

to the Lot upon which it is based and it is transferred automatically by conveyance of title to that Lot and may not be separated from ownership of a Lot. No person except an Owner may be a Member of the Association, and a membership in the Association may not be transferred except by transfer of title to a Lot. An Owner who is a contract seller may assign such Owner's membership and voting rights to such Owner's vendee in possession.

**Section 2. Voting.** The Association shall have two classes of voting membership:

**Class A.** Class A members shall be all Owners of single-family Lots, with the exception of the Declarant (as defined in the Declaration), and shall be entitled to one vote for each Lot owned.

**Class B.** The Class B member shall be the Declarant, and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A, membership on the happening of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership including Class B votes for all units Declarant intends to annex; or
- (b) on the anniversary date ten years from the date when the first Lot is conveyed to an individual purchaser; or
- (c) on a date when the Declarant shall record a notice terminating its Class B membership status.

When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

**Section 3. Common Area.** Subject to the rights and duties of Owners set forth in this Declaration, the Association has exclusive management and control of the Common Area, its improvements if any, and all related furnishings, equipment, fencing and other personal property, if any. The Association's duties with respect to the Common Area include the management and operation of, improvements, equipment and personal property installed by the Declarant on the Common Area, so as to keep all of the foregoing in good, clean substantial, attractive, sanitary, safe and serviceable condition, order and repair; the payment of all taxes validly levied, assessed, or imposed with respect to the Common Area; the administration of leases on or effecting the common area; and the maintenance of adequate public liability and property insurance with respect to the Common Area.

**Section 4. Exterior Maintenance.** The Association has no duty of exterior maintenance with respect to any Lot; and, as more particularly provided in Article II, Section 10 herein above, each Owner must maintain such Owner's Lot, including any appurtenant driveways, in a safe, sanitary and reasonably attractive condition. If:

(a) any Owner refuses or fails to make any repairs, maintenance, or replacements required by Article II, Section 10, above; and

(b) as a result, any condition on or adjoining such Owner's Lot becomes a hazard or nuisance to any other Owner, or diminishes or impairs the value or marketability of any other Lot, or is visually objectionable to persons lawfully upon the Properties; and

(c) at least a majority of the members of the Board present and voting find that the Owner was provided reasonable notice of the failure of repair, maintenance or replacement and the Board's consideration thereof, and was given an opportunity to be heard by the Board;

then, upon the occurrence of all of the foregoing, the Association may make or perform such repairs, maintenance, or replacements as reasonably are necessary to correct such condition and assess all costs so incurred against such Owner's Lot as provided in Article V, Section 4, below.

**Section 5. Services.** The Association may obtain and pay for the services of any person to manage its affairs to the extent the Board deems advisable, as well as such other personnel as the Board determines are necessary or desirable for the proper operation of the Properties, whether such personnel are furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Board may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration, or the Articles, By-Laws, rules and regulations.

**Section 6. Rules and Regulations.** As provided in the Bylaws, the Association, from time to time may adopt, alter, amend, rescind and enforce reasonable rules and regulations governing the use of the Properties, consistent with the rights and duties established by this Declaration. The Association's procedures for enforcing its rules and regulations at all times must provide the affected Owner with reasonable prior notice and a reasonable opportunity to be heard, in person, or through representatives of such Owner's choosing, or both.

**Section 7. Capital Improvements.** Except for replacement or repair of items installed by Declarant, if any, and except for any personal property related to the Common Area, the Association may not authorize capital improvements to the Common Area without the prior approval of two-thirds (2/3) of the Association Members present and voting in person or by proxy at a meeting duly convened for such purposes as provided in Article VII, Section 2, below.

**Section 8. Amplification.** The provisions of this Declaration may be amplified by the Articles of Incorporation and By-Laws of Parsons Point Homeowners Association, Inc., but no such amplification shall alter or amend substantially any of the rights or obligations of the Owners set forth in the Declaration, or any Supplemental Declaration. The Declarant intends that the provisions of this Declaration and any Supplemental or Amended Declaration, on the one

hand, and the Articles of Incorporation and By-Laws on the other hand, be interpreted, construed and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, the Declarant intends that the provisions of this Declaration, or any supplemental or amended Declaration, control anything to the contrary in the Articles of Incorporation or By-Laws.

Section 9. Termination of Association. If the Association ceases to exist, all of the Owners shall be jointly and severally responsible for operation and maintenance of the Surface Water Management System facilities in accordance with the requirements of the Environmental Resource Permit, unless and until an alternate entity assumes responsibility.

## ARTICLE V ASSESSMENTS

Section 1. Assessments Established. For each Lot, Declarant covenants, and each Owner of a Lot by acceptance of a deed thereto, whether or not it is so expressed in such deed, is deemed to covenant and agree, to pay to the Association:

- a. An annual assessment, as provided in Section 2 of this Article; and
- b. Special assessments, as provided in Section 3 of this Article; and
- c. Specific assessments; as provided in Section 4 of this Article; and
- d. All excise taxes, if any, that from time to time may be imposed by law upon all or any portion of the assessments established by this Article; and
- e. Interest and costs of collection of such assessments, including reasonable attorney's fees, as provided in this Declaration; and

All of the foregoing are a continuing charge on the Lot and secured by a continuing lien upon the Lot against which each assessment is made, as provided in Section 7, below. Each such assessment, together with excise taxes (if any), interest and all costs and expenses of collection, including reasonable attorney's fees, also is the personal obligation of the person who was the Owner of such Lot when such assessment became due. Such personal obligation will not pass to an Owner's successors in title unless assumed expressly in writing, however.

The annual or special assessments on Lots owned by the Declarant shall be fifty percent of the corresponding assessments for Lots owned by other Owners. If a deficit in funding occurs, the Declarant shall pay additional assessments equal to the deficit, however, the Declarant shall