

pay no more than one hundred percent of the corresponding assessment for Lots owned by other Owners.

Section 2. Annual Assessment. The annual assessment shall be due on January 1 of each year and payable as provided in Article V, Section 5. The annual assessment shall be used exclusively to promote the value and desirability of the Property for the benefit of the Owners and Occupants, including (i) the operation, management, maintenance, repair, servicing, renewal, replacement and improvements of the Common Area required to be maintained by the Association, including the Surface Water Management System Facilities, monitoring and maintenance of any wetland mitigation areas until the Southwest Florida Water Management District determines that the area is successful in accordance with the Environmental Resource Permit, and the establishment of reserve accounts for all such items; and (ii) the cost of labor, equipment, materials, management and, supervision of the Common Area required to be maintained by the Association; and (iii) all other general activities and expenses of the Association.

Section 3. Special Assessments for Working Capital Fund, Nonrecurring Maintenance and Capital Improvements. In addition to the annual assessment authorized above, the Association may levy special assessments as follows:

a. Upon the first sale of each Lot to a third party purchaser, a special assessment for a working capital fund, equal to six (6) months' estimated regular assessment may be assessed which shall be due and payable upon conveyance of each Lot to a third party purchaser. The aggregate working capital fund established by such special assessment shall be accounted for separately, and shall be available for all necessary expenditures of the Association.

b. In an assessment year, a special assessment (in addition to the annual assessment or the assessment provided in subsection (a) above) which is applicable to that year only for the purpose of defraying, in whole or in part, the cost of any nonrecurring maintenance, or the acquisition, construction, reconstruction, repair or replacement of a capital improvement upon the Common Area required to be maintained by the Association, including fixtures and personal property related thereto may be assessed. The Association shall separately account for the proceeds of such special assessments and proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question, provided such assessment first is approved by a majority of the Members present and voting in person or by proxy at a meeting duly convened for such purpose. Any such special assessment shall be due on the date fixed by, and may be payable in one or more installments (with or without interests), as the Board determines.

Section 4. Specific Assessments. Any and all accrued, liquidated indebtedness of any Owner to the Association arising under the provision of this Declaration, or by contract expressed or implied, or because of any act or omission of any Owner or person for whom such

Owner is responsible, also may be assessed by the Association against such Owner's Lot after such Owner fails to pay it within thirty (30) days after written demand.

Section 5. Amount. Until the close of the first fiscal year following Declarant's conveyance of the first Lot, and subject to the provisions of the paragraph below, the annual assessment will not exceed \$300.00 per Lot. At least thirty (30) days before the end of each fiscal year, the Board shall prepare and distribute to each Owner a proposed budget for the Association's operations during the next ensuing fiscal year. If such budget requires an annual assessment of one hundred fifteen percent (115%) or less of the annual assessment for the fiscal year then ending, the assessment so proposed shall take effect at the commencement of the next ensuing fiscal year without further notice to any Owner. However, if such budget requires an annual assessment that is more than one hundred fifteen percent (115%) of the annual assessment then in effect, the Board shall call a membership meeting on not less than fifteen (15) days prior notice for the purpose of approving such increase. A majority of the votes, pursuant to Article IV, Section 2, of those Members present and voting is sufficient for such approval, and the assessment approved will take effect at the commencement of the next ensuing fiscal year without further notice to any Owner. If the proposed assessment is disapproved, a majority of the Members voting shall determine the annual assessment for the next ensuing fiscal year, which may be in any amount not exceeding that stated in the meeting notice. Each annual assessment may be payable in such number of installments, with or without interest, as the Board determines. In the absence of any action by the Board or the membership to the contrary prior to the commencement of any fiscal year, the annual assessment then in effect automatically will continue for the ensuing year.

Notwithstanding the above provisions, the assessment may increase an amount greater than fifteen percent without a vote of the Members if such additional increase is due solely to maintenance costs of amenities or recreational features which have been added by the Declarant or Association since the preparation of the last budget and assessment. If any such amenities or recreational features are added, the initial years assessment and subsequent assessments shall be adjusted by the Board to cover the additional maintenance costs.

Section 6. Commencement. The assessments provided by this Article shall commence as to all Lots on the first day of the first month following Declarant's first conveyance of title to any Lot and shall be prorated on the basis of the number of months then remaining in the Association's fiscal year.

Section 7. Assessment Lien. All sums assessed to any Lot, together with interest and all costs and expenses of collection, including reasonable attorneys' fees, are secured by a continuing lien on such Lot in favor of the Association. Such lien is subject and inferior to the lien for all sums secured by any First Mortgage encumbering such Lot, but all other lienors acquiring liens on any Lot after this Declaration is recorded are deemed to consent that such liens are inferior to the lien established by this Declaration, whether or not such consent is set forth in