

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
RESIDENTIAL BILLING AND COLLECTION PROCEDURES**

Pursuant to Article VI, Sections 6.9 and 6.14 of the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservations of Easements for the Summerlin North Community Association (CC & Rs) the Board of Directors has authority to adopt procedures for the billing and collecting of assessments and charges (hereinafter referred to as assessments).

In accordance with NRS 116.3116, Summerlin North Community Association (the Association) has a lien on a unit for any construction penalty that is imposed against a unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. If the assessment is paid in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

The Board hereby formally adopts the following billing and collection procedures to be implemented henceforth.

1. Assessments shall be due in twelve (12) equal installments each year on the first day of each billing month.
2. No later than fifteen (15) days prior to the beginning of the fiscal year, monthly coupon booklets will be mailed by regular mail to the Members at their current addresses. Members that have signed up for the Automatic Payment Program will not receive a coupon book.
3. Assessments are due on the 1st day of each month and are considered late if not **received** within 30 days of the due date. There is a late charge of \$5.00 for each month the payment has not been received and the assessment may bear interest from the due date at two (2) percentage points per annum above the prime interest rate as charged by Bank of America, Nevada. This interest is assessed when an account is delinquent six (6) months or more and a formal Intent to Lien Notice, as outlined in Section 5 herein, is sent.
4. As part of the collection procedure, pursuant to Section 3.1(d) of the CC & Rs, the Board hereby adopts a resolution that suspends the voting rights and the use of any common area by any Member who is delinquent on their assessment.
5. If a Member is delinquent six (6) months or more, a formal Intent to Lien Notice, pursuant to Section 6.15, shall be mailed by regular and certified mail. A minimum of thirty (30) days prior to the mailing of the Intent to Lien Notice or the Notice of Delinquent Assessment, the Association will mail to the delinquent unit's owner or his/her successor in interest:
 - (a) A schedule of the fees that may be charged if the unit's owner fails to pay the past due obligation;
 - (b) A proposed repayment plan; and
 - (c) A notice of the right to contest the past due obligation at a hearing before the executive board and the procedures for requesting such a hearing.

The Intent to Lien Notice will itemize all sums due and inform the Member that if all delinquent sums are not fully paid within thirty-five (35) days from the date of the notice, one or more of the following steps will be taken:

- A. Acceleration of the balance of fiscal year assessments.
- B. A Notice of Delinquent Assessment will be recorded.

- C. Legal action may be commenced to foreclose the lien.
 - D. Legal action may be commenced to collect the assessment, late charges, interest, collection costs, court costs and attorney fees, and all other sums due.
 - E. The debt may be reported to a credit reporting agency.
6. If the payment is not received as stated in paragraph 5, on the thirty-fifth (35th) day, the preparation of the Notice of Delinquent Assessment will begin. In addition, the current ownership of the property will be verified and a copy of the deed will be secured.
7. Upon assignment of a Member's file to a professional lien and foreclosure service or an attorney, (hereafter referred to as "agent") the collection procedure is as follows:
- A. The agent will prepare and record a Notice of Delinquent Assessment demanding payment within thirty (30) days. The Notice of Delinquent Assessment will include the agent's fees for such.
 - B. The Notice of Delinquent Assessment will be sent by regular and certified mail. It will demand that payment be made to Summerlin North Community Association and delivered to the agent's office.
 - C. If payment is not received within thirty (30) days after recording a Notice of Delinquent Assessment or if the Member does not make satisfactory arrangements to pay the sum due, the agent may on, or as soon after, the thirty-first (31st) day as possible, and without further notice, report the debt to a credit agency.
 - D. Agent will then inform the management company as to those Member(s) still delinquent and the management company will consult with the Board of Directors for instructions which may include preparation of a Notice of Default and Election to Sell or a summons and complaint.
 - E. Depending on home equity values the Association may file suit to foreclose the lien or sue on a contract theory for all sums due.
 - F. In the event a judgement is rendered and the Member still refuses to pay, the agent may, upon request, be granted the authority from the Board to immediately commence execution upon the judgement, which includes garnishment of bank accounts and wages, seizure and sale by the sheriff or constable of non-exempt real and personal property, and debtor's examination.

Adopted this 28th day of October 2015.