

SUMMERS LANDING HOMEOWNERS ASSOCIATION INC.
Policy Rules and Regulations No. 2003-02
Collection and Effect of Non-Payment of Assessments

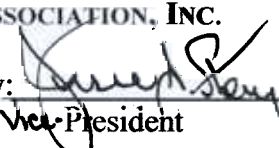
1. Any annual maintenance or special assessment which is not paid within thirty (30) days of the due date will be delinquent *. The failure of any owner to pay any assessment within thirty (30) days from the due date may result in the assessment of an interest charge, as outlined in the covenants, on the amount unpaid from the due date until the date of payment.
2. A delinquency-processing fee will be added each month to the delinquent account, as outlined in the management contract. In addition, a separate fee, as outlined in the management contract will be added when it is necessary to send the account to an attorney for collection procedure.
3. All postage fees incurred by the Association for mailing account statements and delinquency letters to the responsible owner(s) will be added to the delinquent account.
4. Any check returned dishonored will result in the assessment of a returned check charge against the account of the owner responsible for payment, plus any protest or bad check return fee, if any, charged to the Association by its bank or other depository. These fees are outlined in the management contract.
5. Once the delinquent account becomes ninety (90) days past due from the due date, the Association or its attorney will, upon 30 days written notice to the owner, file a warrant in debt and affidavit in the General District Court of Spotsylvania County, Virginia to seek judgment on accounts that are at least ninety (90) days delinquent. Any fee for filing service and attorney fees will be added to the delinquent account.
6. Payments received towards the delinquent account will be credited in the following order of priority:
 - a. Charges for attorney's fees and court costs;
 - b. Interest and Delinquency Processing Fees;
 - c. Any and all special assessments;
 - d. The general assessment.
7. The Association reserves the right to suspend the voting rights and rights of a member to the use of any recreational facilities constructed on the common area for any period during which any assessment against his lot or unit remains unpaid.

***When a payment plan for annual maintenance or special assessments has been approved by the Association and the account becomes delinquent, the Association may upon notice to the owner, declare the entire balance of any annual general assessment or special assessment due and payable in full.**

The effective date of this Policy shall be September 15, 2003

I hereby certify that this Policy was duly adopted by the Board of Directors on September 11, 2003.

BOARD OF DIRECTORS
SUMMERS LANDING HOMEOWNERS
ASSOCIATION, INC.

By: 
Vice President

**NEST MANAGEMENT SERVICES, INC.
P.O. Box 7141
Fredericksburg, Virginia 22404**

**MANAGEMENT CONTRACT
DELINQUENCY PROCESSING FEE SCHEDULE
Contract Year 2003**

After (30) days

Late Notice mailed (administrative processing fee \$8.00 plus postage is assessed against the account).

After (60) days

Warning letter (final warning from Nest Management Services) stating that the account will be sent to the attorney for collections in thirty (30) days if not paid. A second delinquency processing fee of \$8.00 plus postage will be charged to the account.

After (90) days

The collection agency or attorney's office (currently the office of John A. Neer, Jr. P.C. in Fredericksburg, Virginia) sends a demand letter to pay within thirty (30) days or Warrant in Debt will be filed. An administrative processing fee (currently \$50.00) for subsequent monthly follow-up with the attorney's office is assessed.

After 120 days

If the delinquent owner has not responded and/or a payment plan has not been requested and/or approved, a warrant requesting a lien against the property is filed in court, to be further pursued by the collection agency or office of the attorney

The above fees are subject to change yearly.