

affected by any sale or transfer of a residence except that a sale or transfer pursuant to a foreclosure of a first mortgage shall extinguish a subordinate lien for common expense charges and assessments which became payable prior to such sale or transfer. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a residence from liability for, nor the residence so sold or transferred from the lien of, any common expense charges thereafter becoming due.

I. Collection. In addition to the other remedies provided by law, the Association may enforce collection as hereinafter provided:

1. Late Charge: Application of payments. Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear a late charge, however, a late fee of \$5.00 will be charged each month that the assessments are in arrears, ten (10) days after the date when due. All payments on account shall be first applied to late charges and then to the assessment payment first due.

2. Suit. The Association may enforce collection of delinquent assessment accounts by suit at law or by foreclosure of the lines securing the assessments, or by any other legal proceeding, and in either event, the Association shall be entitled to recover the payments which are delinquent at the time of judgment or decree together with late fees and all costs incident to the collection and proceedings, including reasonable attorney's fees.

3. Member's Loss of Vote. Notwithstanding anything to the contrary contained herein, a co-owner's right to vote as a member of the Association shall be suspended so long as he is delinquent in his obligations to the Association.

4. Mandatory Assessment Collection. All assessments, and all late fees, thereon, must be collected by the Association by whatever lawful means are necessary; provided, however, that any such collection may, but is not required to, be postponed for a period not to exceed two (2) months if the Board of Directors determines that a delinquency in payment is caused by special hardship justifying such moratorium.

X. ADMINISTRATION. The administration of the condominium, including but not limited to the acts required of the Association by the condominium documents, and the maintenance, replacement and operation of the limited common areas and common areas and facilities, shall be the responsibility of the Association and shall be governed by the following provisions:

A. Organization. The Association shall be organized as a non-profit corporation under the name Graystone I Association of Residence Owners, Inc.

B. By-laws. By-laws of the Association shall be in the form attached hereto as Exhibit "C" until such are amended in the manner provided in the Act, this Declaration and the By-laws.

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