

Annual Dues Collection Policy

Summary

Billing Statement sent to Homeowners by	January 1
Annual Dues Payment [\$250.00] due no later than	January 31
Processing Charge [\$100.00] applied to unpaid Dues on	February 1
Delinquent Account referred to Attorney for collection on	March 1
Lien on Delinquent Homeowner's property placed for recording after	March 31
Foreclosure Proceedings commence after	30 days from date lien is placed for recording.

Board Resolution

Considerations:

- a. It is in the best interest of the Association to establish a uniform and systematic procedure for collecting assessments or dues, thus ensuring the management, administration and operation of the Association.
- b. All homeowners of Arbor Creek are members of the Arbor Creek Homeowners Association and, under the By-Laws of Arbor Creek, Article II, are required to pay in a timely manner the dues and assessments levied by the Board of Directors to ensure the financial well-being of the Association.
- c. Because the collection procedure of these assessments or dues may result in additional charges and legal actions, a detailed and specific policy statement will assist the members of the Association to understand their responsibilities in this regard and the consequences of failing to fulfill such responsibilities.

To this end, be it resolved:

1. BILLING DATE: A billing statement for the annual dues shall be sent to all homeowners no later than January 1, but failure by the Board to do so does not imply any change to the due date. This mailing of the billing statement shall include a budget for the current year and a financial summary showing all expenses and a balance of the previous year.
2. BILLING ADDRESS: The billing statement for the dues shall be sent to the address of the homeowner's unit in Arbor Creek, unless changes in the billing address are otherwise expressed by the homeowner through written notice or email sent by December 1 of the previous year to the official mailing address or email address of the Association.

3. **DUE DATE:** Annual dues are required to be paid in full by all homeowner members of the Association by January 31 each year. [The current annual dues are \$250.]
4. **PAYMENT ADDRESS:** Unless otherwise indicated in the billing statement, payment of the dues shall be mailed to or deposited in the Association's official mailbox on 2898 Cook Creek Drive, Ann Arbor, MI 48103.
5. **RETURNED CHECK CHARGE:** A thirty-five dollar (\$35.00) fee shall be assessed against a homeowner in the event any check or other instrument attributable to or payable for the benefit of such homeowner 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 fees as may be provided by applicable law.
6. **PROCESSING CHARGE:** If for any reason payment in full has not been received by January 31, a processing charge (the "Processing Charge") of one-hundred dollars (\$100.00) shall be added to the amount due in consideration of the additional time expended by the Board to track and collect the unpaid dues or assessment at issue. All late charges shall be due and payable immediately, without notice, in the manner provided for payment in this Policy.
7. **DELINQUENT ACCOUNT COLLECTION:** If for any reason payment in full of the dues or assessments due and the Processing Charge has not been received by March 1, any such homeowner will be referred by the Board to the Association's attorney for collection. The Association's attorney shall take such measures as may be deemed necessary or prudent to collect the outstanding amounts due. From this time forward, any communications from the homeowner regarding this matter should be directed to the Association's attorney.
8. **LEGAL FEES:** In addition to the amounts due, delinquent homeowners shall be required to pay all reasonable costs of collection including but not limited to legal fees and court costs incurred to collect the outstanding amount due.
9. **LIENS:** If the Association's attorney has not received payment in full from the homeowner by March 31, the Board of the Association, having the authority to do so, authorizes the attorney to place a lien on the property in Arbor Creek for the total amount due from the homeowner.

When a homeowner remains delinquent, all consequent Association's annual dues, Processing Charges, and assessments shall be added to the lien amount. Any homeowner who has a lien placed on their property unit must make any and all required payments directly to the Association's attorney. The Board may expressly reject any effort by the homeowner to pay the Association directly.

10. **FORECLOSURE:** The Board may authorize the Association's attorney to commence and prosecute Foreclosure proceedings pursuant to the Association's By-Laws at any time at least thirty (30) days after a lien has been placed with the Washtenaw County Register of Deeds for recording.

This resolution is adopted by the Board of Directors of the Arbor Creek Homeowners Association and shall be effective immediately.

Approved by the Board of Directors

Date: November 17, 2011