

LANDS END HOME OWNERS ASSOCIATION

OWNER DELINQUENCY POLICY & PROCEDURES

Effective November 30, 2025

This Assessment Delinquency Policy and Procedures (the "Policy") has been adopted by the Board of Directors (the Board") of the Lands End Home Owners' Association (the "Association") pursuant to the 2nd Amended and Restated Declaration of Covenants and Restrictions (the "Covenants") and supersedes the Board's Delinquency Procedures Policy, dated as of April 8, 2020. Unless otherwise defined herein, capitalized terms have the meaning specified in the Covenants.

The purposes of this Policy to encourage the timely payment of Assessments and other amounts owed to the Association by its Owners and to limit the time, effort, and cost associated with collecting delinquent amounts.

Due Dates

- (i) Annual Assessments are payable in equal quarterly installments which are due and payable on May 1st, August 1st, November 1st, and February 1st;
- (ii) Special assessments are due and payable on the date established by the Board as the special assessment due date; and
- (iii) Other Owner Charges (which the Covenants refer to as Individual Assessments) (e.g., reimbursement for damages to Association property, purchase of front gate transponders, replacement of pool keys) are due and payable within 30 days of the charge being posted to the owner's account.

Use of Automated Payment Systems

The Board encourages (but does not require) owners to use automated payments systems which are available through the Association management company's bank and other financial institutions. These services provide Owners with a safe and reliable means of making timely payments to the Association and are widely used by the Association's owners and other homeowners serviced by the Association management company.

Delinquency Fees

If any assessment or other owner charge is not paid by the due date, the following delinquency fees will be imposed on the owner:

Initial Delinquency Fee: \$25.00 imposed on the 10th calendar day after the Due Date.

2nd Delinquency Fee: \$100.00 imposed on the 30th calendar day after the Due Date.

For the avoidance of doubt, the Initial Delinquency Fee and 2nd Delinquency Fee are separate. Owners who fail to make payments within thirty (30) calendar days of the Due Date will owe \$125.00 in delinquency fees.

Interest on Overdue Amounts

The Association's Covenants provide that interest shall be charged on delinquent payments of Annual Assessments, Special Assessments and Other Charges (including, without limitation, late fees, fines, and other charges) at the rate of eighteen (18%) per annum. As a matter of policy, the Board will generally waive interest on overdue amounts provided that the delinquent amount (including the Initial Delinquency Fee) is paid within thirty (30) days of the initial Due Date.

The Covenants provide that if the Assessments are not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same and/or to foreclose the lien against the Owner's Lot. As a matter of policy, the Board will generally not bring an action against an Owner provided that the delinquency amount and any delinquency fees are paid within ninety (90) calendar days of the initial Due Date.

Costs of Collection

The owner will be responsible for reimbursing the Association for any costs or expenses incurred by the Association in seeking to collect any overdue amounts including, without limitation: collection agent fees, attorney fees, court costs, and any other fees/costs billed by the Association's management company, collection agents or attorneys.

Waiver of Late Fees and Interest

The Board may agree to waive or reduce any delinquency fee or interest on overdue amounts upon the showing of good cause or undue hardship on the Owner. The Board may delegate its waiver authority to the President and Treasurer at its discretion with such limits or requirements as the Board may determine.

Delinquency Notice Procedures

An initial delinquency notice is sent by email to homeowner on the 10th calendar days after the Due Date requiring full payment plus an initial delinquency fee of \$25.00.

A second delinquency notice is sent by email to the homeowner requiring full payment, the Initial and 2nd Delinquency Fees (i.e., \$125.00). The notice will specify that interest is due and will accrue on any outstanding amounts, including the delinquency fees until paid in full.

The failure of the Association to send or the Owner to receive an initial or second delinquency notice shall not relieve the Owner of the obligation to pay the outstanding amount, delinquency fee or interest on overdue amounts.

If the outstanding amounts are not fully paid within ninety (90) calendar days of the initial due date, the Board will consider if the delinquent account should be turned over to the Association's attorney to begin pursuing collection at the owner's expense. Legal action may result in Association filing suit to seek a judgement, attachment of assets, garnishment of wages, a lien upon the property and foreclosure.