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ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN
THE ASSOCIATION

Section 1. Membership. The Company and every person or entity who is a record owner of a fee simple or undivided fee simple interest in any Lot or Dwelling Unit which is subject by the Covenants to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such title or interest merely as a security for the performance of an obligation shall not be a member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

CLASS "A". Class "A" Members shall be all those owners as defined in Section One (1) with the exception of the Company. Class "A" Members shall be entitled to one vote for each Lot and Dwelling Unit in which they hold the interest required for membership by Section One (1). When more than one person holds such interest or interests in any Lot or Dwelling Unit all such persons shall be members, and the vote for such lot or dwelling unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Lot or Dwelling Unit. A Member casting a vote representing a Dwelling Unit owned by such Member shall not be entitled to cast an additional vote for the Lot upon which said Dwelling unit is situated. In the event a single Dwelling Unit is sold in fee with a Lot, the vote with respect thereto shall thereafter be cast on the basis of the Dwelling Unit only. When one or more co-owners sign a proxy or purports to vote for his or her co-owners, such vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in a writing delivered to the Secretary of the Association before the voting is counted. If co-owners disagree as to the vote, the vote shall be split equally among the co-owners.

CLASS "B". The Class "B" Member shall be the Company. The Class "B" Member shall be entitled to one vote plus one vote for each vote held by a Class "A" Member. One vote of the Class "A" Membership shall be equivalent to one vote of Class "B" membership. The total vote of the Association shall consist of the sum of the votes of Class "A" members and of the votes of Class "B" Members. The Class "B" Membership may, at the Company's option, cease to exist upon sale of all lots located on the Properties.

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