

TANGLEWOOD GREENBRIER CONDOMINIUM ASSOCIATION

COLLECTION POLICY

This Collection Policy is adopted by Tanglewood Greenbrier Condominium Association (the “Association”) pursuant to MCL 559.206(c) and Section 11.4.8 of the Condominium Bylaws, attached as part of the Master Deed of the Tanglewood Greenbrier Condominium (the “Condominium”), to collect assessments, interest, fines and other amounts due to the Association.

A. ASSESSMENTS

All annual, additional and special assessments are to be apportioned among and paid by the Co-owners equally as set forth in the Master Deed and Condominium Bylaws of the Condominium. Pursuant to Section 2.3 of the Condominium Bylaws, the annual assessment is due and payable by the Co-owners to the Association annually unless otherwise determined by the Association’s Board of Directors. The Association’s annual assessment is currently due on January 1st of each year. The due date for the annual assessment is subject to change by the Association’s Board of Directors. Additional and/or special assessments levied by the Board of Directors against Co-owners are due and payable to the Association on the due date(s) respectively established. Any other sums owing to the Association by the Co-owners which may be collected by the Association in accordance with the Condominium Bylaws may also be collected as provided below.

B. DELINQUENCY PROCEDURE

1. Any assessment payment not received by the Association, or its designated agent, on or before the due date will be deemed delinquent and in default.
2. Delinquent assessments will cause a late charge in the amount of \$25.00 per month, or such other amount as may be determined by the Board of Directors upon fifteen (15) days’ notice to the Co-owners, to be automatically levied upon any assessment in default for ten (10) or more days.
3. Each installment in default for ten (10) or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum until each installment is paid in full.
4. In addition, the Association may, pursuant to Article 19, Section 19.4 of the Condominium Bylaws, levy fines for late payment of assessments.
5. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against such Co-owner’s unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable.
6. Notice of the delinquency, the late charge levied, and any other costs or fines charged to the Co-owner’s account will be sent to the delinquent Co-owner by the

Association, or its designated agent, by the fifteenth day of the first month into which the delinquency occurs. If the delinquency continues into the second month, a second and final late notice will be sent to the delinquent Co-owner by the fifteenth day of the second month.

7. If full payment of the delinquent assessment(s), late charge(s), collection costs, and/or fines is not received by the fifteenth day of the third month, unless other satisfactory arrangements have been made with the Association's Board of Directors, and/or its designated agent, the following steps will be taken:
 - a. The matter will be turned over to the Association's attorney for handling. A Notice of Lien may be recorded against the delinquent unit and notice of the same will be sent to the delinquent Co-owner; and
 - b. The Association may give written notice to a tenant occupying a unit in the Condominium under a lease or rental agreement, and the tenant, after receiving the notice, will deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. If the tenant, after being notified, fails or refuses to remit rent due to the Co-owner to the Association, then the Association may issue a Notice to Quit for nonpayment of rent and will have the right to enforce that notice by summary proceeding.
8. The expenses incurred in collecting the delinquency, including, without limitation, late charges, interest, costs of collection and enforcement, including actual attorney's fees (not limited to statutory fees), attorney's fees and costs incurred incidental to any bankruptcy proceedings filed by the delinquent Co-owner or probate or estate matters, including monitoring any payments made by the bankruptcy trustee or the probate court or estate to pay this delinquency, and/or attorney's fees and costs incurred incidental to any State or Federal Court proceeding filed by the Co-owner, and advances for taxes or other liens paid by the Association to protect its lien, will be chargeable to the Co-owner in default and will be secured by the lien on the Co-owner's unit. A land contract seller will be personally liable, and the land contract purchaser will also be personally liable for all such assessments (including late charges and costs of collection and enforcement of payment) levied up to and including the date upon which such land contract seller actually takes possession of the unit following extinguishment of all rights of the land contract purchaser in the unit.
9. If the delinquency, which includes the unpaid assessments and expenses (as defined in the above paragraph 8), or any part thereof, continues past the tenth day of the fourth month, the Association may commence proceedings for foreclosure of the lien and/or money damages for unpaid assessments and/or any other claims that the Association, through its legal counsel, may deem appropriate. This shall include the right to institute foreclosure by advertisement proceedings and the right to file a lawsuit for judicial foreclosure and/or a money judgment.

10. Payments, whether partial or in full, on the delinquent account will be applied: first to costs of collection and enforcement of payment, including reasonable attorney's fees and bankruptcy expenses as the Association will determine in its sole discretion, and advances, taxes, or other liens paid by the Association to protect its lien; second to any interest charges and fines for late payment on such installments; third to installments in default in order of their due dates, earliest to latest; and fourth to late charges. The Association need not accept the tender of partial payment and will not accept partial payment after the institution of foreclosure proceedings without a formal payment arrangement, satisfactory to the Association, including, without limitation, a consent judgment agreed to by the parties involved in said proceeding.
11. Failure to meet any of the time periods set forth herein will not be deemed a waiver of the right of the Association to enforce or pursue its Delinquency Procedure. The Board of Directors may also authorize the recordation of a Notice of Lien against a unit when it has learned of an impending unit sale, a foreclosure sale of a mortgage or other lien or encumbrance, or the death or incapacity of a Co-owner, if the assessments are at least thirty (30) days delinquent. The procedure set forth in subparagraphs 4(a) and 4(b) above, will be followed with regard to the aforesaid circumstances.