

Office of the Clerk of Court for Greenville County. As to subsequent bona fide purchasers for value of a lien herein reserved for charges and assessments due and payable shall be effective only from the time of the filing of said Lis Pendens; provided, however, that nothing herein contained shall affect the right of the association to enforce the collection of any charges and assessments that shall become payable after the acquisition of title by such subsequent bona fide purchaser for value.

(c) The lien herein created shall be subordinate to the lien of laborers, contractors or materialmen furnishing labor, services or materials in connection with the construction or alteration of any improvements located on any lot, except that nothing herein contained shall be held to affect the rights herein given to enforce the collection of such charges or assessments accruing after foreclosure of any such lien.

Section 5. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in Powderhorn and for the improvement and maintenance of the greenways, parks and Common Area, and of the recreation facilities situated in the clubhouse area.

Section 6. Maximum Annual Assessment. Until January 1, of the year immediately following the conveyance of the first lot in Powderhorn, Section 2, by Declarant to an Owner, the maximum assessment shall be the assessment then prevailing and applicable to Owners of Lots in Powderhorn, Section 1.

(a) From and after January 1 of the year immediately following the conveyance of the first lot of an Owner, the maximum annual assessment may be increased each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first lot of an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.