

TWIN SPRINGS GARDEN VILLA UNIT OWNERS ASSOCIATION, INC.
COLLECTION PROCEDURES RULE
ADOPTED June 18, 2008

THE BOARD OF DIRECTORS OF THE TWIN SPRINGS GARDEN VILLA UNIT OWNERS ASSOCIATION, INC., WHICH INCLUDES DEER RUN (TS/DR), ADOPTED THE FOLLOWING **RULE ON COLLECTION PROCEDURES**:

Whereas:

1. The Association is charged with the management, care, maintenance and financial integrity of the condominium;
2. The Association must have the financial ability to discharge its responsibilities. The delinquency of one or more units impairs the finances of the Association and imposes undue burdens on the other owners;
3. The Association is required by Statute and the Condominium Instruments to pursue collection of assessments and other charges from delinquent owners;
4. The Association desires to adopt uniform, efficient, fair, non-discriminatory and systematic procedures for collection of assessment and other charges.

Now, therefore, it is hereby **RESOLVED** that the Association adopts the following rule of procedures for the collection of assessments and other charges of the Association.

1. DUE DATES: The annual assessment as determined by the Association is due and payable under the Condominium Instruments in equal monthly installments on the first day of each month. Assessments and other charges of the Association that are not paid by the fifteenth day of the month shall be considered past due and delinquent. (TS/DR Bylaws Section 5.1(b)(3))

2. LATE CHARGE: The Association shall impose a late fee of \$25.00 per month on any assessment or installment thereof that is not paid by the sixteenth day after it first became due and payable. (TS/DR Section 5.3)

3. ACCELERATION OF ASSESSMENT: If an owner's default in paying any installment of any assessment (including a special assessment) continues for thirty days beyond the due date, the Board of Directors may, at its option, accelerate the maturity of any remaining installments due in the current year and declare them due and payable by the service of notice upon the defaulting unit owner. Notice shall also be given to the unit owner's mortgagee. (TS/DR Section 9.2(b))

4. RETURN CHECK CHARGES: A fee of \$20.00 shall be assessed against any owner in the event any check or other instrument of the owner is not honored or returned by the bank for any reason, including insufficient funds. This returned expense charge shall be considered a "common expense" for each owner who incurs the charge. If two or more of a unit owner's checks are returned unpaid by the bank in any fiscal year, the

Association may require, for a period of one year, that all of the unit owner's payments be made by certified check or money order.

5. APPLICATION OF PAYMENTS: Payments received from an owner will be credited in the following order:

Charges for legal fees, court costs and other collection costs;
 All late charges, returned check fees and interest accrued, as applicable;
 All other charges, including those imposed for rules violations and any expenses incurred by the Association as a result of any violations of the rules,
 Condominium Instruments and any applicable statute or regulation by the owner, his/her family, lessee, licensee, employees or agents;
 The monthly assessment for a unit, including any accelerated or special assessment, as applicable; payments shall first be applied toward the oldest amounts then owed.

6. COLLECTION NOTICE: After any assessment or other charge becomes thirty (30) days past due, the Board of Directors may (but is not required to) send a "late notice" to the unit owner. All late notices under this provision shall be in writing and shall have been deemed to be duly given when delivered personally or mailed by United States mail postage prepaid. (TS/DR Section 8.2 and Section 11.1))

7. LIENS: The Association may file a notice of lien against the property of any delinquent owner in accordance with provisions of the Statute and Condominium Instruments. A copy of the notice of lien shall be mailed postage prepaid by registered or certified mail, return receipt requested, to the owner and to the Mortgagee lender with a request that the lender notify the owner of the lender's option to accelerate the mortgage debt. (TS/DR Section 11.1)

8. REFERRAL TO ATTORNEY: The Association may, but is not required to, refer all delinquent accounts to its attorney for collection. All attorney fees, court fees and other collection costs, in accordance with the Statute and Condominium Instruments, will be charged to the delinquent owner, will be immediately due and payable, and will constitute a lien on the delinquent owner's unit.

9. TIME FRAME: The following time frame shall be used in the collection of delinquent accounts:

Due date	1 st day of each month
Past due date	16 th day of each month
Late charge imposed	16 th day of the month
Late notice mailed with notice of fees	30 th day of the month
Notice of Intention to refer to attorney mailed	45 th day after due date
Referral to attorney for legal action	61 st day after due date

The failure to meet a date in this time frame or send a notice specified by these rules does not affect any liability of the unit owner or any remedy otherwise available to the Association. When a notice of intention to refer to attorney is given, a copy shall be sent to the unit owner's mortgagee. Any notice shall comply with the specifications of section 11 of the TS/DR Bylaws.

10. DISCRETION RETAINED BY ASSOCIATION: The Association may extend the time for filing liens and lawsuits or otherwise modify the procedures herein, as the Association shall determine appropriate under the circumstances. The Association retains the right to evaluate each delinquency on a case by case basis.