

Summary of Collection Policies and Practices  
Sea Coast Management 3, Inc.

These policies refer to all charges to owners, whether monthly maintenance fees or special assessments.

Charges are due on the first of the month; they are past due on the 11<sup>th</sup> day of the month. On the 11th, any and all cumulative amounts due are assessed a monthly interest charge of 0.8% (10% annual rate) before any subsequent payments are credited. The \$10 late charge, per the documents will NOT be charged. The owner is sent a delinquency notice.

Payments received cannot be applied per the direction of the owner; they are required by law to be applied first to interest charges, late fees or other collection costs, then to unpaid amounts by date whether monthly maintenance or special assessments.

When an amount is past due for 30 days, the association's collection agent sends the delinquent owner a notice of Intent to Lien. The lien is filed.

After 30 more days have passed, the association's collection agent sends the delinquent owner a notice of Intent to Foreclose.

When any owner's account is 90 days in arrears, the Board of Directors at its next meeting will take action to suspend the voting rights of the owners and the common element use rights of the owners and their tenants and guests and will take action to require direct payments of rent to the association. (Renters paying the association directly are allowed to use common elements.)