

## COLLECTION POLICY FOR DELINQUENT ASSESSMENTS CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC.

The Association will follow the procedures outlined below in the collection of delinquent maintenance charges, assessments, interest, late fees, collection costs, and attorneys' fees and expenses, unless in their absolute discretion a variance from this procedure is approved by the Board or by an Officer of the Board.

1. First Letter. After the billing of annual assessments, a friendly reminder letter will be mailed by the Association or its management company, 30 days after the due date of the assessments.
2. Second Letter. On or after 30 days from the date of the first letter, a second late notice for the delinquent assessments, collection costs, and interest is to be sent by the Association, or its management company, making a demand for payment.
3. Third and Final Letter. On or after 30 days from the date of the second letter, a third and final late notice for the delinquent assessments, collection costs, and interest is to be sent by the Association, or its management company, making a demand for payment. This letter will be sent by certified mail, return receipt requested.
4. Interest. Interest at the maximum legal rate will be charged by Association on each lot after 10 days has passed and payment has not been received for the delinquent assessments. Declaration of Covenants, Conditions and Restrictions, Art. VIII, Sec. 8.o8.
5. Attorneys. After the Association, or its management company, make these efforts to collect delinquent maintenance assessments, collection costs, and interest, the delinquent accounts will be turned over to the Association's attorneys for collection.
6. The Association's attorneys are instructed to send an initial demand letter. This letter will be sent by certified mail, return receipt requested.
7. If no payment is received from the owner, the Association's attorneys are instructed to send a final demand letter.
8. If no payment is received from the owner, the Association's attorneys are instructed to file suit for the Association's full damages and remedies including seeking an order for foreclosure of the Association's lien and its attorneys' fees and expenses. This shall be considered a standing instruction to the Association's attorney without the need for any additional written authorization to proceed.
9. If owner sends in a partial payment, the Association's attorneys are instructed to return the partial payment to homeowner advising that if payment in full is not received, suit will be filed or continued.
10. The Board has the discretion to alter the above time tables and instructions if there are extenuating circumstances to do so. The Association's attorneys are instructed to make all reasonable efforts to contact and to discuss the delinquency with the delinquent owner prior to the constable's sale. The Association views foreclosure as a last resort only and will seek only what is owed to it in terms of delinquent assessments, collections costs, late fees, attorneys' fees and expenses, and interest.