

## 2. COLLECTION OF UNPAID ASSESSMENTS

1. **Due Dates.** The payment of Assessments shall be as follows:

**Base Assessments.** Base Assessments shall be due and payable annually on the first Monday of November of each year.

**Special and Specific Assessments.** Special and Specific Assessments, if any, shall be due and payable in such manner and at such times as determined by the Board following adoption thereof, and may be payable in installments extending beyond the fiscal year in which the Special or Specific Assessment is approved.

2. **Return Check Charges.** A fee shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If the bank returns two (2) or more of an owner's checks unpaid within any twelve (12) month period, the Association may require that all of the owner's future payments, for a period of one (1) year, be made by certified check or money order.

3. **Liens.** [In progress.]

4. **Referral of Delinquent Accounts.** The Association may, at any time, at its option, refer delinquent accounts to its attorneys and (or) assign such accounts to collection agencies. After consultation with the Board of Directors or the Association's managing agent, the Association's attorneys shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Owner's Lot. The Association shall be entitled to recover its attorneys' fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner.

5. **Application of Payments made to the Association.** The Association reserves the right to apply all payments received on account of any owner first to payment of any and all legal fees and costs (including attorneys' fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing or incurred with respect to such owner, and any remaining amounts shall be applied to the assessments due with respect to such Owner.

6. **Waivers.** The Association has the option and right to continue to evaluate each delinquency on a case-by-case basis. The Association may grant a waiver of any provision herein upon petition in writing by an owner showing a personal hardship. Such relief granted an owner shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief and the conditions

of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances. The granting of a waiver for any particular delinquency shall not require the Association to grant a waiver for any future delinquency for the same or another Owner.

7. **Delinquencies Constitute Covenant Violations.** Any delinquency in the payment of Assessments shall constitute a violation of the Declaration, and following notice and an opportunity to be heard, the Association shall be entitled to impose sanctions on the delinquent owner consistent with the Association's policy regarding "Enforcement of Covenants and Rules, Including Notice and Hearing Procedures and the Schedule of Fines."