

ARTICLE XI
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

11.1 The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, as well as such other personnel as the Association shall determine to be desirable for the proper operation of the Association, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. The Association may obtain and pay for legal and accounting services desirable in connection with the operation of the Association or the enforcement of this Declaration. The Association may but shall not be required to arrange as an Association expense with others to furnish water, street lighting, trash collection, sewer service and other common services to each Lot. The Association shall be permitted but shall not be required to contract with the Developer for the provision of all such services which the Association is required or permitted by this Declaration to perform.

11.2 The Association through action of its Board of Directors may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise.

11.3 The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Lots and of the Common Area and improvements, if any, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Enforcement may include the imposition of reasonable fines which if not paid when due shall constitute a lien.

11.4 The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonable to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XII
ASSESSMENTS

12.1 The assessments for common expenses provided for herein shall be used for the general purposes of promoting the health, safety, welfare, common benefit and enjoyment of the Owners and occupants of residences and maintaining the Common Areas and improvements, if any, all as may be more specifically authorized from time to time by the Board of Directors.

12.2 If any assessments, including annual assessments, special assessments, or assessments for maintenance costs and expenses as provided in this Declaration, are not paid on the date due, such assessment shall then become delinquent and shall

together with interest, costs and attorneys and paralegal fees, become a continuing lien on the lot against which such assessment is made. Such lien shall bind the lot while owned by the Owner, or the Owner's heirs, devisees, personal representatives, assigns, successors, and successors in title, and shall also be a continuing personal obligation of the Owner. If the assessment is not paid within ten days after the due date, which date shall be set by the Board of Directors, the assessment shall bear interest from the date due at the highest rate permitted by law, and the Association may at any time thereafter bring an action to foreclose the lien against the Lot in the same manner as a foreclosure of a mortgage on real property and may also or in the alternative, bring a suit on the personal obligation of the Owner. There shall be added to the amount of any such assessment the cost of preparing and filing the complaint in such action, including reasonable attorneys fees and paralegal fees. If a judgement is obtained, such judgment shall include interest on the assessment at the highest lawful rate, and a reasonable attorneys fees and paralegal fees to be determined by the court, together with costs of the action. Such lien shall be effective from and after the time of recording the claim of lien in the Public Records of Brevard County, Florida. A claim of lien shall continue as a lien in effect until all sums secured thereby, including all costs of foreclosure or collection, whether suit shall be brought or not, have been fully paid.

1.2.3 Each owner, by acceptance of a deed to a lot, vests in the Association or its agents, the right and power to bring all actions against the owner personally for the collection of such charges as a debt of the owner or to foreclose the lien as herein provided in the same manner as other liens for the improvement of real property. The power to bid on the lot at any foreclosure sale, or to acquire, hold, lease, mortgage, and convey the lot shall be held by the Association on behalf of all of the other owners. No owner may waive or otherwise avoid or seek to avoid liability for the assessments provided in this Declaration in any manner, including without limitation, abandonment of the lot.

12.4 The lien for assessments as provided in this Declaration shall be subordinate to the lien of any first mortgage to a bank, life insurance company, federal or state savings and loan association, or real estate investment trust. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such lot pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure of such mortgage. No sale or transfer shall relieve any lot from liability for any assessment thereafter becoming due, nor from the lien of any such subsequent assessment.

12.5 All property other than property which is platted into individual residential Lots shall be exempt from assessments.

12.6 The Association shall, upon request, furnish to an owner a certificate in writing signed by an officer of the association stating whether or not there are any unpaid assessments by the association on the Lot.

12.7 The total amount necessary to cover the costs of the Association shall be estimated annually by the Board of Directors and a budget therefor shall be prepared not less than thirty days prior to the end of each fiscal year of the Association and shall be delivered to each Owner. A notice to each owner setting forth the amount of assessment due and payable with respect to each lot shall be delivered with the copy of the budget. The regular assessment shall be payable in an annual installment unless quarterly installments are provided for and set out in the notice sent to each owner. The initial annual regular assessment for lots is \$50.00 per lot, per year. Such assessment shall not be increased prior to January 1, 1994. Until January 1, 1994 the Developer will pay all regular budget costs in excess of assessments paid by Owners.

12.8 In addition to the annual assessments, the Association may levy special assessments for the purpose of defraying the cost of any new construction or repair or replacement of a capital improvement of the Association, or the need for additional services: provided, however, any such special assessment must first be approved by a majority vote of the members present in person or by proxy at a meeting called to consider the special assessment. Written notice of any such meeting at which a special assessment will be considered shall be sent to all members at least thirty days in advance of such meeting and the notice shall set forth the purpose of the meeting and the amount and purpose of the proposed special assessment. The date or dates on which such special assessment shall be due shall be fixed by the Board of Directors, and may be payable in installments over a period which may, in the discretion of the Board, extend in excess of the year in which adopted.

12.9 Annual and special assessments must be fixed at a uniform rate for all lots.

ARTICLE XIII ENFORCEMENT OF RULES

13.1 The Board of Directors shall have the authority to make and to enforce reasonable rules and regulations governing the conduct, use and enjoyment of the Lots and the Common Area. If any Owner violates this Declaration, the Bylaws or any rules and regulations duly adopted hereunder, the Board of Directors of the Association shall have the power to impose reasonable fines which shall constitute a lien upon the Lot owned by such Owner and to suspend an owner's right to vote and to use the Common Area and facilities, if any. Such suspension may be for the duration of the infraction and may continue for an additional period thereafter not