

**ANN ARBOR TOWER PLAZA  
CONDOMINIUM ASSOCIATION**

**DELINQUENCY POLICY**

1. The Association's managing agent shall keep complete records of all monies assessed to all co-owners. The Agent shall issue late notices on the 20<sup>th</sup> of each month. Agent shall promptly post a late charge of \$45.00 to every delinquent co-owner's account which is delinquent by any amount equal to or greater than one month's assessment.
2. If any account becomes delinquent in the amount of three normal monthly assessments or if any additional or special assessment becomes sixty days past due, the Agent shall fax or email an account ledger to the Association's legal counsel. Legal counsel shall issue a notice of intent to record a lien demanding full payment of the account within thirty days.
3. If five normal monthly assessments become delinquent or if any additional or special assessment becomes delinquent by more than ninety days, the Association's legal counsel shall proceed to record a lien and send a second demand letter. Agent shall provide legal counsel with an updated account ledger.
4. If an account reaches the point where six normal monthly assessments are delinquent, legal counsel shall proceed to issue a final notice prior to foreclosure and perform a title search. The final notice shall advise the co-owner that foreclosure will be commenced unless payment is made within ten days after the date of the final notice. Agent may not accept partial payments after the final notice has been issued and shall forward tendered payments to legal counsel for return to the delinquent co-owner.
5. Legal counsel shall separately line itemize on all statements rendered to the Association all services involving co-owner delinquencies including all expenses incurred in connection with such delinquencies. Agent shall promptly post the legal fees and costs to the delinquent co-owner's account each month.
6. All requests for payoff statements as to delinquent accounts, which have proceeded beyond sixty days, shall be referred to Association's legal counsel who will coordinate with Agent in the preparation of an account payoff statement letter.
7. Individual board members shall not entertain requests for payment arrangements from delinquent co-owners and all requests for payment plans or special consideration shall be made in writing by the delinquent co-owner and submitted for review by the Board of Directors at a regularly scheduled meeting. No director shall personally contact any delinquent co-owner in any manner at any time to request payment of any amount owed to the Association.
8. All payment plan requests must be in writing, signed by the delinquent co-owner and shall clearly state that the entire debt is undisputed. No payment plan request will be approved unless it provides for full payment of all amounts owed to the Association within not later than 120 days from acceptance date. Only the Board shall approve any payment plan.

9. Requests for waiver of late fees will not be approved unless the delinquent co-owner has timely paid all amounts owed for the past 12 consecutive months prior to the delinquency and all amounts owed are paid in full within 15 days after the date of the delinquency notice.
10. In accordance with Condominium Bylaws Article II Section 5, any default in payment may result in the acceleration of the remaining assessments for the current fiscal year at the discretion of the Board.

Approved by the Board of Directors on September 15, 2009.