

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

the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors, or either, of the existence of the Association's lien and its priority. The Association may, but is not required to, from time to time, record a Notice of Lien to further evidence the lien established by this Declaration.

Section 8. Association Remedies. Any assessment not paid within thirty (30) days after its due date shall be deemed delinquent and shall bear interest from its initial due date at the maximum rate of interest allowed by law. The Association may sue the Owner personally obligated to pay such assessment for a money judgment, or it may foreclose its lien against such Owner's Lot, or both. A suit to recover a money judgment for unpaid assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Association's lien, or its priority. No Owner may waive or escape liability for the Association's assessments by non-use of the Fee Common Area or by abandonment of such Owner's Lot.

Section 9. Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by a judicial foreclosure in the same manner in which mortgages on real property from time to time may be foreclosed in the State of Florida. In such foreclosure, the Owner is required to pay all costs and expenses of foreclosure including reasonable attorney's fees. All such costs and expenses are secured by the lien foreclosed. Such Owner also is required to pay to the Association all assessments against the Lot that become due during the period of foreclosure, which also are secured by the lien foreclosed and will be accounted and paid as of the date the Owner's title is divested by foreclosure. The Association has the right and power to bid at the foreclosure sale, or to acquire such Lot by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, use and otherwise deal with such Lot as its Owner for purposes of resale only. If any foreclosure sale results in a deficiency, the Association may petition the Court having jurisdiction of the foreclosure to enter a personal judgment against the Owner for such deficiency.

Section 10. Exempt Lots. Any and all Lots from time to time owned by the Association are exempt from the assessments established by this Article during the period of such ownership. This Association may not own or otherwise acquire Lots except (i) pursuant to foreclosure of the Association's lien, or (ii) one Lot for use as a residence by any resident manager for the Property who is employed by the Association or Association's manager.

Section 11. Lien Subordination. The Association's lien established by the Declaration is subordinate to the lien of any First Mortgage. Sale or transfer of any Lot does not affect the assessment lien, except that the sale or transfer of any Lot pursuant to a judicial sale upon foreclosure of any First Mortgage, or any deed in lieu thereof, extinguishes the Association's lien as to payments that became due prior to such judicial sale or deed in lieu of foreclosure, without prejudice, however, to the Association's right to collect such amounts from the Owners personally liable for their payment. No such sale or transfer relieves such Lot from liability for assessments thereafter becoming due or from the lien thereof. Any lienholder may pay, but is

not required to pay, any amount secured by the lien created by this Article; and, upon such payment, such lienholder will be subrogated to all rights of the Association with respect to such lien, including priority.

Section 12. Homestead. By acceptance of a deed thereto, each Owner of each Lot is deemed to acknowledge conclusively that (i) the assessments established by this Article are for the improvement and maintenance of any homestead thereon; and (ii) the Association's lien for such assessments has priority over any such homestead; and (iii) such Owner irrevocably waives the benefit of any homestead exemption otherwise available with respect to all amounts secured by such lien.

ARTICLE VI

ARCHITECTURAL COMMITTEE

Section 1. Creation and Composition. The "Architectural Committee" shall mean, as follows: Until all the Lots in Parsons Point have been fully developed, permanent improvements constructed thereon, and sold to permanent residents, the Architectural Committee shall mean the Declarant, and shall not be a committee of the Association. At such time as all of the Lots in Parsons Point have been fully developed, permanent improvements constructed thereon, and sold to permanent residents, the Declarant shall notify the Association, and, thereupon, the Declarant's rights and obligations as the Architectural Committee shall forthwith terminate. Thereafter, the Association shall have the right, power, authority, and obligation to establish a successor Architectural Committee as a committee of the Association in accordance with the Association Documents and prescribe rules and regulations pursuant to which such Committee shall act. Notwithstanding the foregoing, if additional property is annexed and subjected to this Declaration in accordance with Article VII, Section 9, then, as to the Lots in each subsequent phase, Declarant shall be the Architectural Committee until such time as all such Lots have been fully developed, permanent improvements constructed thereon, and sold to permanent residents, after which the Architectural Committee established by the Association shall take over.

Section 2. Design Standards. The Architectural Committee shall from time to time, subject to this Declaration and the Association Documents, adopt, promulgate, amend, revoke, and enforce guidelines, hereinafter referred to as the "Design Standards" for the purposes of:

- (i) governing the form and content of plans and specifications to be submitted to the Architectural Committee for approval pursuant to this Declaration;
- (ii) governing the procedure for such submission of plans and specifications; and