

(y) "Property" shall mean the real property described on Exhibit "A" which is attached hereto.

(z) "Residence" shall mean, with respect to each Lot, the structure located approximately within the boundaries of such Lot, designed as a dwelling and enclosed garage space for use of the Occupant of the Lot.

(aa) "Special Assessments" shall mean (i) in any Assessment year, Assessments assessed equally to each Lot, for the purpose of defraying, in whole or in part, (A) the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, (B) the cost of any repair, reconstruction, construction, or replacement of any portion of Common Area Improvements, or (C) the expense of any other contingencies or unbudgeted costs of the Association (provided that any such Special Assessment set forth in this subsection (i) shall have the assent of sixty-seven percent (67%) of the eligible votes in the Association of Members who are voting in person or by proxy at a meeting duly called and held for such purpose), and (ii) Assessments, established and fixed upon a particular Lot by the Association, after due notice and hearing, to secure the liability of the Owner of such Lot to the Association for any fines or penalties levied by the Association against such Owner or Occupant of a Lot or for any damages incurred by the Association as a result of any breach by such Owner or Occupant of any of the provisions of this Declaration, which breach shall require an expenditure by the Association for repair or remedy.

(bb) "Subdivision" shall have the meaning set forth in the recitals above.

ARTICLE II OWNERSHIP OF LOTS, COMMON AREAS, LOT DESIGNATIONS AND DESCRIPTIONS

2.1 Lot Ownership. Subject to the easements and other restrictions set forth herein, each Owner shall be entitled to exclusive ownership and possession of such Owner's Lot and all improvements located thereon.

2.2 Common Area Ownership. The Declarant shall dedicate and convey the title to the Common Areas and their Improvements to the Association at such point and time deemed reasonable and appropriate by the Declarant. Prior to the date the Common Areas are conveyed to the Association, the Declarant shall retain the right to sell portions of the Common Areas to lot owners if Declarant deems such sale to be for the best interests of the development. Obligations regarding the Improvements and maintenance of the Common Areas prior to conveyance to the Association are governed by Section 10.10 herein.

2.3 Owner's Easement of Enjoyment of Common Areas. Every Owner shall have a nonexclusive right and easement of use and enjoyment in and to the Common Areas and Common Area Improvements, if any, and over and across the Common Areas for egress from and ingress to such Owner's Lot, which easements shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights of an Owner and right of an Owner (or Occupant of a Lot) to use any recreational facilities which may from time to time be erected on the Common Areas for any period during which any Assessment against such Owner's Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(b) the right of the Association to dedicate or transfer all or any part of the Common Areas and Common Area Improvements to any public agency or authority, any public or private utility or any CATV operators or other similar operators providing services which may benefit all Lots for such purposes and subject to such conditions as may be agreed to by the Association. No such dedication or transfer shall be effective unless approved by the Board of Directors.

(c) the right of the Association to adopt such rules and regulations with respect to the use of the Common Areas and the Common Area Improvements as may be reasonable and permitted hereby; and

(d) the similar rights of the other Owners and the terms and conditions of this Declaration and the Plats.

(e) liens of mortgages placed against the Common Areas with respect to monies borrowed by the Declarant or Association (as an incorporated entity) for the purposes of improving the Common Areas and facilities;

(f) the right of the Association to enter into and execute contracts with third parties (including the Declarant, or an affiliate of the Declarant) for the purposes of providing maintenance or such other materials or services consistent with the purposes of the Association; and

(g) the right of the Association to take such steps as are reasonably necessary to protect the Common Areas and their Improvements against foreclosure.

2.4 Delegation of Use. Any Owner may delegate his right of enjoyment of the Common Areas and Common Area Improvements to the members of such Owner's family, such Owner's tenants, or contract purchasers or lessees who reside on such Owner's Lot.

2.5 Rights Reserved to Declarant and Association. Declarant hereby reserves unto Declarant and to the Association and the designated agents of