

ARTICLE V

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments.

Developer, for each Lot and Living Unit owned by it within the Properties hereby covenants, and each Owner by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to Association: (1) annual assessments or charges; (2) special assessments for capital improvement. Such assessments are to be fixed established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made.

Each assessment, together with interest thereon and cost of collection thereof As hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time the assessment fell due.

Section 2. Purpose of Assessments.

The assessments levied by Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of Common Properties, including but not limited to, the payment of taxes and insurance thereon, repairs, replacements and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Basis and Maximum of Annual Assessments.

Until the Year. beginning January 1, 1987 the annual assessment shall be \$200.00 per year per living unit and \$75.00 per year for each lot except there will be no charge to the developer for lots, nor for models or houses built for sale until such time as these houses are sold. From and after January 1, 1987 the annual assessment may be increased by Vote of Members, as hereinafter provided, for the next three year period, and at the end of each three year period, for succeeding three year period.

The Board of Trustees of Association may, after consideration of current maintenance costs and future needs of Association, fix the actual assessments for any year at a lesser amount, but in no event shall the assessment be less than is required to fulfill the minimum maintenance obligation of these covenants and restrictions.

Section 4. In the event Association does not fulfill the minimum maintenance obligations required by these covenants and restrictions, Bainbridge Township or successor municipal entity has the right to enforce zoning regulations requiring such fulfillment.

Section 5. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized by Section 3 hereof, Association 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 or reconstruction and unexpected repair or replacement of a described capital improvement upon Common Properties including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth