

**MAGNOLIA RIDGE AT VIRGINIA CENTER
PROPERTY OWNERS ASSOCIATION, INC.
COLLECTION POLICY**

Revised & Approved October 8, 2009

Be it RESOLVED that the assessment collection policy for Magnolia Ridge, adopted May 10, 2007 and revised October 8, 2009, shall be as follows:

- I. The Board of Directors has elected to allow homeowners to pay the current annual assessment in quarterly installments. Said installments are due by the first day of April, July, October and January, in advance. The Board of Directors may remove the privilege of paying the annual assessment in quarterly installments from any homeowner who is more than thirty (30) days past due in the payment of any assessment amount. If the privilege is removed, the remainder of the annual assessment shall be accelerated and the balance shall be immediately due and payable.
- II. According to the Declaration of Covenants for Magnolia Ridge, Article V, Section 11, any assessment or installment thereof, not paid within fifteen (15) days after the date upon which it is due shall incur a late charge in the greater amount of ten dollars (\$10.00) or ten percent (10%) of the assessment amount due. Moreover, if any assessment, or any installment thereof, is not paid within thirty (30) days after the date upon which it is due, the Association may bring an action at law against the Lot Owner personally obligated to pay the same and initiate proceedings to foreclose the lien against the Lot Owner's property to which it attaches.
- III. However, the Board of Directors has agreed to establish the following policy and procedures in collection of past due accounts as follows:
 - a. Accounts not paid by the **30th of the month shall incur a late charge of ten dollars (\$10.00)**, and be sent a late notice on or about the 30th of the month.
 - b. Quarterly accounts which are **two payments in arrears shall incur another late fee and be sent a certified late notice** (via certified and regular mail) on or about the 30th of the month, requesting payment in full within fourteen (14) calendar days from the date of the letter.
 - c. Those accounts not paid in full at the end of the fourteen (14) day period shall be turned over to the **Association's attorney for collection**, accelerating the remainder of the association assessment for the fiscal year. The homeowner shall be responsible for all attorney fees, costs of collection, including court costs, and fees incurred during the collection process.
 - d. All payments received are applied to the oldest outstanding balance first.
- IV. A judgment is automatically sought when a matter is referred for collection and not resolved either by payment in full or an established payment plan within thirty (30) days of the initial demand letter being mailed from the collection attorney. A lien on the property is created automatically once judgment is docketed.