

ARTICLE IX
GENERAL PROVISIONS

Section 1. Nonpayment of Assessments.

Remedies of the Association.

(a) Notice of Default: Remedies. Any Assessment installment not paid within thirty (30) days after the due date shall be delinquent. Thereupon, the Association, or the managing agent at the request of the Board of Directors, shall provide Notice of such delinquency and may, at its option, (I) declare the entire balance of such Annual or Special Assessment due and payable in full; (ii) charge interest from the due date at a percent rate no greater than is permissible by law, such rate to be set by the Board of Directors for each assessment period; (iii) charge a late charge in an amount equal to five percent (5%) of the delinquent installment or such other amount as may be set by Board of Directors; (iv) give Notice to the Owner that in the event payment with accrued interest and penalties is not paid within thirty (30) days from the date of such Notice, then the expressed contractual lien provided for herein shall be filed or foreclosed, or both; and (v) upon Registered Notice to the Owner of the Lot, suspend the right of such owner to vote until the assessment, accrued interest, penalties and costs of collection are paid in full. Once perfected, the lien for assessments provided for herein shall be prior to all other subsequent liens and encumbrances except (I) real estate tax liens on the Lot, (ii) liens and encumbrances recorded prior to the recordation of this Declaration, and (iii) sums paid on and owing under any mortgage or deed of trust recorded prior to the perfection of said lien. The lien evidenced hereby shall bind the Lot(s) herein described in the hand of the then Owner thereof, his heirs, devisees, personal representatives, and the personal obligation of the Member to pay such assessment shall, in addition, remain his personal obligation for the statutory period.

(b) Remedies Cumulative. No remedy reserved to the Association herein is intended to be exclusive of any other remedy or remedies, and each and every remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute.

(c) Collection Costs. If default is made in the payment of any assessment payable hereunder, then the Owner who is so delinquent shall pay to the Association, upon demand, all costs of collection, including the Association's attorney's fees, whether suit is brought or not.

(d) Prepayment. Any member may prepay one or more installments of any Annual Assessments levied by the Association, without penalty or interest.

Section 2 Enforcement. The Association, or any Owner, or any mortgagee of any Lot shall have the right to enforce, by any proceeding at law and/or in equity, all restrictions, conditions, covenants, reservations, liens, charges or other obligations or terms now or hereafter imposed by the provisions of this Declaration, or the Articles of

Incorporation or By-Laws of the Association. Failure by the Association or by any Owner or by any mortgagee of any Lot to enforce any covenant or restriction herein contained or any provision of the By-Laws or Articles of Incorporation of the Association shall in no event be deemed a waiver of the right to do so thereafter. There shall be and there is hereby created and declared to be a conclusive presumption that any violation or breach or attempted violation or breach of any of the within covenants or restrictions or any provision of the By-Laws or Articles of Incorporation of the Association cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 3 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 4 Duration. Except where permanent easements or other permanent rights or interest are herein created, the covenants and restrictions and any duly appointed amendments thereto of the Declaration shall run with and bind the land for a term of thirty (30) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years each unless terminated by a vote of a majority of the members of the Association.

Section 5 Amendment. Subject to the other limitations set forth in this Declaration, this Declaration may be amended during the first twenty (20) year period after it is recorded only by an instrument executed and acknowledged by not less than ninety percent (90%) of Owners. After the first twenty (20) years, this Declaration may be amended by an instrument executed and acknowledged by not less than seventy-five percent (75%) of the Owners. The amendment instrument shall be recorded among the Land Records for the jurisdiction in which this Declaration is recorded. Unless a later date is specified in any such instrument, any amendment to this Declaration shall become effective on this date of recording; provided, however, that no amendment shall be effective unless it is executed by at least one Class A Member, should there be any Class A members.

Section 6FHA-VA Approvals Provided that any Lot subject to the Declaration is the encumbered by a deed of trust or mortgage which is insured by the Federal Housing Administration or guaranteed by the Veterans Administration, and provided further, that there are then Class B memberships of the Association outstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following action without the prior written consent or approval of the Federal Housing Administration and the Veterans Administration, as the circumstances may require:

a) make any annexation or additions other than as provided for pursuant to Section 5 of Article IX of this Declaration; or

b) abandon, partition, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or community facilities directly or indirectly owned by the

Association; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for any purposes consistent with the use of the Common Areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this Section 5; or

- c) abandon or terminate this Declaration; or
- d) modify or amend any provisions of this Declaration, the By-Laws or the Articles of Incorporation of the Association; or
- e) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association in any other entity.

Section 7. Consents by Lenders Any other provision of this Declaration or the By-Laws or Articles of Incorporation of the Association to the contrary notwithstanding, neither the members, the Board of Directors nor the Association shall, by act or omission, take any of the following actions without the prior written consent and approval of not less than two-thirds (2/3) in number of the holders of the first mortgages of record on the Lots:

a) abandon, partition, alienate, release, hypothecate, dedicate, subdivide, encumber, sell or transfer any of the Common Areas or community facilities directly or indirectly owned by the Association; provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Common Areas and community facilities by the members of the Association shall not be considered a transfer within the meaning of this section 6; or

- b) abandon or terminate this Declaration; or
- c) modify or amend any substantive provision of this Declaration, or of the By-Laws or of the Articles of Incorporation of the Association; or
- d) merge or consolidate the Association with any other entity or sell, lease, exchange or otherwise transfer all or substantially all of the assets of the Association to any other entity; or
- e) substantially modify the method of determining and collecting assessments against an Owner or his Lot as provided in the Declaration; or
- f) waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearances of dwellings on the Lots, the maintenance of the Common Area walks and driveways, or the upkeep of lawns and plantings within the Property; or

g) fail to maintain fire and extended coverage on insurance Association Common Area on property on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement cost); or

h) use hazard insurance proceeds for losses to any Association Common Area or property for other than the repair, replacement or reconstruction of such Common Area or property.

Section 8. Casualty Losses. In the event of substantial damage or destruction to any of the Common Areas or community facilities, the Board of Directors of the Association shall give prompt written notice of such damage or destruction to the holders of all first mortgages of record on the Lots. No provision of the Declaration of the Articles of Incorporation or these By-Laws of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of any insurance proceeds paid or payable on account of any damage or destruction of any of the Common Areas or community facilities.

Section 9. Condemnation of Eminent Domain In the event any part of the Common Areas and community facilities is made the subject matter of any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by any condemning authority, then the Board of Directors of the Association shall give prompt written notices of any such proceeding or proposed acquisition to the holders of all first mortgages of record on the Lots. No provision of this Declaration of the Articles of Incorporation or the By-Laws of the Association shall entitle any member to any priority over the holder of any first mortgage of record on his Lot with respect to the distribution to such member of the proceeds of any condemnation or settlement relating to a taking of any of the Common Areas and community facilities.

Section 10 Captions and Gender The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in anyway to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.