


Section 11.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon written request to the Association's registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, any Owner, designee of Owner, Agency, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Unit. Unless such statement shall be issued by personal delivery or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) calendar days after receipt of the request, the Association shall have no right to assert a lien upon the Unit over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.



Section 11.11 Capitalization of the Association. The Association shall establish an initial working capital fund equal to two-twelfths (2/12) of the estimated Annual Assessments for Common Expenses for each Unit subject to the terms of this Declaration. The working capital fund may be used by the Association for emergencies, insurance deductibles in the event of casualty or other loss, capital expenditures for repair or replacement of Common Elements, and such other expenses which do not occur on a regular and on-going basis, as may be determined by a majority of the Executive Board. The initial working capital fund shall be established upon the conveyance of the first Unit in the Project by Declarant to a third-party purchaser. Upon acquisition of record title to a Unit from Declarant, each such new Owner shall contribute to the working capital fund of the Association an amount equal to two-twelfths (2/12) of the Annual Assessment determined by the Executive Board for that Unit for the year in which the new Owner acquired title. Such payments shall not be considered advance payments of Annual Assessments. The working capital fund deposit made by such new Owner(s) shall be non-refundable. In the event Declarant pays into the working capital fund on behalf of a Unit prior to the initial sale of the Unit to an Owner, the new Owner shall reimburse such amount to Declarant upon the transfer of title to the Unit and the Owner's contribution to the Association's working capital fund hereunder shall be reduced by such amount. The working capital fund must be maintained by the Association in a segregated account, and may not be used by the Declarant to defray any of its own expenses, reserve contributions, or construction costs.

Section 11.12 Maintenance Accounts: Accounting. If the Association delegates powers of the Executive Board or its officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a Manager, then such other persons or Manager must: (a) maintain all funds and accounts of the Association separate from the funds and accounts of other associations managed by the other person or Manager; (b) maintain all reserve and working capital accounts of the Association separate from the operational accounts of the Association; (c) provide to the Association no less than once per month an accounting for the previous month, including a budget/actual reconciliation report; and (d) provide to the Association an annual accounting and financial statement, including a budget/actual reconciliation report, of Association funds prepared by a certified public accountant.