

Bayway Isles Homeowners Club, Inc.

5650 Leeland Street South ♦ St. Petersburg, Florida 33715-1637 ♦ Phone (727) 866-1976 ♦ www.baywayisles.com

ASSESSMENT COLLECTION POLICY

Prompt payment of Assessments by all owners is critical to the operation of our community and to the maintenance of the property values of our homes.

Your Board of Directors takes very seriously its responsibility to enforce the members' obligation to pay assessments. The Board has adopted this Assessment Collection Policy in an effort to discharge that obligation in a fair, consistent and effective manner.

The following are the Bayway Isles Homeowners Club, Inc. (the "Association")'s assessment collection practices and policies, pursuant to our Association's by-laws, covenants, and Florida Statute §720.3085.

1. Annual assessments are due and payable on the first day of November of each year. It is the owner's responsibility to timely pay each assessment regardless of whether a statement is received.
2. All other assessments, including special assessments, are due and payable on the date specified in the notice of assessment.
3. An owner, regardless of how his or her title to property has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments that come due while he or she is the property owner. (FS §720.3085(1))
4. An owner is jointly and severally liable with the previous property owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the present property owner may have to recover any amounts paid by the present owner from the previous owner. (FS §720.3085(2))
5. Unpaid assessments become delinquent thirty (30) days after they are due. If payment is not received by the due date an administrative late fee may be charged in an amount not to exceed the greater of \$25 or 5 percent of the assessment amount due. (FS §720.3085(3)(a))
6. Interest on delinquent assessments will accrue at the rate of 18% per annum, commencing upon the delinquent date. (FS §720.3085(3))
7. Any payment received by an Association and accepted shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. This paragraph applies notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. (FS §720.3085(3)(b))
8. If any assessment becomes delinquent, the Association will send a notice regarding the delinquency, giving the owner an opportunity to pay the amount owed without the assessment of attorney fees. Such notice will be sent by first-class US Mail to the owner at his/her address or

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addresses on file with the Association, if such address is not the parcel address, will additionally be sent to the parcel address. The owner will be charged actual costs for such delinquency notice. (FS §720.3085(3)(d))

9. If the amount set forth in the delinquency notice is not received before the due date set forth therein, the matter may be turned over to a collection agent or an attorney for further action, including legal action, or the Association may take such other collection action as it deems appropriate.
10. Owners may submit a written request to the Association to use a secondary address. Any such request must be mailed to the Association (at the address indicated below) in a manner that shall indicate that the Association has received it (e.g., via registered or certified mail). The Association will send notices to the indicated secondary address only from and after the point that the Association receives any such request. Nothing herein shall require the Association to re-send or duplicate any notice sent to the owner prior to the date that a request for a secondary address is received.
11. Prior to recording a lien for delinquent assessments, the Association, its collection agent or attorney will send a pre-lien letter to the record owner as required by FS §720.3085(3), by registered or certified and first-class US Mail to the owner's address of record with the Association. If the address reflected in the records is outside the United States, then sending the notice to that address and to the property address by first-class United States mail is sufficient. The owner will be charged actual costs for such pre-lien letter. (FS §720.3085(4)(b))
12. If an owner to whom a pre-lien letter is sent fails to pay the amounts demanded therein within forty-five (45) days from the date such pre-lien letter is mailed, a lien for the amount of any delinquent assessments, interest and/or costs of collection, including attorneys' fees may be recorded against the owner's Property. (FS §720.3085(4)(b)) The owner will be charged actual costs for such lien.
13. Any lien recorded by the Association will remain as an encumbrance against the Property until the debt secured thereby is satisfied.
14. Within 30 days of receipt of full payment to satisfy a lien the Association will record a release of lien, and provide a copy thereof to the owner.
15. The Association may bring an action in its name to foreclose a lien for unpaid assessments secured by a lien in the same manner that a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. Such action may not be brought until 45 days after the property owner has been provided notice of the Association's intent to foreclose and collect the unpaid amount. (FS §720.3085(5))

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16. The Association may recover any reasonable attorney's fees incurred in a lien foreclosure action or in an action to recover a money judgment for the unpaid assessments. (FS §720.3085(5)(a))
17. The Association may purchase the property at the foreclosure sale and hold, lease, mortgage, or convey the property. (FS §720.3085(5)(b))
18. If the parcel is occupied by a tenant and the parcel owner is delinquent in paying any monetary obligation due to the Association, the Association may demand that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations of the parcel owner related to the parcel have been paid in full to the Association and the Association releases the tenant or until the tenant discontinues tenancy in the parcel.
19. The Association will provide the tenant a written demand notice, by hand delivery or United States mail as required by Florida Statute. The tenant's payment of rent to the Association gives the tenant complete immunity from any claim for the rent by the parcel owner. (FS §720.3085(8))
20. The Association shall, upon request, provide the tenant with written receipts for payments made.
21. The Association shall mail written notice to the parcel owner of the Association's demand that the tenant pay monetary obligations to the Association.
22. The liability of the tenant will not exceed the amount due from the tenant to the tenant's landlord.
23. The Association may issue notice under FS §83.56 and sue for eviction under FS §83.59-83.625 as if the Association were a landlord under part II of Chapter 83 if the tenant fails to pay a monetary obligation. However, the Association is not otherwise considered a landlord under Chapter 83 and specifically has no obligations under s. 83.51. (FS §720.3085(8))
24. The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a parcel owner to vote in any election or to examine the books and records of the Association.
25. The mailing address for payment of assessments, notices or requests regarding assessments, is: Bayway Isles Homeowners Club, Inc., Attn: Treasurer, 6145 52nd St S, St. Petersburg, Florida 33715.

Nothing herein limits or otherwise affects the Association's right to proceed in any other lawful manner to collect any delinquent sums owed to the Association. The Association reserves the right to modify or amend this collection policy at any time.