

Where the mortgagee of an institutional first mortgage of record or other purchaser of a Unit obtains title to a Unit as a result of foreclosure of the institutional first mortgage, or when an institutional first mortgagee of record accepts a Deed to said Unit in lieu of foreclosure of the aforesaid Lessor's lien, such acquirer of title, his grantees, heirs, successors and assigns shall not be liable for the share of Common Expenses or assessments by the Association pertaining to such Unit, or chargeable to the former Unit co-owner of such Unit, which became due prior to acquisition of title as a result of the foreclosure or the acceptance of such Deed in lieu of foreclosure. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectable from all of the Unit co-owners in the property, excluding such acquirer, his grantees, heirs, successors and assigns.

Any person who acquires an interest in a unit, except through foreclosure of an institutional first mortgage of record, or Deed in lieu thereof, as specifically provided hereinabove, including without limitation persons acquiring title by operation of law, including purchasers at judicial sales, shall not be entitled to occupancy of the Unit or enjoyment of the General Common Elements until such time as all unpaid assessments due and owing by the former Unit co-owner have been paid.

In any voluntary conveyance of a Unit, the Grantee shall be jointly and severally liable with Grantor for all unpaid assessments against Grantor made prior to the time of such voluntary conveyance, without prejudice to the rights of Grantee to recover from Grantor the amounts paid by Grantee therefor, except as to an institutional mortgagee taking Deed in lieu of foreclosure and as to a mortgagee's subsequent grantee, and as to any person who acquires a Unit through foreclosure of an institutional mortgage including said institutional first mortgagee, his grantees, heirs, successors and assigns.

Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by Association which shall prevent its thereafter seeking enforcement of the collection of any sums remaining owing to it by foreclosure, nor shall proceeding by foreclosure to attempt to effect such collection be deemed to be an election precluding the institution of suit at law to attempt to effect collection of any sum then remaining owing to it.

8.11 The Board of Directors shall establish said Annual Budget only with the written consent of Jo Ann L. Nix, Sandy L. Cary and Fidelity Federal Savings & Loan Association, hereinafter referred to as "consenting party." Said consent may be upon such terms and conditions as the consenting party determines in its sole discretion. The consent of Jo Ann L. Nix, Sandy L. Cary and Fidelity Federal Savings & Loan Association, as the consenting party, shall be required as long as it is the owner of a mortgage encumbering a Unit or is the owner of a Unit in the property, and thereafter the consenting party shall be the institutional mortgagee having the highest dollar indebtedness on Units in this property.

8.12 Assessments shall be fixed by the Board of Directors of the Association and payable at such times as set by the Board of Directors but not less frequently than quarterly. An adequate reserve fund for replacement of Common Element components must be established, which must be funded by periodic payments rather than by extraordinary special assessments. Common Surplus shall be distributed by the Board of Directors of the Association in the manner provided in the By-Laws of the Association.

Where the mortgagee of an institutional mortgage of record or other purchaser of a condominium Unit obtains title to the condominium

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