

SUMMARY OF ASSESSMENT COLLECTION POLICY

FOR

FRISCO SQUARE HOMEOWNERS ASSOCIATION, INC.

1. **Due Date**

a. Annual Assessments and Service Area Assessments are issued on the first day of January of each year and delinquent if not paid by January 31.

b. Special Assessments or Specific Assessments, if any, are due as determined by the Board of Directors, but in no event less than 30 days from the date of the notice of assessment.

2. **Delinquency Date**

Any assessment not paid in full by the Due Date is delinquent.

3. **Reminder Notice**

A reminder notice is sent to an owner who has not paid by the Due Date.

4. **Default Letter**

A notice of default is sent to owners when assessments are delinquent for a period of thirty (30) days from the Due Date.

5. **Interest**

Interest, at the rate of 10% per annum, accrues as to any unpaid assessments from the Due Date until paid.

6. **Late Charges**

When an assessment is not paid on or before the Due Date, a late charge in the amount of \$25.00 is charged against the owner and the lot.

7. **Delinquent payments received after the due date will be applied in the following order:**

- a. Interest;
- b. Handling charges, returned check fees and collection costs;
- c. Late charges;
- d. Attorney's fees;
- e. Delinquent Specific Assessments;
- f. Delinquent Special Assessments;
- g. Delinquent Service Area Assessments;
- h. Delinquent Annual Assessments
- i. Outstanding Specific Assessments;
- j. Outstanding Special Assessments;
- k. Outstanding Service Area Assessments; and
- l. Outstanding Annual Assessments.

8. **Referral to legal counsel**

When an owner is delinquent for more than thirty (30) days from the date of the Default Letter, the delinquency may be referred to legal counsel for action. All legal fees and costs incurred to collect delinquent assessments will be added to the total amount due.

9. **Attorney Demand Letter**

The attorney will send the delinquent owner a demand letter which allows the owner thirty (30) days from the owner's receipt of the letter to pay or dispute the debt.

10. **Title check**

If the delinquent owner fails to pay in response to the Attorney demand letter (the 30-day period), a title check will be ordered on the delinquent owner's property. The cost of the title check will become part of the owner's assessment obligation.

11. **Notice of Lien**

Upon receipt of the title check, if an owner has still failed to pay the amounts demanded in the Attorney demand letter, the Attorney, on behalf of the Association, will file a notice of lien against the property. Additionally, along with the notice of lien, legal counsel will send a demand letter to the delinquent owner advising that he or she has an additional thirty (30) days from the date of the letter to pay the delinquency in full.

12. **Foreclosure**

Upon the expiration of thirty (30) days as stated in the Notice of Lien demand letter, the Association may request counsel to file suit for a personal judgment and foreclosure.