

**ADAMS LANDING CONDOMINIUMS ASSOCIATION**  
**COLLECTION POLICY**

**I. AUTHORITY:**

Pursuant to the Michigan Condominium Act and the Condominium Documents for Adams Landing Condominiums, Adams Landing Condominiums Association is authorized to adopt and enforce reasonable rules and regulations in the interests of the Adams Landing Condominiums community (the "Community").

The Association adopts the following policy for the Community with respect to the collection of assessments (the "Rules") and shall be binding upon all Co-owners and their tenants, occupants, heirs, successors and assigns who currently or may in the future possess an interest in the Community. These Rules shall supersede any previously adopted rules on the same subject.

**II. ASSESSMENT DUE DATES AND PENALTIES:**

Co-owners are required to pay Association assessments monthly with such payments being due on first (1<sup>st</sup>) day of each month. Assessments are "late" if not paid in full by the 11<sup>th</sup> of the month that such assessments are due. The Association may automatically assess a late charge of up to \$30 per month for each late assessment installment until paid in full. The Board shall establish due dates and late fees for additional and special assessments if the Board levies such assessments.

**III. ASSESSMENT COLLECTION PROCEDURES:**

The Association will first send a reminder notice via regular mail after the 11<sup>th</sup> of the month that the pertinent assessment payment is due if payment has not been received by that date. If payment in full is not received by the 10<sup>th</sup> of the following month, the unpaid assessments will be subject to collection by legal action. At the discretion of the Board, such legal action may consist of a lien being filed, foreclosure of the lien by advertisement, a lawsuit for judicial foreclosure of the lien, a lawsuit against the Co-owner for money damages and, once any personal judgment enters, collection may also take the form of garnishment and execution upon personal property.

In order to avoid such actions, Co-owners in default are encouraged to contact the Association to make payment arrangements for satisfaction of any unpaid assessments before the Association takes legal action. Please remember that pursuant to Article II of the Condominium Bylaws all late fees, interest, costs and attorneys' fees are charged to the delinquent account.

**IV. APPLICATION OF PAYMENTS AND OTHER REMEDIES:**

The Association will apply payments made and accepted as follows: first to costs of collection, including attorneys' fees and costs; second to any late fees and interest charges; and third to installments in default in order of their due date. Accordingly, in the event payments are made that do not pay the balance in full (unless paid pursuant to an approved and signed payment arrangement), a delinquency will exist and will incur late fees.

**V. PAYMENT ARRANGEMENTS:**

In the event a Co-owner requests a payment arrangement for any delinquent balance, the Co-owner must place the request in writing and submit it to the Association or, if the Association has turned over the account to an attorney for legal action, the attorney's office. The Board will only review requests for payment arrangements in cases where the delinquency problem is not chronic, and reasons exist for extending payments over time. Any Co-owner requesting a payment arrangement must state the reason why they cannot make immediate payment in full. In order to be approved and subject to any extenuating circumstances, any request for a payment arrangement must at a minimum propose equal payments over a period not to exceed six (6) months, sufficient to pay the entire balance in full. During the term of any payment arrangement, the Association will not charge late fees so long as the Co-owner does not default in the payment arrangement terms. Upon default in any payment arrangement, further collection actions shall proceed.

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This policy shall become effective upon mailing or other delivery to the Co-owners.

Adopted: \_\_\_\_\_, 2015

BOARD OF DIRECTORS  
ADAMS LANDING CONDOMINIUMS ASSOCIATION