

**KILDAIRE FARMS HOMEOWNERS ASSOCIATION, INC.**  
**C/o HRW, inc.**  
**1183 West Chatham Street**  
**Cary, NC 27513**  
**919-469-8661**  
**919-469-4831 FAX**

**ASSESSMENT COLLECTION POLICY**

Kildaire Farms Annual Assessments are due on January 30 of each year. Invoices will be sent to every owner at least 30 days prior to the due date showing the assessment amount and date due and where payment can be made. All invoices and subsequent notices will be mailed to the last known address of each owner. Each owner will be responsible for notifying the association of any change in address.

At the end of each month following the due date, a late fee of \$20.00 per month will be assessed.

Any account that is not paid by February 28 will be sent a late notice showing the late fee that accrued on February 28 and the balance due and where payment can be made.

Any account that is not paid by March 30 will be sent a second notice showing the late fees, balance due and where payment can be made.

Any account that is not paid by April 30 will be sent a letter outlining legal action and when it will commence and requesting payment within 15 days of the date of the letter. This letter will contain a request for the property owner to immediately contact the Community Manager and explain any extenuating circumstances related to their account.

The Board of Directors will allow the Community Manager to use good judgement to negotiate, establish, and accept payment plans from owners in lieu of legal action. Any owner negligent in making payments as planned will be considered delinquent from the initial time the assessment was due and the Community Manager may proceed with legal action without further warning notices. An administrative fee of \$25.00 will be charged for the implementation of a payment plan arrangement for a homeowner.

Any account that is not paid by May 30 will be referred to an attorney for collection. The attorney will be instructed to send a demand letter requesting payment for assessments, legal fees and late fees. The attorney will be instructed to file a lien for assessments, late fees and legal fees for any account that remains delinquent 30 days after the attorney's demand letter is mailed.

Once an account is referred to the attorney, all payments and correspondence will be directed through the attorney. The property owner will be responsible for all assessments, late fees and legal fees. Any payment received is first applied to legal fees incurred, late fees and fines, and then applied to the outstanding assessment balance.

The Board of Directors, typically upon recommendation from the Community Manager, will determine any further action necessary for collecting assessments, late fees and attorney fees for all accounts over 6 months delinquent. Possible alternatives include initiating an action for a small claims court judgement, or initiating foreclosure on the property.

Any adjustments, exemptions, or exceptions to this policy will be from formal vote of the Board of Directors.