

among the owners of all dwellings which are not owned by Association, based upon all dwellings which are not owned by Association, based upon their proportionate interests in the common elements exclusive of the interest therein appurtenant to any dwelling or dwellings owned by Association.

B. The assessment levied against the owner of each dwelling and his dwelling shall be payable in annual, quarterly or monthly installments, or in such other installments and at such times as may be determined by the Board of Directors of Association.

C. The Board of Directors of Association shall establish an Annual Budget in advance of each fiscal year which shall correspond to the calendar year, and such Budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the condominium, including a reasonable allowance for contingencies and reserves, such Budget to take into account projected anticipated income which is to be applied in reduction of the amount required to be collected as an assessment each year. Upon adoption of such Annual Budget by the Board of Directors of Association, copies of said Budget shall be delivered to each owner of a dwelling and the assessment for said year shall be established based upon such Budget, although the delivery of a copy of said Budget to each owner shall not affect the liability of any owner for such assessment. Should the Board of Directors at any time determine, in the sole discretion of said Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the condominium, or in the event of emergencies, said Board of Directors shall have the authority to levy such additional assessment or assessments as it shall deem to be necessary.

D. The Board of Directors of Association, in establishing said Annual Budget for operation, management and maintenance of the Project shall include therein a sum to be collected and maintained as reserve fund for replacement of common elements, which reserve fund shall be for the purpose of enabling Association to replace structural elements and mechanical equipment constituting a part of the common elements as well as the replacement of personal property which may constitute a portion of the common elements held for the joint use and benefit of all of the owners of all dwellings. The amount to be allocated to such Reserve Fund for Replacements shall be established by said Board of Directors so as to accrue and maintain at all times a sum reasonably necessary to anticipate the need for replacements of said common elements. The amount collected and allocated to the Reserve Fund for Replacements from time to time shall be maintained in a separate account by Association, although nothing herein contained shall limit Association from applying any monies in such Reserve Fund for Replacements to meet other needs or requirements of Association in operating or managing the Project in the event of emergencies, or in the event that the sums collected from the owners of dwellings are insufficient to meet the then fiscal financial requirements of Association, but it shall not be a requirement that these monies be used for such latter purposes, as a separate assessment may be levied therefor if deemed to be preferable by the Board of Directors of Association in the sole discretion of said Board of Directors.