

ARTICLE VIII - Duties and Responsibilities of Members - Dues and Assessments.

Section 1. Payment of Assessments: The charges levied by the Association as provided in Article VI, Section 1 (f), shall be due and payable as of the date of the adoption of the Annual Budget of the Association whether the same occurs at the Annual Meeting of the Association or subsequent thereto. Written notice of the charge shall be sent to each owner at the address last given by the owner to the Association. Failure to pay charges means that the property owner is delinquent. Any account which is delinquent by more than three (3) months; that is, not paid by September 30th of the current dues year, will be subject to a late fee (not to exceed 1% per month and reflected on billing statements, said amount not to exceed legal limits). Such late fee will be charged to the delinquent account from July 1st of the current dues year. In addition, if the delinquent account is not paid by September 30th, then the amount, plus late fees shall become a lien on the property owner's lot and the Association may begin legal collection activities. Further, after a property owner is delinquent for more than three (3) months starting from July 1st, an administrative fee (currently set by the Board at \$150 dollars) will be charged to the property owner's account for each delinquent lot. This charge is automatic and must be paid by the delinquent property owner regardless of when the delinquent dues plus any late fees are paid by the property owner. The lien process begins immediately on October 1st and the administrative fee is not prorated according to how far the Association's collection agent has gone with the lien process. The Association shall recover the amount of the delinquency, late fees, interest, administrative fee and other collection costs and attorney's fees. The sale or transfer of any lot shall not affect any lien for charges provided for herein. Upon request, the Association shall furnish a statement certifying that the charges against a specified lot have been paid or that certain charges remain unpaid, as the case may be.

Section 2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners (residents) in the Properties, and in particular for the improvement and maintenance or properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties situated upon the Properties, but not limited to, the payment of taxes and insurance thereon, and repair, replacement, and additions thereto, and for the cost of labor, equipment, and materials, management and supervision thereof. Assessments shall not be used for exclusive benefit, direct or indirect, of any particular member.

Section 3. Special Assessments for Capital Improvements or Unusual Expenses: In addition to the annual assessments authorized by Article VI, Section 1 (f), the Association may levy in any assessment year on each original lot sold by the developer, its representatives or assigns, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of unusual expenses and the cost of any construction of capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided any such assessment shall have the affirmative of two thirds (2/3) of the votes of all voting members who are voting in person or by proxy at an annual or special meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days and not more than forty five (45) days in advance and shall set forth the purpose of the meeting.

Section 4. Quorum for any action authorized Under Section 3 above: The quorum required for any action authorized under Section 3 hereof shall be as follows: At the first meeting called, as provided in Section 3 hereof, the presence at the meeting of Members or proxies entitled to cast sixty (60) percent of all votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 3 and the required meeting at any such subsequent meeting shall be two thirds (2/3) of the required quorum of the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Effect of Non-Payment of Assessment: the Personal Obligation of the Owner: the Lien, Remedies of the Association: If the assessments are not paid on the date when due, then thereon and cost of collection thereof as hereinafter provided thereupon becomes a continuing lien on the property in the hands of the then owner, his/her heirs, devisees, personal representatives and assigns. The personal obligation of the then owner to pay such assessments, however, shall remain his/her personal obligations for the statutory

period and shall not pass to his/her successors in title unless expressly assumed by them and paid prior to assuming title. If the assessment is not paid by July 1 of the current dues year, then the procedures regarding delinquent accounts as outlined in Section 1 of this Article shall be implemented. Lot owners whose assessments are unpaid on September 30th are not eligible to serve in any Association office or as a member of any Association Committee.

Section 6. Subordination of the Lien to Mortgages: The lien for the Assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject. Such sale or transfer shall not relieve such property owner from liability for any assessment thereafter becoming due, nor from the lien for any subsequent assessment.

Section 7. Exempt Property: The following property subject to this declaration shall be exempted from assessments, charges, and liens created herein:

- (a) All properties to the extent of any easement or other interest therein dedicated and accepted by local public authority and devoted to public use.
- (b) All Common Properties as defined in Article 1, Section 1 (c) hereof.
- (c) All properties exempted from taxation by the laws of the Commonwealth of Pennsylvania upon the terms and the extent of such legal exemption.
- (d) All Properties owned by the developer, its successors and assigns, and held by them or any of them for sale or resale, including any lots which may have been required by the developer. Notwithstanding any provision herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges, or liens.