

Section 2.

A. The Developer reserves the right to cause an eleemosynary corporation to be organized, to be known as the "Pebble Creek Phase X Homeowners Association, Inc." (hereinafter called the "Association"). The membership of the Association will consist of each owner. There shall be one (1) vote for each lot whether owned by one or more persons or entities; individually, jointly or as tenants in common.

B. All lots shall be subject to an annual maintenance charge or assessment to defray the costs of the Association in carrying out its purposes; provided, however, that all lots owned by the Developer shall be exempt from such maintenance charge or assessment so long as such lots continue to be owned by the Developer. The assessment against each lot shall become due and payable on January 1st next following the date upon which Developer conveys such lot to a purchaser after formation of the Association, and thereafter shall be due and payable in advance on each and every succeeding January 1st.

C. The amount of the assessment shall be determined on an annual basis, after formation of the Association, by a majority vote of the owners held at the annual meeting of the Association.

D. The assessments shall be payable to the Association and the amounts so paid shall be administered by the officers of the Association and may be used for the functions hereinafter set out, and it is expressly stipulated that the Association shall be empowered to perform any or all of said functions but that is under no duty to perform or discontinue to perform said functions at any time:

(1) For the payment of the necessary expenses for the operation of the Association;

(2) For cleaning, maintaining and improving the streets, easements and rights of way within Phase X;

(3) For caring for vacant and untended land, if any, within the subdivision, removing grass and weeds therefrom and doing any other thing necessary or desirable in the opinion of the officers of the Association to keep such property neat and in good order for the general benefit of the owners;

(4) For any expenses incident to the enforcement of these protective covenants;

(5) For the payment of taxes and assessment, if any, which may be levied by any public authority upon any common or community areas which may be established for the benefit of the owners.