

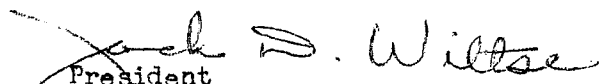
## SLEEPY HOLLOW OWNERS ASSOCIATION ASSESSMENT COLLECTION POLICY (Civil Code 1365(d), 1366 and 1367(a))

Regular assessments levied by the Association pursuant to the Declaration shall be due and payable on the first day of March each year and shall be delinquent fifteen (15) days thereafter. Special assessments shall be due on the first day of the month after they are billed to the members and shall be delinquent on the 15<sup>th</sup> day of that month. Thirty (30) days from the original due date and again sixty (60) days from the original due date letters will be sent by certified mail to owners whose assessments are delinquent notifying them of the amounts due and of the Association's right to enforce collection by an action in small claims court and/or by recording and foreclosing upon a lien against the assessed property.

The Association has the right to recover the following amounts on delinquent assessments:

1. The amount of all assessments then delinquent and which become delinquent during the collection process.
2. Reasonable costs incurred by the Association in collecting the delinquent assessments, including (a) costs in contracting with a third party such as a management company, accounting firm or agency to assist in collection; (b) reasonable attorney's fees if in the discretion of the Association an attorney is retained to assist in the collection; (c) the actual costs incurred by the Association for the preparation and recording of a lien or for pursuing any court action for collections.
3. A late charge of ten percent (10%) of the delinquent assessment or \$10.00, whichever is greater.
4. Interest on all sums specified above, including the delinquent assessment, reasonable costs of collection and late charges, at the rate of seven percent (7%) per annum to commence thirty (30) days after the assessment becomes due and to continue on any unpaid sums until payment is received.

Adapted 6/22/01

  
President  
Sleepy Hollow Owners Assoc.