

EMERALD LAKES VILLAGE

Homeowners Association

P.O. Box 113, Troy, MI 48099

Policy Letter Regarding: COLLECTION POLICY

ELV Policy #007 updated and approved **February 2, 2010**

Purpose: The Association's economic well being relies on the timely payment of maintenance charges/dues and other allowable charges due from its members. This policy sets forth the procedures that generally will be followed to ensure the collection of maintenance charges/dues and other charges.

Amounts Payable to the Association include but are not limited to maintenance charges/dues, special assessments, fees, fines, legal fees and other costs associated with collection of funds on behalf of the Association.

Payment Schedule: The regular assessment is payable in advance on the 1st day of January of each year. Assessments not paid by the due date specified in the Bylaws or Board policy are in default. Payments received will be applied as follows; fees, fines, interest, other charges, and assessment.

Notices: The Association Treasurer or designee shall be responsible for mailing a "Notice of Default" or similar delinquency correspondence to all Association members for which payment of maintenance charges/dues have not been received. Notices shall be mailed the first business day following the date such payments were due and shall carry a "Late Fee" as specified in Association Policy Letter entitled "Delinquent Dues and Property Liens." The Treasurer or designee shall be responsible for mailing subsequent "Notices of Default" on or about the 11th day following the date the first notice was mailed. The Association Treasurer or designee shall be responsible for mailing a "Notice of Lien Filing" when it has been determined by the Board that such action is necessary.

Late Fees and Interest Charges: Late fees, interest, and other charges, as provided in the Association Policy Letter entitled "Delinquent Dues and Property Liens," shall be charged on all delinquent balances. The Board of Directors may, at its sole discretion, waive such charges.

Return Item Fee: A return item fee will apply to any check, draft, electronic, or similar instrument returned to the Association unpaid for any reason. The fee charged will be the cost charged the Association by its depository plus \$5. The minimum fee charged will be \$15.

Suspension of Privileges: The Association will suspend all privileges if the member is more than then (10) days in default.

Lien Filing: The Association may file a Lien on the member’s property for accounts that are in default. Costs for preparation, recording, and satisfying liens, shall be paid by the member as specified in Association Policy Letter entitled “Delinquent Dues and Property Liens.”

Collection Services: Accounts in default may be referred to a third party for collection upon approval by the Board of Directors. If a delinquent account is referred to a third party (collection agency or attorney) for collection, the member shall be charged the Association's reasonable attorney fees and related costs.

Administrative Charges: The Association may charge the member additional administrative charges incurred for, but not limited to:

1. Fees charged by Property Manager Agent to collect funds payable to the Association.
2. Owner bankruptcy.
3. Foreclosure action or deed in lieu of foreclosure.
4. Notification, filing and satisfying liens.
5. Enforcement of the Association's Bylaws, Restrictions or Policies.
6. Litigation.
7. Coordinating repairs to the Association's common areas that result from the acts of owners, their tenants or guests.