchaser, collectively shall be that of one Owner.

Section 1.14 "**Property**" shall mean that certain real property described on Exhibit A attached hereto and previously made a part hereof, as the same may be amended.

Section 1.15 "**Project**" shall mean the Bromley Park Community, as defined in the Community Association Declaration.

Section 1.16 "**Project Owner**" shall mean the holder or holders of the record fee simple title to, and/or the land contract purchaser of, any lot or condominium unit located within the Project, whether one or more persons or entities, including, without limitation, the Owner of a Lot within the Subdivision. The term Project Owner shall not include any mortgagee or any other person or entity having an interest in a lot or condominium unit within the Project merely as security for the performance of an obligation, unless and until such mortgagee or other person or entity shall have acquired fee simple title to such lot or condominium unit by foreclosure or other proceeding or conveyance in lieu of foreclosure. If more than one person or entity owns fee simple title to a lot or condominium unit located within the Project, or in the event any lot or condominium unit is subject to a land contract, then the interests of all such persons or entities, and the interest of the land contract seller and purchaser, collectively shall be that of one Project Owner.

Section 1.17 "**Storm Water Drainage Facilities**" shall mean all storm water drainage facilities located on the Property, including but not limited to the storm water detention basins, storm sewer lines, manhole covers, and storm water drainage grates.

Section 1.18 "**Subdivision**" shall mean the single family residential subdivision known as Bromley Park Subdivision No. 1 pursuant to the plat recorded by Developer with respect to the Property in Liber 34, page *, Washtenaw County Records.
*of Plats Pages 20 through 33

Section 1.19 "**Township**" shall mean the Charter Township of Superior, Washtenaw County, Michigan, a Michigan municipal corporation.



ARTICLE 2
PROPERTY SUBJECT TO THIS DECLARATION

The Property which is subject to and which shall be held, transferred, sold, conveyed and occupied pursuant to this Declaration is more particularly described on Exhibit "A" attached hereto as the same may be amended.

ARTICLE 3
HOMEOWNERS ASSOCIATION

Section 3.1 Creation And Purposes. Developer shall form a non-profit corporation in accordance with the Michigan Non-Profit Corporation Act, Act No. 162 of the Public Acts of 1982, which shall be known as the Bromley Park Homeowners Association or such other name as may be designated by Developer. The Association and its Members shall have those rights and obligations which are set forth in this Declaration and in the Articles of Incorporation and By-Laws of the Association. The purposes of the Association shall be to maintain the Common Areas for the common use of all residents and Owners, to arrange for the provision of services and facilities of common benefit, and, in general, to maintain and promote the desired character of the Subdivision.

Section 3.2 Membership. Developer and every Owner shall be a Member of the Association. Every Owner shall become a Member commencing upon the date on which the Owner acquired fee simple title to a Lot or, if applicable, the date upon which the Owner acquires a land contract purchaser's interest in a Lot. All membership rights and obligations of a Member of the Association shall be appurtenant to and may not be separated from the ownership of any Lot.

Section 3.3 Voting Rights. The Association shall have two (2) classes of voting Members, which are as follows:

A. Class A Members shall consist of all Owners other than Developer. Each Class A Member shall be entitled to one (1) vote on each matter submitted to a vote of Members for each Lot owned by the Class A Member. Where title to a Lot is held by more than one (1) person or entity, all such persons or entities shall be Members and jointly shall be entitled to only one (1) vote per Lot. If a Lot has been sold pursuant to a land contract, the purchaser under said land contract shall be entitled to the vote for said Lot. Multiple Owners (including co-purchasers under a land contract) may exercise one (1) vote per Lot as they may mutually agree, and such co-owners or co-purchasers shall notify the Association in writing of the person entitled to exercise such vote. In the event any multiple Owners fail to provide such notice to the Association within thirty (30) days prior to the date set for a meeting, the Owner whose name first appears on record title to the Lot shall be deemed to be the Member authorized to vote on behalf of all of the multiple Owners of the Lot, and any vote cast in person or by proxy by said authorized Owner, or the failure of said authorized Owner to vote, shall be binding upon all such multiple Owners.

B. Developer shall be the Class B Member. In order to assure the orderly development and maintenance of the Property and the Common Areas, the Class B Member shall be entitled to three (3) votes for each Lot owned by Developer as shown on the final preliminary plat for the Subdivision as approved by the Township Board. Class B membership shall terminate as to any



Lots owned by Developer at the time any such Lot is sold and conveyed to an Owner other than Developer, which Owner shall thereafter be a Class A Member.

Section 3.4 Articles And By-Laws. The Association shall be organized, governed and operated in accordance with its Articles of Incorporation and By-Laws, which shall be consistent with the provisions and purposes of this Declaration. In the event there exists any conflict between the provisions contained within the Association's Articles of Incorporation and By-Laws and the provisions contained within this Declaration, the provisions of this Declaration shall control.

Section 3.5 Directors. The right to manage the affairs of the Association shall be exclusively vested in the Association's Board of Directors. The Developer or its designated representative shall be the sole Director of the Association until such time as one hundred (100%) percent of the Lots within the Subdivision have been sold and conveyed by Developer, or until such earlier time as Developer may elect, in its discretion. Thereafter, the Board of Directors shall be elected by the Members of the Association in accordance with the provisions of the Articles of Incorporation and By-Laws of the Association.

**ARTICLE 3A
COMMUNITY ASSOCIATION**

Section 3A.1 Creation And Purposes. Developer, together with Bromley Park Condominiums, L.L.C., and Geddes Partners, L.L.C., shall form a non-profit corporation in accordance with the Michigan Non-Profit Corporation Act, Act No. 162 of the Public Acts of 1982, as amended, which shall be known as Bromley Park Community Association or such other name as may be designated by Developer. The Community Association and the Community Members shall have those rights and obligations which are set forth in the Community Center Declaration and in the Articles of Incorporation and By-Laws of the Community Association.

The purpose of the Community Association shall be to operate, repair, replace and maintain: (i) the Community Center for the common use of all residents and Project Owners, to arrange for the provision of services and facilities to the Community Center and, in general, to maintain and promote the desired character of the Community Center; (ii) the storm water detention ponds identified on Exhibit "D" of the Community Association Declaration as Detention Pond A and Detention Pond C, and related storm water drainage lines and structures; (iii) the Woodland Preserve, as identified in the Community Association Declaration; (iv) the bicycle path and utility access easement as identified in the Community Association Declaration; and (v) the roads within the Project, as identified in Article II, Section 1(e) of the Community Association Declaration (excluding the private roads within such condominium as may be established within the Project). The Community Association shall also be responsible for the collection and payment to the Township of a certain annual utility maintenance fee as set forth in Article II, Section 2 of the Community Association Declaration.



ARTICLE 4
COMMON AREAS

Section 4.1 Right Of Members To Use Common Areas. Each Member of the Association shall have the right and non-exclusive easement to use the Common Areas for the purposes provided herein. Such right and easement shall be appurtenant to, and shall pass with the title to, every Lot, regardless of whether any such easement is specifically referenced in the deed conveying such Lot.

Section 4.2 Common Areas. The Association shall be responsible for the maintenance and preservation of the Common Areas, subject to the ordinances, rules and regulations of governmental entities having jurisdiction over the Common Areas, and the provisions of this Declaration, and any maintenance and/or easement agreements entered into between Developer and/or the Association and any governmental entity with respect to any portion of the Common Areas. No internal combustion engine-operated vehicle or machines of any kind, including without limitation, snowmobiles, motorcycles or all-terrain vehicles shall be allowed on or within the Common Areas, except maintenance vehicles or machinery necessary to maintain and preserve the Common Areas. The Association shall have the right to establish additional rules and regulations with respect to the Common Areas as the Board of Directors may deem necessary or desirable to insure the proper preservation and functioning of the Common Areas.

Section 4.3 Storm Water Drainage Facilities. The Association shall be responsible for the maintenance, operation, inspection and repair of the Storm Water Drainage Facilities, in accordance with the ordinances, rules and regulations of any governmental entities having jurisdiction over the Storm Water Drainage Facilities, and any maintenance agreement entered into between Developer and any governmental entity with respect to the maintenance, upkeep and repair of the Storm Water Drainage Facilities. The storm water detention/retention basins located within the Subdivision shall only be used for storm water and open space purposes. No improvements or structures shall be installed within those basins, other than those necessary for the proper functioning of the Storm Water Drainage Facilities. The Association shall have the right to establish additional rules and regulations with respect to the preservation and upkeep of the Storm Water Drainage Facilities as the Board of Directors may deem necessary or desirable to insure the continued proper operation of the Storm Water Drainage Facilities; subject to the rights and obligations accorded to the Community Association in the Community Association Declaration with respect to the detention pond referred to therein as "Detention Pond C" and the related facilities and improvements.

Section 4.4 Landscape Easement. With the consent and approval of any governmental agencies having jurisdiction over the streets and rights-of-way within the Subdivision, and subject to the interest of the public in such streets and rights-of-way within the Subdivision, the Association shall be responsible for the maintenance, repair and upkeep of all Entrance Way, Landscaping and Perimeter Improvements installed by Developer within the Subdivision and all Irrigation Improvements located therein. The Association shall have the right to establish rules and regulations as the Board of Directors may deem necessary or desirable for the maintenance, upkeep and beautification of all such improvements in order to insure an aesthetically pleasing appearance for the benefit of all Owners within the Subdivision.

Section 4.5 Title To Common Areas. At such time as the Association has been formed and organized, Developer may, in its discretion, convey title to the Common Areas to the Association. In any event, Developer shall convey title to the Common Areas to the Association not later than the date on which Developer conveys to an Owner the last Lot or Condominium Unit in the Project in which Developer holds a



fee title interest. The Association shall thereafter hold title to the Common Areas for the benefit of the Owners. The foregoing conveyance shall be subject to the Owners' easement of enjoyment and any easements reserved, dedicated or granted by Developer and any maintenance and/or easement agreements entered into with any governmental entity prior to the date of conveyance.

Section 4.6 Common Area Easements. Developer and the Association, and their agents and representatives, shall have a perpetual easement for reasonable access to the Common Areas, at all reasonable times for purposes of maintenance, repair, operation and improvement thereof. Prior to the conveyance by Developer to the Association of the Common Areas in accordance with Section 4.5 above, Developer, subject to all applicable municipal ordinances, shall have the exclusive right to reserve, dedicate and/or grant public or private easements within the Common Areas for the construction, installation, repair, maintenance and replacement of rights-of-way, walkways, bicycle paths, water mains, sewers, drains, detention basins, electric lines, telephone lines, gas mains, cable television and other telecommunication lines and other public and private utilities, including all equipment, facilities and appurtenances relating thereto and/or for the preservation of any portion of the Common Areas in their natural state; provided such right is exercised in accordance with all applicable laws, rules and regulation, including the commencement of legal proceedings, if necessary. Developer reserves the right to assign any such easements to units of government or public utilities. Developer may determine the location and configuration of such easements at its discretion. Following the conveyance by Developer to the Association of title to the Common Areas, the Association shall have the right to reserve, dedicate or grant public or private easements for such purposes and subject to such conditions as may be agreed upon by the Members; provided, however, that any dedication, transfer or determination as to the conditions thereof shall be effective only upon execution of an instrument signed by the holders of two-thirds (2/3) of all outstanding Class A votes and by Developer if Developer continues to own any Lots within the Subdivision, and approved by the Township; provided such right is exercised in accordance with all applicable laws, rules and regulation, including the commencement of legal proceedings, if necessary.

Section 4.7 Action By The Township. Pursuant to the Michigan Land Division Act, the Township has established or shall establish a special assessment district for the maintenance of the sediment basin that constitutes a part of the Storm Drainage Facilities. The Association has the primary obligation of maintaining the Storm Drainage facilities, including the retention/detention basin. However, in the event that the Association does not maintain the retention/detention basin, the Township will institute proceedings pursuant to the special assessment district for the maintenance of the Storm Drainage Facilities.

In the event the Association shall, at any time, fail to maintain the Landscape Easement, in accordance with the approved landscape plan, then the Township is authorized to enter the Landscape Easement to maintain the same. The Township shall serve notice by first-class mail to the Owner(s), appearing on the Township tax rolls, of each Lot in the Subdivision. The notice shall include a demand that deficiencies in the maintenance be cured within thirty (30) days thereof and notify the Owners of the date, time, and place of a public hearing before the Township Board of Trustees or such other boards or body of officials to whom the Township may delegate such responsibility. The hearing shall be held within fifteen (15) days of the notice. At the hearing the Township may modify the terms of the original notice of deficiencies in maintenance and may grant an extension of time within which the deficiencies shall be cured. If the deficiencies, set forth in the original notice or in the modification thereof, are not cured within thirty (30) days or any extensions of time granted at the hearing, the Township, in order to eliminate and cure the deficiencies in the operation and maintenance of the Landscape Easement, may enter upon the property and



maintain the Landscape Easement for a period of up to one (1) year. Maintenance of the Landscape Easement by the Township shall not constitute a taking of the Landscape Easement nor vest in the public any additional right to use the same.

Within sixty (60) days prior to the expiration of the aforesaid one (1) year period that the Landscape Easement is under the control and jurisdiction of the Township, a majority of the Owners or the Association may request another public hearing be held or the Township may call another public hearing upon notice in the same manner as set forth above. At the hearing the Association or Lot Owners shall show cause why maintenance by the Township shall not continue for a succeeding one (1) year period. If the Township shall reasonably determine that the Association and/or Owners are ready, willing and able to maintain the Landscape Easement, the Township shall cease to operate and maintain the Landscape Easement at the end of said year. If the Township shall reasonably determine that the Association or Owners are not ready, willing, and able to maintain the Landscape Easement during the next succeeding year, then subject to a similar public hearing and determination in each successive year thereafter, the Township may continue to enter upon and maintain said Landscape Easement.

Should deficiencies in the maintenance of the Landscape Easement be determined by the Township to constitute an impending danger to health, safety, and welfare of the public or a public or private nuisance, the Township shall have the right to take immediate correction and summarily abate such danger or nuisance.

The Association and/or Owners shall hold harmless, defend, and indemnify the Township from any and all claims, demands, costs, expenses, including attorney fees, and judgments, whatsoever, which may arise from the Township's maintenance of the Landscape Easement.

The actual costs and expenditures, including administration expenses and attorney fees, incurred by the Township as a result of its maintenance of the Landscape Easement or the immediate abatement of an impending danger or nuisance in relation thereto, shall be at the expense of the Association or the Owners and such costs and expenditures shall be assessed against the Lots in the Subdivision and become due, collected, and returned for non-payment in the same manner and at the same time as ad valorem property tax levies of the Township.

The Township, at its option, shall be subrogated to any rights the Association may have in this Declaration for the imposition of assessments and the collection thereof in relation to the Landscape Easement.

The maintenance provisions contained in this Article, or section, shall not be amended in any way without the prior written consent of the Superior Township Board of Trustees.

ARTICLE 4A
COMMUNITY CENTER

Section 4A.1 Right To Use Community Center. Each Project Owner in good standing, subject to the terms and provisions of the Community Association Declaration, shall have the right and non-exclusive easement to use the Community Center for the purposes the Community Association Declaration. The easement rights shall exist regardless of whether the Community Center is included in a particular final



plat or master deed, and each Project Owner's easement and right to use the Community Center shall be deemed a part of, and shall pass with title to, every lot and condominium unit, regardless of whether such easement is specifically referenced in the deed conveying such lot or condominium unit.

In addition, the Community Center shall be used subject to the following general provisions:

A. The Community Association shall have the right to establish non-discriminatory rules and regulations as its Board of Directors may deem necessary or desirable for the safe, orderly and convenient operation and use of the Community Center and for the proper maintenance, repair, and replacement of the Community Center and the improvements and facilities located thereon.

B. The Community Association shall have the right to suspend the rights of any Project Owner (including such Project Owner's immediate family members) to use the Community Center, for: (i) any period for during which any assessment against such Project Owner's lot or condominium unit, as the case may be, is delinquent; and (ii) a period not in excess of thirty (30) days for any infraction of any rules or regulations promulgated by the Board of Directors.

Section 4A.2 Community Association Declaration. The Association shall be a member of the Community Association, pursuant to the terms and conditions of the Community Association Declaration, and to the extent applicable, the Property shall be subject to and encumbered by the Community Association Declaration.

Section 4A.3 Community Association Facilities. Notwithstanding anything to the contrary contained herein, the Community Association shall have the first and prior right and authority, and the primary responsibility to repair, replace and maintain the following common facilities constructed or installed within the Project, all as described in Section 3A.1, above.

Section 4A.4 Governing Provisions. Capitalized terms used within this Article 4A and not otherwise defined within this Declaration shall have the meaning ascribed thereto pursuant to the Community Association Declaration. The provisions of this Article 4A are for informational and notice purposes only, and for specific information reference must be made to the Community Association Declaration which shall in all events govern with respect to the subject matter thereof.

Section 4A.5 Assessments. The Community Association Declaration provides for the imposition of assessments by the Community Association, which assessments shall be collected by the Association and remitted to the Community Association. Either the Association and the Community Association has the right to record a lien against the respective residential lots in the event the assessments are not paid in accordance with the terms and provisions of the Declaration and the Community Association Declaration.



ARTICLE 5
COVENANTS FOR MAINTENANCE AND CAPITAL CHARGES

Section 5.1 Creation Of The Lien And Personal Obligation For Assessments. Each Owner, other than Developer, by accepting title to such Owner's Lot, or, by entering into a land contract for the purchase of a Lot, shall be deemed to covenant and agree to pay to the Association, when due, the assessments described below, regardless of whether or not such covenant shall be expressed in the Owner's instrument of conveyance or land contract:

- A. annual assessments to meet regular Association expenses, which shall include such assessments necessary for the Association to perform its maintenance obligations under Article 4 above and as may be necessary to maintain any easements referred to in Sections 4.6 or 6.27 of this Declaration;
- B. special assessments for capital improvements, to be established and collected as set forth below;
- C. special assessments against specific Lots and Owners for maintenance, to be established and collected as set forth below; and
- D. all other assessments for taxes, levies, assessments or other charges lawfully imposed or charged to the Association with respect to the Common Areas.

The foregoing assessments, together with interest and costs of collection (including court costs and reasonable attorneys' fees) which are described below, shall be a lien on the Lot against which they are made and all improvements. Each such assessment, together with interest, and the costs of collection, in addition to constituting a lien on such Lot and improvements, shall also constitute a joint and several personal obligation of the person or persons who was/were the Owner(s) of the Lot on the date the assessment was established.

Section 5.2 Purpose Of Annual Assessments. The Association shall use the annual assessments levied under this Article 5 for the purpose of: (i) promoting the recreation, health, welfare and safety of the residents of the Subdivision; (ii) improving, landscaping and maintaining the Common Areas and any improvements located thereon; (iii) maintaining, operating and repairing the Storm Water Drainage Facilities; (iv) providing services and facilities for the benefit of residents of the Subdivision; (v) maintaining, beautifying and improving the streets, walkways, rights-of-way, entrance ways and other common improvements within the Subdivision; and (vi) discharging any taxes, insurance premiums and mortgage installments relating to the Common Areas and any improvements thereon.

Section 5.3 Annual Assessments. Commencing in the year the Association is formed, and for each fiscal year of the Association thereafter, annual assessments shall be levied and paid in the following manner:

- A. The Board of Directors of the Association shall levy against each Lot an assessment, based upon the projected costs, expenses and obligations of the Association for the ensuing fiscal year, which assessment shall be a specified amount per Lot. In the event the



actual costs, expenses and obligations of the Association exceed the amount projected, the Board of Directors of the Association shall have the right to levy against each Lot such additional assessments as may be necessary to defray such costs, expenses and obligations.

B. For the first year in which the Association is formed, the annual assessment shall be Two Hundred (\$200) Dollars per Lot. After the first year, the Board may, at its discretion, raise the annual assessment to Three Hundred (\$300) Dollars per Lot. After the first year, within thirty (30) days following the beginning of each fiscal year of the Association, the Board of Directors shall send a written notice of assessment to each Owner stating the amount of the assessment established by the Board of Directors for the ensuing year. Any annual assessment may not be increased by more than twenty-five (25%) percent of the annual assessment for the preceding year without the affirmative vote of sixty (60%) percent of the total combined Class A and Class B votes, cast in person or by proxy at a meeting of the Members called for such purpose. The quorum requirements for such meeting shall be the same as those specified in Section 5.4 below. Each Owner shall pay assessments within thirty (30) days from the date the written statement is mailed. Assessments not paid within the thirty (30) day period shall be delinquent and interest shall accrue on delinquent assessments at the interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law.

C. Any Owner who acquires a Lot from Developer or from a person or entity exempt from the payment of assessments under Section 5.7 below, shall pay to the Association, on the date the Lot is conveyed to the Owner, an amount equal to the prorated balance of any annual assessment and special assessment, if any, established for the then current assessment period, based upon the number of days remaining in the then current assessment period from the date of conveyance. For each fiscal year thereafter, such Owner shall be liable for any and all assessments levied in accordance with this Article 5.

D. The fiscal year of the Association shall be established in the manner set forth in the Association's By-Laws.

E. The Board of Directors, in its discretion, may establish an installment program for the payment of any regular, special or deficit assessment and may charge interest in connection with the installment program.

Section 5.4 Special Assessments For Capital Improvements. In addition to the annual assessments authorized by Section 5.3 above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any improvements on the Common Areas, including any related fixtures, equipment and other personal property. Provided, however, no such special assessment shall be levied unless first approved by sixty (60%) percent of the total combined Class A and Class B votes, cast in person or by proxy at a meeting of the Members duly called for such purpose. Written notice of such meeting shall be sent to all Members at least thirty (30) days in advance of the meeting, which notice shall set forth the purpose of the meeting. Any such special assessments shall be due and payable according to the terms and conditions and in the manner specified in the resolution of the Association establishing the special assessment. Any special assessment not paid when due shall be deemed delinquent and interest shall accrue on such delinquent assessment at the



interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law. The quorum required for the first meeting called for the purpose of voting on a special assessment shall be at least ninety (90%) percent of all the then authorized votes present, either in person or by proxy. If the required quorum is not present at the first meeting called for the purpose of considering the special assessment, another meeting may be called for said purpose, with notice thereof to be given as provided for in this Section 5.4 and the required quorum at any such subsequent meeting shall be reduced to sixty (60%) percent of all then authorized votes present, provided that such second meeting is held within sixty (60) days from the date of the first meeting.

Section 5.5 Uniform Assessment Rate; Assessments Against Specific Properties.

A. Subject to Section 5.5B below, all annual and special assessments shall be fixed and established at the same rate for all Lots within the Subdivision.

B. In addition to the assessments otherwise authorized in this Article 5, the Association may levy a special assessment against one or more specific Lots, for the purpose of maintaining and caring for the surface of the Lot and any plants, landscaping or other vegetation on the Lot. A special assessment for such purposes shall not be levied except in compliance with the following procedures:

(i) The Association's Board of Directors shall determine that the appearance of a Lot, or a portion thereof, significantly detracts from the appearance and attractiveness of the remainder of the Subdivision or otherwise constitutes a violation of the restrictions set forth in Article 6 herein below.

(ii) Written notice of such determination which specifies the nature of the unsatisfactory condition and the actions required to remedy the unsatisfactory condition shall be delivered to the Owner of the offending Lot.

(iii) The Owner shall have a period of not less than thirty (30) days from the date the Owner receives the above referenced notice to commence the required work.

(iv) If the Owner has not commenced the required work within the thirty (30) day period or, if having commenced such work, it is not completed within a reasonable time after commencement, the Association shall have the right to enter upon the Owner's property, complete the required work and assess the cost against such Lot; provided, however, such cost shall not exceed the reasonable cost for performing such work.

(v) Any assessment levied under this Section 5.5B shall be due and payable thirty (30) days from the date the Owner receives a statement. Any such assessment not paid when due shall be deemed delinquent and interest shall accrue on such delinquent assessment at the interest rate established by resolution of the Association's Board of Directors, which interest rate shall not exceed the highest rate allowed by law.