

OYSTER HARBOUR HOMEOWNER'S ASSOCIATION'S
COLLECTION PROCEDURE FOR ASSESSMENTS

Resolution No. 6.23.11.1

WHEREAS, the Board of Directors of the Association has been delegated the responsibility of collecting assessments for common expenses from the Lot Owners, as set forth in General Statute 47F-3-102(11), 47F-3-115, 47F-3-116 (North Carolina Planned Community Act) and ARTICLE IV, 4.2 Annual Assessment in Oyster Harbour's Declarations as amended.

WHEREAS, from time to time Lot Owners become delinquent in the payments of these assessments and fail to respond to their duty and obligation in the payments of these assessments and fail to respond to the demands from the Association to bring their accounts current, all to the detriment of the Association.

WHEREAS, the Board of Directors deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue, and further burden the Lot Owners who comply.

NOW THEREFORE, BE IT RESOLVED THAT the following policy and procedure shall be adopted by the Board of Directors regarding the process of enforcement of the Association's Declaration (Covenants, Conditions and Restrictions) and General Statute 47F (North Carolina Planned Community Act) for the collection of delinquent accounts of Lot Owners.

(Note: This procedure is a summary of the governing documents of Oyster Harbour and is provided for the convenience and information for the members. If there is any conflict with the governing documents, the language in the governing documents controls. The association documents can be found on Oyster Harbour's website.)

PROCEDURE

LOT OWNER'S ADDRESS

Each lot owner, who does not reside physically at Oyster Harbour, is required to notify the Association of the lot owner's mailing address or any changes in the lot owner's mailing address. The change of address should be sent to **CAS, Inc. P.O. Box 83 Pinehurst, NC 28370.**

ANNUAL ASSESSMENTS

Date Due

The invoices for annual assessments for the following year will be mailed to lot owners no later than the last week in December.

Payment for annual assessment is due and payable no later than January 31st.

LATE CHARGES AND PENALTIES

Thirty (30) days

Thirty (30) days after January 31st, if no payment is received by the Association, a delinquency notice will be sent to the lot owner by the Managing Agent, and a twenty dollar (\$20) late charge will be imposed.

If no response is received to the delinquency letter, the Board of Directors will schedule a hearing in accordance with General Statute 47F-3-107.1 to determine whether or not to suspend the planned community's privileges or services of the delinquent lot owner.

Ninety (90) days

Ninety (90) days after January 31st, if no payment is received by the Association, a "Notice of Intent to Lien" letter in conformity with General Statute 47F-3-116 (Lien for assessments) will be sent to the delinquent lot owner by the Managing Agent.

After fifteen (15) days of having sent the "Notice of Intent to Lien" letter, and if no payment is received from the lot owner, or the lot owner has not agreed to a payment plan, the Board of Directors will decide to either file the lien against the property or in the alternative proceed to obtain a money judgment against the delinquent lot owner.

The Board of Directors may consider, at anytime after ninety (90) days and after the lien has been filed, to foreclose against the property by a majority vote of the Board of Directors present at a duly called meeting, or in the alternative to seek a money judgment against the delinquent lot owner.

Any attorney's fees and court costs and other costs incurred by the Association that are permitted by the governing documents and that become necessary due to the late payment or delinquency on an account of a Lot Owner shall be the payable by the delinquent lot owner.

PAYMENT PLAN

Although the lot owner is not required to accept a payment plan, nor is the Board of Directors obligated to accept a payment plan, if a delinquent lot owner, at any time desires to consider

one, then the lot owner should contact the Community Manager or if the matter is being handled by an attorney, then the Lot Owner must contact the attorney directly.

Any payment plan agreed upon will be charged the initial the \$20 late fee and 18% interest on the declining balance. Any late payment during the agreed payment plan will be subject to another \$20 late fee and interest on the outstanding balance.

PAYMENT

A payment can be made by check, money order or credit card.

If the lot owner is delinquent and the matter has been assigned to an attorney then all payments must be paid directly to the attorney assigned the matter.

If paying the annual dues or on a payment plan and the matter has not been assigned to an attorney, then the payment must be paid directly to Oyster Harbour, c/o CAS, Inc., P.O. Box 83, Pinehurst, NC 28370

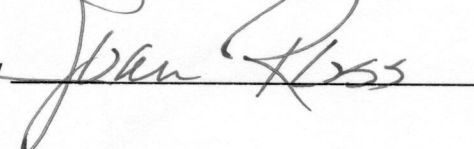
The assessment or other payments may be paid by credit card in the following manner: www.casnc.com, click on tab "Pay Your Dues Online" and follow the instruction.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all Lot Owners at their last known address.

This resolution was adopted by the Board of directors on June 23, 2011 and shall be effective on June 23, 2011.

President 

Date: 6-23-11

ATTEST:
Secretary 

Date: 6-23-11