CAMERON STATION COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION NO. 2011–01

POLICIES AND PROCEDURES RELATIVE TO THE COLLECTION
OF ROUTINE AND DELINQUENT ASSESSMENT AND OTHER COSTS

Supersedes all prior Cameron Station Assessment Collection Resolutions

WHEREAS, PURSUANT TO Article V, Section 5.7, of the Declaration of Covenants, Conditions and Restrictions for Cameron Station Community Association, Inc. (“Declaration”), Owner Assessments: Owner shall be obligated to pay quarterly assessments and special assessments in amounts established by the Board of Directors (“the Board”).

WHEREAS, PURSUANT TO Article V, Section 5.5, of the Declaration, the Board of Directors has the power to assess an Owner of a Lot, individually: (i) for the amount of any costs incurred by the Association pursuant of Article VIII of the Declaration; and (ii) for any other costs incurred by the Association due to any act or omission for which an Owner is responsible. Each such Assessment will be due 10‐days after the notice unless the notice specifies a later date; and

WHEREAS, the Board of Directors previously adopted a Policy Resolution establishing Policies and Procedures Relative to the Collection of Routine and Delinquent Assessment and Other Costs; and

WHEREAS, the Board of Directors deems it necessary and prudent to amend and supersede the previously adopted Policy Resolution establishing Policies and Procedures Relative to the Collection of Routine and Delinquent Assessment and Other Costs.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors adopts the following policies and Procedures Relative to the Collection of Routine and Delinquent Assessment and Other Costs.”

I. Definitions

A. “Lot” shall mean any lot owned in fee simple by an Owner, and any Condominium Unit located within a Condominium that is subjected to the Cameron Station Declaration.

B. “Owner” shall include all owners of lots and Condominium Units that are subjected to the Cameron Station Declaration, as well as any Condominium Associations that are subjected to the Cameron Station Declaration.

II. Payments

Each Single Family Lot and Cluster Housing Lot will be assessed a full rate quarterly as established by the Board of Directors.

Condominium Unit will bear an assessment rate of 80% of the full rate.

A. Assessment shall be collected quarterly, in advance, due and payable on the first day of each quarter. The Board shall retain authority to permit the payment of any special or additional assessment on a monthly, quarterly, semi-annual basis or
annual basis. (As used herein, the term “special assessment” shall include any expressly authorized monetary charges imposed upon an Owner for violation of the Association’s governing documents.) If annual coupon books are not provided, notice of the assessment shall be mailed to the lot owner(s) approximately thirty (30) days before the due date. No lot owner will be excused from the obligation to pay the assessment if notice is not received. Each lot owner has an obligation to seek information from the Association about the assessment if the notice is not received. Payments may be mailed to the address indicated in the assessment coupon booklet.

B. Non-resident lot owners must furnish the Board with a current telephone number and address where they can be contacted; otherwise, all notices shall be sent to the property address, the lot owner shall be charged with notice of the information contained therein, and the Association’s notice obligations will be satisfied.

C. To be in good standing, the lot owner must have a zero balance on his/her assessment account and have no outstanding covenants or rules violation(s) or outstanding legal fees from past covenants or rules violations. Installment payments are due on the first day of each quarter.

D. All documents, correspondence, and notices relating to regular or special or additional assessments or other charges shall be mailed to the address which appears in the records of the Association or to such other address as is designated in writing by the applicable Owner. Notice of any special or additional assessment shall be sent to each Owner by first class mail, except in the case of any violation assessment, notice of such violation assessment shall be sent by Certified Mail, Return Receipt Requested. Any failure by an Owner to claim a certified mailing sent by the Association will not invalidate the notice issued by the Association. All Owners are under a legal duty to seek out information about the annual assessment.

III. Remedies for Non-Payment of Assessments

A. Late Charge: Any assessment or installment thereof not paid within ten (10) days after the applicable Due Date shall incur a late charge in the amount of Twenty-Five Dollars ($25.00) or such other amount as may be determined by the Board. Such late charge shall be applied to the delinquent Owner’s account by the Management Agent. The obligation to pay late charges continues for each month the account remains delinquent. A “Late Notice” shall be sent to any Owner who has not paid any assessment in full by the close of business ten (10) days after the applicable Due Date, which shall advise the Owner of the delinquent amount due, the amount of the late charge and the amount of any costs incurred by the Association in sending such Late Notice. In the event that the tenth day of the month falls on a weekend or a recognized federal or state holiday, the delinquent date shall be 12:00pm on the first day or resumption of normal business operations immediately following the weekend or holiday.
B. **Second Late Notice:** The Management Agent may, but is not required to, send out additional notices of delinquency to the delinquent Owner. Such notices, if sent, shall notify the delinquent Owner of the past due principal, any late fees, costs of collections charges, and interest if interest has been imposed as of the date of such notice. The Second Late Notice shall advise the Owner of the delinquent amount due, the amount of the late charge and the amount of any costs incurred by the Association in sending such Late Notice. Any interest, late fees, and/or cost of collection charges imposed shall constitute a lien upon the Lot of the defaulting Owner except to the extent prohibited by Law.

C. **Refer to Legal Counsel:** If payment in full of any assessment, plus all associated interest, late fees, cost of collection charges, and returned check fees are not received by the Association or its appointed agent by the sixtieth (60th) day after the applicable Due Date of such assessment or installment thereof, the Owner’s account will be referred to an attorney for collection (“Counsel”). Counsel shall send to the Owner a Notice of Intent to Record a Lien at the address listed on the books of the Association, or other address as furnished by the Owner, via Certified Mail, Return Receipt Requested. At the time the account is referred to Counsel, the maturity of the remaining total of the unpaid installments of such assessments shall be accelerated, interest shall be applied to the account, and the then assessment balance owed shall be declared due and payable in full together with late charges, interest and the cost of collection thereof.

D. **Legal Action:** Upon referral of an account for collections, Counsel shall take any appropriate action under applicable law to obtain payment of all sums due to the Association, which may include the issuance of a demand letter by counsel, recordation of a lien, filing of a lawsuit and other appropriate action deemed necessary.

E. **Memorandum of Lien:** If payment in full of any assessment, including any special or supplementary assessment payable in installments, plus all associated interest, late fees, cost of collection charges (to the extent permitted by the Declaration and Law), legal fees, and returned check fees, are not received by the Association or its duly appointed agent within thirty (30) days after the Notice of Intent to Record a Lien has been issued, a memorandum of lien shall be filed by Counsel. The Owner shall be so notified with a copy of the memorandum of lien, and the cost of filing the memorandum of lien and the legal fees to prepare the lien and the release will be added to the Owner’s account. If an assessment or any portion thereof remains unpaid following the recordation of a lien against the title to the Lot, the Board reserves the power to any action against the Lot and/or Owner authorized by applicable law, at the reasonable discretion of the Board.

F. **Foreclosure:** In appropriate cases, Counsel shall make recommendation to the Board regarding whether a particular delinquent account is appropriate for foreclosure. The Board shall review any such foreclosure recommendation from
counsel, and counsel shall not take action on such foreclosure until the Board provides counsel with authorization to do so.

G. **Costs:** As provided for in Article VII, Section 8.1(b) of the Declaration, all costs incurred by the Association as a direct result of any default specified herein shall be assessed against such Owner and the Lot as permitted herein provided such costs are related to a legal proceeding initiated by the Association relating to the alleged default of such Owner.

H. **Dishonored Checks:** If an Owner’s check is not honored and is returned to the Association, a processing fee sufficient in amount to cover any costs incurred by CSCA from the Association’s bank or Management Agent shall be assessed against such Owner which shall be in addition to any applicable late fees, interest, cost of collection charges and legal fees. If the Association receives from any Owner, in any accounting year, two or more returned checks for payments of such Owner’s assessments or other payments, the Board may require all future payments to be made by certified check or money order for the remainder of such accounting year.

I. **Improperly Completed Checks:** If a check is returned to an Owner because it has been improperly filled out (including but not limited to, missing signature, amounts do not match, post dated), the $25.00 late fee and any cost of collection charge will be assessed to such Owner’s account.

J. **Installment Payments:** The Association may allow an installment payment arrangement with an owner for purposes of satisfying a delinquent account balance over a period of time, provided that a judgment and judgment lien are obtained by the Association and remain in place until the delinquent balance has been paid in full. In other words, as a condition of accepting a payment plan, the Association shall still obtain a judgment and docket it as a lien to secure the plan. Failure of the owner to honor the terms of the payment plan established between the Association and the lot owner shall result in additional collection procedures being pursued by the Association.

K. **Waivers:** The Board may grant a waiver of late fees and/or interest upon petition in writing by an Owner alleging a personal hardship or other exceptional cause. Such relief granted to an Owner shall be appropriately documented in the Association’s books and records along with the name of the person or persons representing the Board granting the relief and the conditions upon which such relief was granted. Waivers shall be made on a case-by-case basis upon review of particular circumstances. Furthermore, any waiver on one occasion shall not be deemed or construed as a waiver in any future instance of delinquency by such Owner or any other Owner.

L. **Application of Payments:** Once an account has been referred to Counsel for collection, payments received towards the account will be credited in the following order of priority:

1. Charges for attorney’s fees and costs.
2. Late fees.
3. Cost of collection charges.
4. All interest accrued.
5. All other charges incurred by the Association as a result of any default hereunder.
6. Any assessment due for each Lot, including any special assessment thereon, with any partial payments applied in ascending order from the oldest delinquency to the most recent delinquency, without regard for whether a monthly assessment coupon is submitted with the payment.

The effective date for this resolution shall be April 15, 2011.

This Resolution was adopted by the Board of Directors of Cameron Station Community Association on this March 22, 2011 and shall supersede any previously adopted Policy Resolution regarding Collection of Assessments.

CAMERON STATION COMMUNITY ASSOCIATION, INC.

By: Melinda Lyle, President
RESOLUTION ACTION RECORD

POLICY RESOLUTION NO. 2011 – 01

Duly adopted at a meeting of the Board of Directors held Tuesday, March 22, 2011.

Motion by: ____Alvin Boone__________ Seconded by: ____Tom McClimon__________

VOTE:

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<td>Michael Kidwell, Secretary</td>
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<td>Don Buch, Treasurer</td>
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<td>Philip Ludvigson, Director</td>
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ATTEST:

Michael Kidwell__________ March 22, 2011________
Secretary Date

Resolution effective: April 15, 2011