

**Green Timbers Condominium Association
Delinquency and Assessment Collection Policy
Adopted February 2013
Amended May 2014**

We, the Board of Directors for **Green Timbers Condominium Association**, hereby resolve to accept the following policy for the collection of assessments. The authority for this procedure is provided pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act") and of the Master Deed of Green Timbers, dated October 29, 1996, recorded November 8, 1996 in the office of the Register of Deeds for Montcalm County, Michigan in Liber 778, Pages 761 through 821, as amended (the "Master Deed").

Prompt payment of assessments by all co-owners is critical to the financial health of the Association and to the enhancement of the property values of our homes. It is the fiduciary responsibility of the Board of Directors to collect all assessments for the maintenance and replacement of common area property and other Association expenses in a timely fashion. Your Board of Directors takes very seriously its obligation as outlined in our governing documents to enforce the members' obligation to pay assessments. The policies and practices outlined below shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors.

Assessment payments required under the Association's governing documents are due by the date as specified on the co-owner's statement(s). If a co-owner does not pay the specified amount by the due date as required in full, the payment will be deemed delinquent. All payments must be sent to the following address:

**Green Timbers Condo Assoc
PMB #251
703 Greenville West Drive #7
Greenville, Michigan 48838**

Assessment Collection Policy Guidelines:

- Regular annual assessment invoices will be sent out via mail to all co-owners by March 1st of each year and may be paid in full by April 1st at a discounted rate. For your convenience, we have also set up a quarterly payment plan with payments due on April 1st, July 1st, October 1st, and January 1st. This information will be detailed on your invoice. Any special or additional assessments that may be levied, in addition to the annual assessment, will be due as designated on the invoice.
- Regular annual assessments are due and payable on the first day of each quarter. A courtesy billing statement is sent each month and/or quarter to the billing address on record with the Association if a balance is due. However, it is the co-owner of record's responsibility to pay each assessment in full each quarter regardless of whether a statement is received or not. All other assessments, including special or additional assessments, are due and payable on the date specified by the Board on the Notice of Assessment, which date will not be less than **thirty (30)** days after the date of notice of the special or additional assessment.
- If a co-owner elects to pay the annual assessments in quarterly installments and any installment is delinquent for more than **thirty (30) days**, all remaining installments will be accelerated and the entire unpaid balance of the annual assessment shall become immediately due and payable. The remaining balance shall be subject to a late charge and interest as provided below.

- If a special or additional assessment is payable in installments and an installment payment of that special or additional assessment is delinquent for more than **thirty (30) days**, all installments will be accelerated and the entire unpaid balance of the special or additional assessment shall become immediately due and payable. The remaining balance shall be subject to a late charge and interest as provided below.
- Assessments not received within **thirty (30) days** of the stated due date are delinquent and shall be subject to a late charge of **fifteen dollars (\$15.00)** for each delinquent assessment per unit. In addition, co-owners shall be responsible to pay, upon written notice, all costs of collection, including reasonable attorney's fees, all bank charges for returned checks, and other related costs incurred by the Association.
- An interest charge at the rate of **7% per annum** will be assessed against any outstanding balance, including delinquent assessments, late charges, bank charges for returned checks and costs of collection, which may include reasonable attorneys' fees. Such interest charges shall accrue **thirty (30) days** after the assessment or other payment becomes due and shall continue to be assessed each month until the account is brought current.
- Assessments, late charges, bank charges for returned checks, interest, collection costs, and reasonable attorneys' fees are the personal obligation of the co-owner of the property at the time the assessment or other sums are levied.
- Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including reasonable attorneys' fees, unless the co-owner and the Association enter into a written agreement providing for payments to be applied in a different manner.
- If a co-owner becomes more than **thirty (30) days** delinquent, the co-owner will receive a reminder letter of the assessment owed that outlines the late fees and interest charges accrued to date.
- If a co-owner becomes more than **ninety (90) days** delinquent, the co-owner will receive a **ten (10) day** notice of the Association's intent to suspend voting privileges and trash service. If the Association receives the delinquent payment in full before the **ten (10) day** notice period expires, these privileges will not be suspended.
- If a co-owner becomes more than **one hundred eighty (180) days** delinquent, the Association will send a pre-lien letter to both the co-owner's mailing address of record and the co-owner's lien holder via certified, return receipt requested and first class mail. This letter will advise the co-owner and lien holder of the delinquent status of the account and impending collection action if the delinquent amount in the letter is not paid in full within ten (10) days.
- If a co-owner becomes more than **one hundred ninety (190) days** delinquent or If a co-owner fails to pay the amounts set forth in the pre-lien letter, the Association will record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including reasonable attorneys' fees against the co-owner's property. The co-owner will be charged a fee of **thirty dollars (\$30.00)** for costs of preparing and recording the lien. **Ten (10) days** following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure.

- If a co-owner becomes more than **two hundred seventy (270) days** delinquent, the co-owners account will be turned over to a collection agency. All costs associated with collecting the amount owed will be the responsibility of the delinquent co-owner.
- Any co-owner who is unable to pay assessments will be entitled to make a written request for a payment plan to the Board of Directors. A co-owner may also request to meet with the Board in executive session to discuss a payment plan. However, the Board of Directors may elect not to consider such request unless it is mailed within **ten (10) days** of the postmark date of the pre-lien Letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on a co-owner's separate interest to secure payment for the co-owner's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved, additional late fees from the co-owner will not accrue while the co-owner remains current under the terms of the payment plan. If the co-owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.
- Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including reasonable attorneys' fees, must be paid in full to the Association.
- Nothing herein limits or otherwise affects the Association's right to proceed in any lawful manner to collect any delinquent sums owed to the Association.

Amendment – May 2014:

- If a co-owner of an undeveloped lot who does not reside in the association becomes more than **thirty (30) days** delinquent, the co-owner will receive a reminder letter of the assessment owed that outlines the late fees and interest charges accrued to date.
- If a co-owner of an undeveloped lot who does not reside in the association becomes more than **sixty (60) days** delinquent, the co-owner will receive a **thirty (30) day** notice of the Association's intent to collect the debt via the lien process, as well as suspend voting privileges. If the Association receives the delinquent payment in full before the **thirty (30) day** notice period expires, the lien process will cease and the voting privileges will not be suspended.
- If a co-owner of an undeveloped lot who does not reside in the association becomes more than **ninety (90) days** delinquent, the Association will send a pre-lien letter to both the co-owner's mailing address of record and the co-owner's lien holder via certified, return receipt requested and first class mail. This letter will advise the co-owner and lien holder of the delinquent status of the account and impending collection action if the delinquent amount in the letter is not paid in full within ten (10) days.
- If a co-owner of an undeveloped lot who does not reside in the association becomes more than **one hundred (100) days** delinquent or If a co-owner fails to pay the amounts set forth in the pre-lien letter, the Association will record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including reasonable attorneys' fees against the co-owner's property. The co-owner will be charged a fee of **thirty dollars (\$30.00)** for costs of preparing and recording the lien. **Ten (10) days** following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure.
- Other than the above All other stipulations of this policy apply as written

Amendment - April 2015

- If a co-owner becomes more than **forty-five (45) days** delinquent, the co-owner will receive a **ten (10) day** notice of the Association's intent to suspend voting privileges and trash service. If the Association receives the delinquent payment in full before the **fifteen (15) day** notice period expires, these privileges will not be suspended.
- If a co-owner becomes **sixty (60) days** delinquent, the co-owner will have voting privileges and trash service suspended.
- If a co-owner becomes more than **ninety (90) days** delinquent, the Association will send a pre-lien letter to both the co-owner's mailing address of record and the co-owner's lien holder via certified, return receipt requested and first class mail. This letter will advise the co-owner and lien holder of the delinquent status of the account and impending collection action if the delinquent amount in the letter is not paid in full within ten (10) days.
- If a co-owner becomes more than **one hundred twenty (120) days** delinquent or if a co-owner fails to pay the amounts set forth in the pre-lien letter, the Association will record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including reasonable attorneys' fees against the co-owner's property. The co-owner will be charged a fee of **thirty dollars (\$30.00)** for costs of preparing and recording the lien. **Ten (10) days** following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure.
- If a co-owner becomes more than **one hundred eighty (180) days** delinquent, the co-owners account will be turned over to a collection agency. All costs associated with collecting the amount owed will be the responsibility of the delinquent co-owner.
- Other than the above, all other stipulations of this policy apply as written.