

BARTON CREEK NORTH PROPERTY OWNERS ASSOCIATION, INC.

Assessment Collection Procedure  
Effective April 11, 2006

**Quarterly Assessments are due by the first (1<sup>st</sup>) day of each quarter. If payments are not received by the last day of the first month of the quarter, a late charge of \$20.00 per month shall be imposed to compensate the Association for its administrative and processing costs of late payments.**

**Insufficient Funds Check.** Accounts presented with an insufficient funds payment will be charged a non-negotiable insufficient funds fee of not less than \$25.00. Payment of the outstanding account balance will be required to be paid with a money order or cashier's check. Personal checks will not be accepted to satisfy an outstanding account balance when an insufficient fund check makes up a portion of the balance.

**30-60 Days Delinquent.** The Account Receivable Department will send statements to the homeowner for the delinquent assessment, which will include late fees.

**61-90 Days Delinquent:** The Collection Department will send the "First Notice Letter" notifying the homeowner of collection costs, legal fees and potential legal action if the account is not paid current. A request will be made for the homeowner to check his/her records and contact the Management Company if a discrepancy is found.

**120-150 Days Delinquent:** The Collection Department shall send a "Final Notice Letter" and the account will be charged a \$15.00 collection fee. This letter will notify the homeowner of the amounts owed and will further advise the owner if the account is not paid current within thirty (30) days, that the account will be referred to the Association's attorney and collection costs, including legal and collection referral fees, will be incurred immediately upon referral.

**180 Days Delinquent:** If the account has not been paid in full, or the homeowner has not made payment arrangements with the Collection Department, the delinquent account will be referred to the Association's attorney and a Notice of Lien will be filed against the property. The homeowner's account will be assessed a flat non-negotiable \$75.00 collection fee and a \$250.00 legal fee immediately upon referral of the account to the Association's attorney. The Association's attorney will send a demand for payment to the homeowner asking for full payment within thirty (30) days, advising that if the account is not paid current, a lawsuit will be initiated which may include a request for foreclosure of the Association's lien.

**Partial Payment.** All partial payments received prior to referral of the account to the Association's attorney will be applied to pay the account in the following order: Late fees first, legal fees second, deed restriction enforcement expenses third, and then the oldest outstanding assessment. Following referral of the account to the Association's attorney, partial payments will not be accepted, absent extraordinary and extenuating circumstances. The Association's attorney will be consulted as to whether or not a partial payment should be accepted. If a partial payment is not accepted, it shall be returned to the homeowner along with an explanation as to why it was refused. After the account has been referred to the Association's attorney, no partial payments will be accepted except for those made pursuant to an approved payment plan.

**Payment Arrangements:** If a homeowner wishes to enter into a payment arrangement, a request for a payment arrangement must be submitted to the Collection Department of the Management Company for consideration. **After referral of an account to the Association's attorney, all requests for payment agreements will be reviewed and approved by the association's attorney**

**Mandatory Membership.** Membership in the Association is mandatory pursuant to the terms and conditions of the Master Declaration.

**Effective Date.** The foregoing Collection Procedure has been adopted by the Board of the Association to be effective April 11, 2006 for all accounts that have not been referred to the Association's attorney. For all other accounts, the prior collection procedure shall apply. The foregoing Collection Procedure is a directive by the Board of the Association to the Management Company and the Association's attorney and is intended to be a guide to collection of Assessments owed to the Association. The Board may at any time revise the foregoing Collection Procedure and may at any time direct the Management Company or the Association's attorney to proceed differently with collection of an individual account based on circumstances applicable to that account and advice and guidance from the Management Company or the Association's attorney. Failure by the Management Company, the Association's attorney or the Board of the Association to follow the foregoing Collection Procedure shall not in any way affect the homeowner's obligation to pay all Assessments when due, along with all late fees and all collection costs. To obtain any information regarding this Collection Procedure or to obtain the most up-to-date Collection Procedure, a homeowner should contact the Management Company.