


(c) Annual assessments shall apply only to Lots or Townhome Units now or hereafter subjected to this Declaration and included within the jurisdiction of the Association.

(d) Annual assessments for Owners of Lots shall be payable in four equal quarterly installments during each fiscal year. Annual assessments for Owners of Townhomes shall be payable in twelve equal monthly installments.

Section 4.4 Supplementary Assessments. In the event that the Board shall determine, at any time or from time to time, that the amount of the annual assessments is not adequate to pay for the costs and expenses of fulfilling the Association's obligations hereunder, one or more supplementary assessments may be made for the purpose of providing the additional funds required. To determine the amount required to be raised by each supplementary assessment, the Board shall revise the annual budget for such fiscal year as provided in Section 4.3, or prepare a new budget, a summary of which shall be furnished to each Owner and shall set a date for a meeting of the Owners to consider the ratification of such budget as required by the Act as may be further amended from time to time. Upon request, the Board will deliver a summary of the revised or new budget to any Mortgagee. Based on such revised or new budget, the Board may make a supplementary assessment for such fiscal year against each Lot and Townhome Unit.

Section 4.5 Special Assessments. A special assessment for purposes of large or unexpected expenditures that are capital in nature shall be made only upon resolution of the Association's Board of Directors. The Board will deliver to all Owners, by first class mail or otherwise, a summary of the special assessment and shall set a date for a meeting of the Owners for purposes of ratification of the special assessment as required by the Act as may be further amended from time to time.



Section 4.6 Assessment Reserves. Each Owner purchasing a Lot or Townhome Unit from Declarant shall be required to deposit upon the purchase and maintain continuously with the Association one hundred dollars (\$100.00), such reserve amount to be held without interest accruing to the Owner. This sum shall be used by the Association as a reserve for payment of each Owner's assessments and for working capital of the Association. The advance payment shall not relieve an Owner from making the regular payments of the annual assessments, or any portion thereof, as same become due, nor shall the Association be required to deduct from such advance payment sums due for annual assessments by an Owner prior to instituting any proceedings against the Owner for delinquent assessments. In the event the Association shall, pursuant to the purposes of this Article, draw delinquent assessments from the reserve created by such advance payment applicable to an Owner, the Owner expressly agrees, following ten (10) days prior written notice from the Association, to repay such amounts to the Association in order to properly maintain the reserve account, and such amount to be repaid shall have the same status as an annual, supplementary or special assessment for purposes of Article IV of

this Declaration. Upon the sale of a Lot or Townhome Unit, an Owner shall be entitled to a credit from his grantee for the remaining balance of such reserve account applicable to the Owner's Lot or Townhome Unit.

Section 4.7 Apportionment of Assessments. Annual, supplementary and special assessments for each Lot and Townhome Unit shall be determined as follows:

(a) The assessments for Lots 1 through 21 and Lots 30R through 50 shall include all amounts included within the budget, except (i) such amounts as are allocable to maintenance of Tracts A and B, which shall include, but may not be limited to, maintenance, repair and painting of the exterior of the Townhome Units, maintenance, repair and snowplowing of the driveways and sidewalks on Tracts A and B, maintenance and improvement of the Limited Common Areas appurtenant to the Townhome Units, and trash removal for the Townhome Units, (ii) such amounts expended for casualty insurance for the Townhome Units and improvements on Tracts A and B as provided for in Section 6.3 herein, and (iii) such amounts as are allocable to maintenance of the Limited Common Areas adjacent to Lots 22R-29R, which shall include, but may not be limited to, maintenance, repair and improvement of the driveways thereon.

(b) The assessments for Townhome Units shall include all amounts included within the budget except such amounts as are allocable to maintenance of the Limited Common Areas adjacent to Lots 22R-29R.

(c) The assessments for Lots 22R through 29R shall include all amounts within the budget except such amounts as are allocable to maintenance of Tracts A and B and except for such amounts expended for casualty insurance for the Townhome Units and improvements on Tracts A and B as provided for in Section 6.3 herein.

(d) The amount of the annual, supplementary and special assessments for each Lot or Townhome Unit shall be determined by dividing the total assessment for the assessment class to which that Lot or Townhome Unit belongs by the total number of all Units subject to that assessment having received Certificates of Occupancy from Summit County. No assessment shall be attributed to a Lot or Townhome Unit until a Certificate of Occupancy has been issued for that Lot or Townhome Unit by Summit County.

Section 4.8 Date of Commencement of Annual Assessments; Due Dates. The Annual Assessments provided for herein shall commence as to each Lot or Townhome Unit on the first day of the month following the issuance of a Certificate of Occupancy for each such Lot or Townhome Unit. Written notice of assessments shall be sent to every Owner.