

Timbercrest Condominium Association 2012 Revised Collection Policy

The Timbercrest Board of Directors has instituted the following policy based on the Subdivision Bylaws, as it relates to collections of homeowner association fees, penalties, and interest and homeowner violations and resulting fines (*e.g. including landscape, paint, not exclusive of other issues and fines cited by the Board or their designee*). The subdivision management company and its agents will do the following on behalf of the Timbercrest Board of Directors.

Collection of Homeowners Association Fees

The Board of Directors or its designee bills the Annual Notice of Homeowners Association Fees the first full week of December. The amount billed will be set in accordance with the subdivision by-laws and upon the approved annual budget set forth by the Board of Directors. The fees are due and payable upon receipt of the notice. Association Fees must be paid by February 28th to avoid any late fees or penalties.

Application of revenue received (NEW)

In the event a homeowner has outstanding amounts payable to the Association, all money received regardless of its intended purposes will be used to address outstanding debt first. As per the Bylaws Article II, Section 5, payments are applied 1st to cost of collection, 2nd interest and late charges, and 3rd in order of assessment due dates, oldest paid first. Any amount remaining will be applied to current amounts due and **a statement showing balance payable will be forwarded to the homeowner.**

Dues Late Fees

Late fees and interest are applied on the following schedule:

Dues postmarked between March 1st and March 30th \$103.50

Dues postmarked between April 1st and April 30th \$242.00

After March 1st interest will be accrued to outstanding amount at 7%.

Landscape Violations

Courtesy Notice 14 days from date of letter to respond with corrective action

1st fine \$100 with 30 days to respond with corrective action

2nd notice \$500 with 30 days to respond with corrective action

After 2nd Notice and confirmed non-compliance, fines will begin to incur interest at 7%.

Paint Violations

Courtesy Notice 60 days from date of letter to respond with corrective action

1st Notice \$100 fine with 30 days to respond with corrective action

2nd Notice \$500 fine with 30 days to respond with corrective action

After 2nd Notice and confirmed non-compliance, fines will begin to incur interest at 7%.

Collections and Liens

A homeowner with an account 60 days past due is subject to be forwarded to collections. The Board or its designee will send notice of planned action to the homeowner with an opportunity to respond by settling or making arrangements to bring the account current. If agreed to arrangements are not honored, the Board may elect to send the account to collections without further notice.

At the point a homeowner account is sent to a collections bureau, the homeowner has to discuss payment arrangements with the collections representative who will present the homeowner request to the Board of Directors. The Board cannot legally negotiate directly with the homeowner to resolve the issue but will consider all arrangements made with the collection agency.

In the event that an account is sent to collections the Board also reserves the right to initiate a lien against the property to record the property owner indebtedness to the Homeowners Association.

Small Claims

The Board of Directors may elect to settle a resident account via small claims court process. In that event, the Board Treasurer or appointed Officer will represent the Board in matters before the court.

Foreclosure

At any point that an account is in collections with unsuccessful results the Board may direct its Collections representative to move the account to foreclosure status with 30 days notice to the homeowner. While it is not the Board of Directors desire to take such aggressive action, it is necessary to ensure all homeowners pay their required assessment to support the cost of maintaining the subdivision.