

be mingled in a single fund but they shall be held in trust for the residence owners in the respective shares in which they are paid, and shall be credited to accounts from which shall be paid the expenses for which the respective assessments are made. Such accounts shall be a common expense account to which shall be credited collections of assessments for common expenses.

C. Assessments for Recurring Expense. Assessments for recurring expense for each expense account shall include the estimated expenses chargeable to the account. Assessments for recurring expenses shall be made for the remainder of the calendar year in which this Declaration is filed as soon as practicable after this Declaration is filed, and for each calendar year thereafter annually in advance (subject to the applicable ceiling during the Development Period) on or about December 20 preceding the year for which the assessments are made. Such assessments shall be due in equal consecutive monthly payments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, a payment in the amount required by the last prior assessment shall be due upon each assessment payment date until changed by a new assessment. An adequate reserve fund for replacement of the common elements must be established and must be funded by regular monthly payments rather than by special assessments.

D. Assessments for Emergencies. Assessments for expenses of emergencies for each expense account which cannot be paid from the assessments for recurring expenses shall be made only after notice of the need therefor to the residence owners. Ten days after