

7. Interest on Assessments. If not paid within ten days from the date due, any assessment shall bear interest from the due date until paid at the rate of 10% per annum or at such lower rate as may be fixed by the Association in the Association Documents.

## ARTICLE VII

Mortgages

1. Superiority of Lien. Any Mortgage against a Townhome Parcel, whether or not purchase money, shall be superior in lien to any lien for Association Assessments, whether Regular, Special, or Extraordinary, and any other amounts that may be levied by the Association pursuant to this Declaration or the Association Documents. To have the right of approval set forth in Paragraph 3 hereof, Mortgagees shall register their interest with the Association in writing.

2. Nonsurvival of Assessment Lien. If a Mortgage on a Townhome Parcel is foreclosed and the Parcel sold pursuant to applicable state law, the purchase at such sale shall not be obligated for any Association Assessments or charges levied and unpaid which have accrued prior to the acquisition of title at such sale.

3. Mortgagee Approval of Association Actions. Unless at least two-thirds (2/3) of the Mortgagees holding Mortgage liens on the Townhome Parcels who have registered with the Association have given their prior written approval, the Association shall not be empowered to:

a. Abandon, partition, subdivide for non-Association use, sell, or transfer the Association Property or any part thereof; except that the Association may grant such easements and rights-of-way with respect to the Association Property or encumber such portions of the Property as necessary and appropriate to the use of the Association Property or the Townhome Parcels without approval of the Mortgagees;