

**RULES AND REGULATIONS REGARDING
COLLECTION PROCEDURES –
THE TOWNS AT LAKESIDE ASSOCIATION, INC.**

The following guidelines shall be implemented and followed for collection of all funds due the Association effective immediately:

1. All HOA assessments shall be billed and collected on a monthly basis and are due on the 1st day of every month. Assessments will be considered delinquent if not received by the 10th day of each month.
2. On the 14th day of the month, or as shortly thereafter as possible, the management company will send a reminder letter that said assessments are delinquent. A twenty-five dollar (\$25.00) LATE PAYMENT fee will be added to the amount due.
3. If the assessment and late fees are not received by the first of the following month, the account will be sent to the Attorney for a 45 day Claim of Lien Notice. Per the Declaration, interest shall accrue from the due date at the rate of 18% per annum. Late fees, interest, and attorneys' fees will also be added to the amount due and will continue to accrue until the balance is fully brought current or the property is foreclosed. The attorney will also send a copy of said letter to the management company.
4. The management company, upon receiving settlement statement from attorney, will add all attorneys' fees, late fees, and interest to the delinquent owner's account. If the funds are not received by the attorney within the 45 days, the Attorney shall proceed with the recording of a Claim of Lien on the home.
5. Once the recorded Claim of Lien is returned from the Clerk of Court, the Attorney shall send the homeowner a 45-day demand letter with a copy of the Claim of Lien.
6. If the homeowner still does not bring the account balance current following the 2nd 45-day demand letter sent by the Attorney, the Attorney shall file a foreclosure complaint. It is in the Board of Directors discretion to accept a payment plan request from any homeowner.
7. The Association reserves the right to also file a deficiency judgment action against any owner for any assessments, attorneys' fees, costs, and/or fines due to the Association.
8. A parcel owner is jointly and severally liable with the previous owner for all unpaid assessments, costs, and fees that came due up to the time of transfer of title. This liability is without prejudice to any right the present parcel owner may have to recover any amounts paid by the present owner from the previous owner.
9. As funds are received from the delinquent owner, funds shall be applied to the owner's account in the following order: (1) interest, (2) late fees, (3) fines, (4) attorney's fees and related costs, (5) any maintenance charges incurred, and (6) the delinquent assessment.

ADOPTED BY THE BOARD OF DIRECTORS ON MARCH 25, 2008