

Section 3. Assessments.

(a) Annual Assessment. Subject to the terms of this Article, each Affected Lot is hereby subject to an initial maximum assessment of \$30.00 per month or \$360.00 per annum [until such assessment shall be increased in accordance with the By-Laws of the Association (provided that the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a vote of the membership of the Association, as provided in the By-Laws of the Association)], for the purpose of creating a fund to be designated and known as the "assessment fund", which assessment will be paid by the Owner or Owners of each Affected Lot in advance in monthly, quarterly or annual installments, commencing as to all Affected Lots on which a completed Unit is then located on the conveyance of the first Affected Lot to a Class A Member and as to other Affected Lots as of the completion of the Unit thereon. The rate at which each Affected Lot will be assessed, and whether such assessment shall be payable monthly, quarterly or annually, will be determined by the Board of Directors of the Association at least thirty (30) days in advance of each affected assessment period. Said rate may be adjusted from time to time by the Board of Directors as the needs of the Association may, in the judgment of the Directors, require. The assessment for each Affected Lot shall be uniform. The Association shall, upon written demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether or not the assessment has been paid for the assessment period.

(b) Purpose of Assessment Fund. The Association shall establish an assessment fund composed of Owners' annual assessments and shall use the proceeds of such fund providing for normal, recurring maintenance charges for the Common Maintenance Areas for the use and benefit of all members of the Association. Such uses and benefits to be provided by the Association may include, by way of clarification and not limitation, any and all of the following: normal, recurring maintenance of the Common Maintenance Areas (including, but not limited to, cleaning, mowing, edging, watering, clipping, sweeping, pruning, raking, and otherwise caring for existing landscaping and related facilities) and the improvements to such Common Maintenance Areas, such as sprinkler systems, and private streets, if any, provided the Association shall have no obligation (except as expressly provided hereinafter) to make capital improvements to the Common Maintenance Areas; payment of all legal and other costs and expenses incurred in connection with the enforcement of all recorded covenants, restrictions and conditions affecting the property to which the assessment fund applies, including without limitation costs and expenses paid or incurred in connection with insuring such property and the payment of any and all taxes thereon; payment of all reasonable and necessary expenses in connection with the collection and administration of the assessments; employment of policemen and watchmen, if any, engagement of a manager or management firm to operate and/or maintain all or any portion of the Common Maintenance Areas, including without limitation the Recreational Facilities; caring for vacant lots; obtaining and maintaining such fire and extended casualty insurance, public liability insurance, errors and omissions insurance and/or other insurance as are deemed necessary or desirable in the opinion of the Board of Directors of the Association; and doing any other thing or things necessary or desirable in the opinion of the Board of Directors of the Association to keep the Property neat and in good order, or which is considered of general benefit to the Owners or occupants of the Property, it being understood that the judgment of the Board of Directors in the expenditure of said funds and the