

Village Homes North Owners' Association
BILLING PROCEDURE/DELINQUENCY POLICY

Homeowners receive billing coupons prior to the beginning of each fiscal year unless they are on Union Bank auto-pay. Their homeowner accounts are assessed on the first of each month. Payments are due on the first (1st) of each month and are considered delinquent on the fifteenth (15th) of that month. If payment is not received, the homeowner will receive a late notice indicating that payment has not been received.

All delinquent accounts will be charged a \$10 late charge and mailed a late notice summarizing the delinquent balances indicating that a late charge has been applied. A \$10 late charge will be assessed each month thereafter as long as the account remains delinquent. Assessments not paid within thirty (30) days after the date of delinquency shall thereafter bear interest at the maximum rate allowed by law, accrued from the date of delinquency.

If the account is not brought current, the homeowner's account is turned over to the Association's attorney for a certified pre-lien warning. If payment is not received by the Association within the timeframe requested by the attorney, a lien can be recorded against the property as outlined to the homeowner in the pre-lien letter.

If the lien is not satisfied within thirty (30) days, the Board may elect to foreclose on the lien to collect payment in full if the delinquent assessments are equal to or exceed \$1,800 or the assessments are 12 months delinquent.

The Association may also proceed to collect through small claims action. All collection and legal fees will be responsibility of the homeowner.

In addition, any monies received will be collected in the following order: first current and prior delinquent assessments, special assessments, late charges, legal fees, recreation center key replacement fees, CC&R fines, NSF bank charges and finally, any miscellaneous charges.

1/1/2006