

Resolution

Adopting a Uniform Assessment Collection Policy

By the Board of Directors of

Grand Isles Master Homeowners Association, Inc.

Whereas, Grand Isles master Homeowners Association, Inc. allows its annual assessments to be paid in monthly installments:

Whereas, though monthly installments allow members to pay the assessments on a more comfortable basis than if paid once annually, a member's failure to pay an installment can result in significant financial shortfalls for the Association and require the members who timely pay to subsidize a member who does not timely pay;

Whereas, without the timely payment of assessment installments, the Association cannot provide the services and maintain the community in a manner members expect;

Now Therefore, to ensure a prompt and evenhanded collection of assessments, the board of directors of Grand Isles Master Homeowners Association, Inc. adopts the following procedures:

- a) Date Due. Pursuant to the annual budget, assessment installments are due on the first day of each month. An assessment installment is delinquent on the second day of the month.
- b) Delinquent Notice. If an assessment installment is not received by the date due, then by the 15th day of the month the Association's management will provide the delinquent member a courteous but firm notice that the assessment installment has not been paid, that payment must be made, and if payment is not made, then the matter will have to be referred to the Association's attorney at the member's cost. In addition, the Association's management company will post a late fee of twenty five dollars (\$25.00) to the account of the delinquent member.

- c) Formal Demand. If an assessment installment is not received by the 25th day of the month due, then the Association's management will provide the delinquent member a formal notice that the assessment installment has not been received and that if the payment in full plus late fees is not made within a stated date no more than two weeks thereafter, then the matter will be referred to the Association's attorney, that the Association will proceed with lien and foreclosure remedies and that the Association would be seeking to recoup the attorney's fees and costs from the member.
- d) Attorney. If the assessment installment continues to be delinquent on the fifteenth day of the following month, then the Association's management shall refer the matter to the Association's attorney for an initial demand letter.
- e) Communications. After the matter is referred to the Association's attorney, all communications to and from the delinquent member to the Association concerning delinquent assessments will be directed to and by the Association's attorney. This will avoid any confusion as to what amounts are owed and what steps are necessary to satisfy the amounts due to the Association.
- f) Lien. If the delinquent member does not pay all monies due, including interest, cost and attorney's fees, pursuant to the attorney's demand, then the Association's attorney is to prepare a lien, and initiate the process necessary to record the lien against the member and send the members a notice advising the member that if the amounts due are not paid in forty-five days, then the Association will initiate a foreclosure action.
- g) Foreclosure. If a member does not timely pay the lien amount due, including all interest, cost and attorney's fees, then the Association intends to initiate a foreclosure action against the delinquent member.
- h) Extraordinary Situations. The directors foresee limited exceptions to this policy. If a member is delinquent more than twice in any three quarters or provides a dishonored check, then the management company may accelerate the process and skip management notices.

i) Effective Date. This policy will take effect upon adoption.

Dated this _____ day of August, 2017.

Secretary

Grand Isles Master Homeowners Association, Inc.