

VERONA RESERVE COMMUNITY ASSOCIATION, INC.

Collections Policy

Overview: To enact uniform policies regarding the collection of delinquent accounts in order to ensure the proper collection of assessments from all Owners in an objective and efficient manner.

Policy Statement: Verona Reserve Community Association, Inc. (hereinafter "Association") has contracted with the Property Management Company to serve as the collection agent ("Agent") on its behalf.

Section I

All assessments, including special assessments, are due on the 1st day of each Month, are payable to Verona Reserve Community Association, Inc. and must be mailed to: Verona Reserve Community Association, Inc. c/o Access Management, PO Box 621586, Orlando, FL 32862.

If not received by the Agent by the 15th day after the due date, the assessment shall be deemed delinquent. As authorized by the Association's Declaration, in Article VIII, Section 8.4, assessments not paid when due shall bear interest from the due date until paid at the rate of 18% per annum together with a Late Fee, the greater of \$25.00 or 5% of the assessment, plus any costs of collection from the due date until paid.

Section II

In addition to the above fees and costs, an administrative fee will be added to the account for each delinquent Owner for the processing of delinquent notices and turn over to Legal Counsel:

- \$10.00 for Friendly Reminder - 15 days past due/1 payment behind
- \$10.00 for Second Late Notice - 45 days past due/2 payments behind
- \$75.00 for Notice of Late Assessment - 75 days past due/3 payments behind
- \$100.00 for turn over to Legal Counsel, with Board approval - 120 days past due/4 payments behind

These additional fees shall be paid to the Agent by the Association in accordance to the Management Agreement. The fees will be reimbursed to the Association upon receipt of payment from the Owner. The Agent may amend these fees to cover administrative costs annually, as it deems necessary.

Section III

If payment has not been received by the 15th day after the due date, the Agent will mail a Friendly Reminder Notice to the Owner by regular US Mail, indicating that there is an outstanding balance, that a late fee has been added and interest is accumulating on the unpaid delinquent balance.

If payment has still not been received after 45 days past the due date, the Agent will mail a Second Late Notice to the Owner by regular US Mail. The letter states that the delinquent balance plus interest and late fees are immediately due and payable.

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Section IV

If the delinquent account has still not been brought current the Agent will prepare and mail a Notice of Late Assessment (NOLA). A late fee plus interest is added to the owner's account and the Owner has 30 days from the date of the letter to pay the entire outstanding balance.

After the 30-day period, with Board of Directors approval, the Agent will turn over the delinquent account to the Association's Legal Counsel. The Agent shall email the Owners account ledger, a copy of the NOLA and proof of mailing and copies of all other collection notices to Legal Counsel with a copy to the Board President and Treasurer.

Section V

In consultation with the Board President or Treasurer, Legal Counsel will prepare a Notice of Intent to Record a Claim of Lien (COL Notice) and notify the delinquent Owner by certified mail that the assessment, together with all the costs and fees as set forth above and including legal fees, must be paid within 45 days or a claim of lien will be filed.

If payment is not received by the end date stated on Legal Counsel's COL Notice, the claim of lien will be prepared for signature and recorded with Sarasota County. Legal Counsel will notify the delinquent Owner of the recording and shall advise such owner by certified mail that the Association intends to foreclose the lien and collect the unpaid assessment, together with all the costs and fees if the delinquent account is not paid in full within 45 days.

Section VI

Once the 45 days have passed and if the account has not been paid in full, Legal Counsel will prepare a Claim of Lien for the President's signature and record the executed document with Sarasota County.

Section VII

Legal Counsel and the Board of Directors will confer on further action to foreclose the lien.

Section VIII

The Board of Directors may direct the Agent or the Association's Legal Counsel to stop or hold collection proceedings against any Owner on a case-by-case basis. The decision to stop or hold collection proceedings against any Owner shall be documented in the Associations Meeting Minutes and forwarded to the Agents collections department to be filed on the Owner's account.