

**Battery Condominiums Owners Association, Inc.**  
**Administrative Resolution No. 2022-1**  
**Assessment Collections**

WHEREAS, the Bylaws assigns the Board of Directors all the powers and duties necessary for the administration of the affairs of the Association and further states that the Board may do all such acts and things as are permitted by the Declaration or the Bylaws to be exercised and done by the Association;

WHEREAS, the Declaration of Covenants, Conditions, and Restrictions stipulate membership in the Association is mandatory and therefore all owners are obligated to pay assessments;

WHEREAS, the Declaration of Covenants, Conditions, and Restrictions creates assessments and outlines the procedures to be followed for non-payment of assessments for members of the Association;

WHEREAS, Chapter 47 (F) or 47 (C) of the North Carolina General Statutes (the North Carolina Planned Community Act) further clarifies the collection of delinquent assessments and allows for the collection of reasonable attorney fees;

WHEREAS, the Board recognizes the need for specific procedures to be set and followed in the collection of assessments from members of the Association;

NOW, THEREFORE, BE IT RESOLVED THAT, the assessment collection procedure shall be outlined as below:

**Notice of Assessment:**

Notice of assessment will be sent to homeowners in advance of the assessment collection year.

**Due Date:**

Assessments are due the first day of the month and are considered late (past due) if received by the managing agent after the last day of the month for which they are due.

**Late Payment Charges:**

Assessments not received by the last day of the month will be charged a late fee of 18% per annum. Statements indicating fees applied and balance owed will be sent from the managing agent. Such charges shall become a part of the assessment charged for such unit in default and will continue for subsequent months until paid in full.

If the past due assessments and charges are not received by the last day of the second month, a late fee of 18% per annum will be charged and a past due notice will be sent from the managing agent. This notice will contain a notation, "To avoid collection charges and possible legal action, remit entire balance due no later than (the date given on the notice which will be no more than ten (10) days)".

If the past due assessments and related charges are not received by the date given on the past due notice, a Demand Letter will be sent with applicable charges applied to the default owner's account. This letter will contain a notation, "If your account is not paid within (30) days, it will be transferred to an attorney and a lien will be filed against the property".

**Transfer of Delinquent Accounts to Attorney:**

If payment is not received after thirty (30) days of mailing the Demand Letter, the managing agent will mail to the owner a letter stating the account has been transferred to the attorney for collections. This letter will contain attorney contact information and account history. Legal action will begin, and all costs associated with this collection, including all legal fees, will be borne by the homeowner. Upon referral of a collection file, the Association's attorney will double-check current ownership of the property and verify that the mortgage company has not started foreclosure proceedings. A lien will then be filed against the property and sent to the homeowner by first class and certified mail.

After the lien is filed, the homeowner must contact the Attorney for all inquiries pertaining to the account balance.

Following the filing of the lien, the account will be subject to foreclosure, pending Board approval.

**Return Payment Charges:**

Payments returned to the Association unpaid by the issuing bank will result in a charge, which shall be consistent with the current bank rate, against the owner. Such charges shall become a part of the assessment and, as such, will be subject to late fees for such unit in default and will continue for subsequent months until paid in full.

**BATTERY CONDOMINIUM OWNERS' ASSOCIATION, INC**

By: Lilian P. Hammond  
Name: Lilian P. Hammond  
Title: President

Duly Adopted as a Board Meeting Held: 5/13/12