

REED'S LANDING COMMUNITY ASSOCIATION, INC.

COLLECTION POLICY

Revised & Approved September 19, 2011

Be it RESOLVED that the assessment collection policy for Reed's Landing, adopted March 4, 1997 and Assessment Collections Guidance, adopted September 24, 1997, be combined, revised and approved by the Board of Directors on September 19, 2011, as follows:

- I. According to the Declaration of Covenants, Restrictions and By-Laws for Reed's Landing Community Association, Inc., Article V, Section 7, any assessment not paid on or before the due date as determined by the Board of Directors, shall become delinquent and shall (together with interest thereon at the maximum annual rate permitted by law from the due date and cost of collection thereof) become a charge and continuing lien on the land and all improvements thereon against which each such assessment is made. In addition, if the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally and there shall be added to the amount of such assessment reasonable attorneys' fees together with interest and the costs of action.
- II. The Annual Assessment is due in full on January 1 or each year, however the Board of Directors has elected to allow homeowners to pay the annual assessment in quarterly installments. Said installments are due by the first day of January, April, July, and October. The Board of Directors may remove the privilege of paying the annual assessment in quarterly installments from any homeowner who is more than ninety (90) days past due in the payment of any assessment amount. If the privilege is removed, the remainder of the annual assessment shall be accelerated and the balance shall be immediately due and payable.
- III. The Board of Directors has agreed to establish the following policy and procedures in collection of past due accounts as follows:
 - a. Accounts not paid by the **15th of the month** (during which the quarterly installment is due) **shall incur a late charge of twenty dollars (\$20.00)**, and be sent a late notice on or about the 15th of the month.
 - b. Quarterly accounts which are **two payments in arrears shall incur another late fee and be sent a certified late notice** (via certified and regular mail) on or about the 15th of the month, requesting payment in full within fourteen (14) calendar days from the date of the letter.
 - c. Those accounts not paid in full at the end of the fourteen (14) day period shall be turned over to the **Association's attorney for collection**, accelerating the remainder of the association assessment for the fiscal year. The homeowner shall be responsible for all attorney fees, costs of collection, including court costs, and fees incurred during the collection process.
 - d. All payments received are applied to the oldest outstanding balance first.
- IV. The Collections Attorney will seek a judgment when an account is referred for collection and not resolved either by payment in full or an established payment plan within thirty (30) days of the initial demand letter being mailed from the attorney. A lien on the property is created automatically once judgment is docketed. Accounts referred to the attorney cannot be returned to the Association until all balances are paid and cannot be addressed by the Association or Managing Agent until released by the attorney.