

of the ownership of the Lot shall operate to transfer the Membership(s) appurtenant to said Lot to the new Owner thereof.

ARTICLE 8
COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

8.1 Creation of Assessment Right; Covenants to Pay. In order to provide funds to enable the Master Association to meet its obligations, there is hereby created a right of assessment exercisable on behalf of the Master Association by the Board. Assessments shall be for Common Expenses and, except as otherwise provided in *Sections 8.3, 8.4 and 8.5* below, shall be allocated equally among all Lots. Each Owner, by acceptance of his, her or its deed with respect to a Lot, is deemed to covenant and agree to pay the Assessments with respect to such Owner's Lot. Each Owner failing to pay an Assessment within fifteen (15) days of the date that the Assessment is due shall also pay a late charge as set by the Board from time to time. The initial late charge shall be the greater of Fifteen Dollars (\$15.00) per month or ten percent (10%) of the unpaid Assessment. Late charges shall be subject to any limitations imposed by the applicable Arizona law or other applicable law, as amended from time to time. The Owner shall also pay all costs and attorneys' fees incurred by the Master Association in seeking to collect such Assessments and other amounts. The Assessments with respect to a Lot, together with interest, costs and attorneys' fees as provided in this *Section 8.1*, shall also be the personal obligation of the Person who was the Owner of such Lot at the time such Assessments arose with respect to such Lot. No Owner shall be relieved of the obligation to pay any of the Assessments by abandoning or not using his, her or its Lot or the Master Common Areas, or by leasing or otherwise transferring occupancy rights with respect to his, her or its Lot. However, upon transfer by an Owner of fee title to such Owner's Lot and with written notice to the Board, such transferring Owner shall not be liable for any Assessments thereafter levied against such Lot. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessments or set-off shall be claimed or allowed by reason of the alleged failure of the Master Association or Board to take some action or perform some function required to be taken or performed by the Master Association or Board under this Declaration, the Articles or the Bylaws.

8.2 Lien for Assessments; Foreclosure.

8.2.1 There is hereby created and established a lien in favor of the Master Association against each Lot which shall secure payment of all present and future Assessments assessed or levied against such Lot or the Owner thereof (together with any other amounts levied against such Lot or the Owner thereof pursuant to this Declaration or the Articles, the Bylaws or the rules and regulations of the Master Association). Such lien shall be prior and superior to all other liens affecting the Lot in question, except: (a) taxes, bonds, assessments and other levies which, by law, are superior thereto; and (b) the lien or charge of any First Mortgage made in good faith and for value. Such liens may be foreclosed in the manner provided by law for the foreclosure of mortgages. The sale or transfer of any Lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of the Assessments as to payments which became due prior to such sale or transfer, but shall not relieve such Lot from liability for any Assessments becoming due