

LIBERTY WOODS HOMEOWNERS ASSOCIATION, Inc.
ASSESSMENT FEE COLLECTION POLICY

PURPOSE

The purpose of the Liberty Woods Homeowners Association (hereinafter "Association") Assessment Fee Collection Policy (hereinafter "Policy") is to provide all homeowners within the Association a uniform procedure of collection concerning the annual assessment fee. This Policy will enable the Association to meet its requirements per the Declarations and By-Laws of the Association to collect such assessment fee as well as provide the homeowners with the procedure that will be followed in implementing these requirements.

This policy is established according to the requirements and authority provided by the Declarations and By-Laws and include procedures on assessing, billing, late/delinquency issues, collection proceedings, and the authority of the Association.

DUTIES/AUTHORITY

The requirements, duties, and authority of the Association concerning the annual assessment is derived from the Declaration of Covenants, Restriction, Reservations, Easements and Conditions and the By-Laws, (each document can be downloaded "free" from the Liberty Woods Homeowners Association web site (www.lwhoa.org) or obtained for a fee from the Medina County Recorders office) and are as follows:

Declaration of Covenants, Restrictions, Reservations, Easements and Conditions

- Section A, Paragraph 1 (*definition of "assessments"*) pg. 2
- Section C, Paragraph 3 (*purpose*) pgs. 8-9
- Section C, Paragraph 4, and 4(a), (b) (*amount of assessment*) pgs 9-10
- Section D, Paragraphs 5, 6, 7, 8, 9, 10, and 11 (*failure to pay, late fees, collection, liens*) pgs 13-16

By-Laws of Liberty Woods Homeowners Association, Inc.

- Article VII, Section 1 (a), (b), and (e) (*trustee powers*) pgs 6-7
- Article VII, Section 2 (c) (1), (2) and (3), and (d) (*trustee duties*) pgs 7-8
- Article X, (*member obligation*) pg 11
- Article XI, Section 2 (*fiscal year*) pg 11

PROCEDURE

Due Dates/Billing:

1. Assessment fees are due on January 1st of each year. Notwithstanding, the Association reserves unto itself the right to extend the due date, but only as a uniform implementation for the entire community. The due date of the assessment fees are officially established by such an extension as stated on the annual assessment fee billing statement.
2. The Association will bill each lot/homeowner annually by means of a cover letter stating the amount due and due date of the assessment fee, along with a remittance coupon.
3. Assessment fees are due in full no later than 30 days after the established due date.
4. All billing will be done via the US Postal Service regular mail, or any other method deemed appropriate by the Association.



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5. Non-receipt of a bill shall in no way relieve the lot/homeowner of the obligation to pay the amount due in full by the due date.

Late/Non-payment:

1. If any assessment fee is not paid within 15 days after such due date, the Association will issue a "first notice of past due" and will impose a \$10.00 late fee. All reasonable and customary costs associated with issuing this notice will also become the burden of the lot/homeowner. The assessment fee, late fee and applied costs are due immediately.

2. If after receipt of the "first notice of past due" and no payment is made within 45 days after such due date, the Association will turn the matter over to the Association's legal counsel for collection enforcement. An attorney shall issue a "10 day demand for payment". The assessment fee, late fee, applied costs, and attorney fees are due within 10 days.

3. If after receipt of the "10 day demand for payment" and no payment is made within the 10 days, an attorney shall be authorized to file a lien in behalf of the Association on the property of the lot/homeowner whose assessment fee is not paid in full. A copy of such lien shall be sent to the lot/homeowner to which it applies informing them of such filing, and informing them of the additional costs due.

4. The lien will remain attached to the property until such assessment fee, late fees and applied costs are paid in full, or until the Association determines that it is in the Associations best interest to foreclose on such lien.

5. Once the assessment fee, including late fees and applied costs have been paid in full, the lien shall be released and notification of the same shall be sent to the lot/homeowner.

Miscellaneous:

1. Collection of past due assessment fees will only be recovered beginning from the year 2000, as at this time it was when the Association was formally turned over to the homeowners by the developer. This will be in force to all lots/homeowners who still reside in the Association, as the association has no means to track down prior lot/homeowners that have moved.

2. All assessment fee payments shall be paid by check or certified money order and made payable to the Liberty Woods Homeowners Association, Inc., and mailed to its business mailing address as specified in the annual assessment fee billing statement.

3. Failure to contact the Association within the 30 day due date period to discuss payment arrangements do to provable financial hardship will not constitute an extension of the due date nor re-establish a new negotiation period.

4. If assessment fees are paid early ("early" is defined as paid in full for the year by January 1st of the year fees are due), and in full and the lot/homeowner has no outstanding assessment fee delinquencies from previous years, a 10% discount of the assessment fee for that year will be granted. This is offered as an incentive to eliminate additional costs to the Association and lot/homeowners to manage delinquency matters. This discount and the discounted assessment fee amount will be outlined in the annual assessment billing statement and remittance coupon. Early payment will be determined by postmark and is defined as payment made at any time prior to the due date.

5. The association reserves unto itself the right to amend this policy at any time.

This LIBERTY WOODS HOMEOWNERS ASSOCIATION, Inc. ASSESSMENT FEE COLLECTION POLICY resolution is adopted this day (May 1, 2003) by the Liberty Woods Homeowners Association, Inc. Board of Trustees.



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