

7.06 Status of Collected Funds: All funds collected hereunder shall be held and expended for the purposes designated herein and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentage set forth in Exhibit "B".

7.07 Remedies for Failure to Pay Assessments: If any Unit Owner shall default in the payment of any charge or assessment imposed by the Board as herein provided, including any assessment against the Unit Owner of a Unit with Individual Grounds allocated thereto arising by virtue of the election by said Owner of the added services set forth in Article V (5.05(d)) or by virtue of the election by said Unit Owner for the providing of insurance as set forth in Article V (5.09), the Board shall have the authority for and on behalf of itself and said Association and as the representative of all Unit Owners, to exercise and enforce any and all rights and remedies as may be provided in the Act, these By-laws, this Declaration or otherwise available at law or in equity, for the collection of all such unpaid charges or assessments. In addition, if an Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Board may bring suit for and on behalf of itself and as representative of all Owners, to enforce collection thereof or to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest costs and fees as above provided, shall be and become a lien or charge against the Unit Ownership of the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Unless otherwise provided in this Declaration, the members of the Board and their successors in office, acting on behalf of the other Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Said lien shall take effect and be in force when and as provided in the Act; provided, however, that encumbrances (other than those constituting a first mortgage recorded prior to the making of such assessment) owned or held by or on behalf of any bank, insurance company or savings and loan association shall be subject as to priority after written notice to said encumbrance of unpaid Common Expenses only to the lien of all Common Expenses on the encumbered Unit which become due and payable subsequent to the date said encumbrancer either takes possession of the Unit, accepts a conveyance of any interest therein, or after a receiver has been appointed in a suit to foreclose such lien. Any encumbrancer from time to time may request in writing a written statement from the Board setting forth the unpaid Common Expenses with respect to the Unit covered by his encumbrance, and, unless the request shall be complied with within twenty (20) days, all unpaid

Common Expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance. Any encumbrancer holding a lien on a Unit may pay any unpaid common expenses payable with respect to such Unit and upon such payment such encumbrancer shall have a lien on such Unit for the amounts paid at the same rank as the lien of his encumbrance.

7.08 Rental during Foreclosure: In the event of the foreclosure of a lien for unpaid common expenses, the Unit Owner who is the defendant in such proceeding shall be required to pay a reasonable rental for such Unit.

7.09 Amendments: Except for such amendments as may be required to conform any provision of the Declaration to the requirements of law, all amendments to this Article VII shall only be effective upon unanimous written consent of the Owners and their mortgagees. No Unit Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use of enjoyment of any of the common areas and facilities or by abandonment of his Unit.

ARTICLE VIII

COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

8.01 The Units and Common Elements shall be occupied and used as follows:

(a) Purpose: No part of the Property shall be used for other than housing and related common purposes for which the Property was designed, including accessory buildings for the purpose of providing recreational facilities and for the sale of convenience food and related items primarily for, and to, the condominium residents together with the right of the DEVELOPER to maintain and operate a sales office, and model Units on the property during development. Each Unit or any two or more adjoining Units used together shall be used as a residence at any one time for a single family or such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units used together as aforesaid may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall be determined by the Board in writing.

(b) Obstruction of Common Elements: There shall be no obstruction of the Common Elements, nor shall anything be stored in the Common Elements without the prior consent of the Board, except as hereinafter expressly provided. Each Owner shall be obligated to maintain and keep in good order and repair his own Unit.

(c) Hazardous Uses and Waste: Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance