



January 2014
Minutes of Board of Directors Meeting
Taberna Master Homeowners Association, Inc.
January 28, 2014

Board Members Attending

Gene Sharer	President
Louise Vondran	Vice-President
Craig Baader	Treasurer
Jean Hanson	Secretary

Committee Members Attending

Dick Turner

CAS Not in Attendance

Brooke Baughn, Community Manager
Participated via conference call

Not in Attendance

Billy Gent
Kristie Miles
Joe Kelly

Guests Attending

Bill Bradbury

Call to Order

The meeting was called to order at 12:45 pm by Gene Sharer, President. (Meeting was held early due to impending bad weather.)

Establish Quorum

Jean Hanson determined that a quorum was present.

Minutes Review/Approval

The December minutes were approved as presented.

Property Owner Request to Address Board

Bill Bradbury addressed the Board regarding some work that was done on his and his neighbor's house. His steps, railing, shutters and his neighbor's shutters were painted. He felt there was a misunderstanding about the scope of work the Board authorized. He was issued a check by the THOA for the work and paint but did not cash it because he was not sure it was the correct amount. The Board will review and inform Mr. Bradbury of the outcome.

- MOTION approved to reimburse Mr. Bradbury \$650 for the painting of his steps, railing, shutters and his neighbor's shutters.

Treasurer's Report

- CAS made all the account adjustments requested late last year.

- All expenses remain within the overall budget.
- About 90% of Accounts Receivable is still with the attorney.
- A number of CD's will mature in the spring of 2014 and will be rolled over to new financial instruments within the Alliance Financial Group.
- Accounts are being reconciled against financial statements.
- The emergency fund was discussed. It will be up to the established target of \$50k and contributions should continue to be budgeted in future years as the threshold might not be adequate for a catastrophic event.
- All invoices received by 12/31/13 have been submitted to CAS for processing and payment.
- As of this date, legal action will not be initiated unless there is a reasonable chance of account and legal fee recovery.

Architectural Control Committee Report

Dick Turner reported the following:

- Three change requests were submitted and approved.
- New construction will begin on Lugano. Compliance check has been received.
- Satellite dish procedure was discussed.
 - Gene Sharer will talk to CAS regarding satellite violation. Dick Turner will be on site if Dish comes out to re-evaluate the location of the satellite dish.

Finance Committee

- Craig Baader stated that Billy Gent will meet with the Finance Committee on Friday, Jan 31.
- Committee members will remain the same for 2014 with the exception of Paul Tracewell.

President's Comments

- Directory – It was decided that we will reprint the directory. CAS feels they are not responsible for coordinating the activities related to the directory but John Stone has agreed to pay for the reprinting.
 - Louise Vondran will try to get someone in Taberna to take on the responsibility of the directory. She and Jean Hanson will work on getting all the data together for the reprint and will report back to the Board on how long it will take to put out a new directory. Homeowners must be notified that directory updates should no longer be sent to CAS.
- Road Conditions – Gene Sharer commented on the conditions of the roads in Taberna. He will ask Joe Kelly to request a plan from the city stating when they propose to fix our roads.
- Gene Sharer will ask our alderman to come to an upcoming Board meeting.
- Gene Sharer will contact all committees. Some committees may be asked to submit a monthly report.

New Business

- Law Firm Discussion
 - No new accounts will be turned over to Ward and Smith unless Board approved.
 - Work will continue on active cases.
 - Craig is to ask CAS to run a comparison of the proposed suggested rates to those experienced with the current law firm and present it such that the Board can make a comparison/decision.

Manager's Report

- Discussed active legal issues related to collections.
- No lien actions will be taken at this time (aside from those already in place).
- Covenant Violations
 - 33 open violations, mostly property maintenance
 - Satellite violation is being fined daily after going to Adjudication Committee
 - Brooke will check with Joe Kelly before sending out hearing notifications to five homes.

Announcements

The next meeting will be Tuesday, February 25, 2014, 3:00 pm.

Adjournment

The meeting was adjourned at 2:40 pm.

Approved by the Board of Directors:

Submitted by: Jean Hanson
Jean Hanson, Secretary

Date: 2/25/14

Approved by: Gene Sharer
Gene Sharer, President

Date: 2/25/14



Taberna Master Homeowners Association, Inc.

Monthly Board of Directors Meeting

Tuesday, January 28, 2014

Agenda

Call to Order	Gene Sharer
Establish Quorum	Jean Hanson
Approval of December 19, 2013 Minutes	Jean Hanson
Property Owner request to Address the Board	Bill Bradbury
Treasurer Report	Craig Baader
Committee Reports	
Architectural Control	Dick Turner
Satellite Dish Procedure	
Building & Grounds	Joe Kelly
Finance	Bill Gent
Others	as needed
Manager's Report	Brooke Baughn
Lamm & Anderson settlements	
Lien Status	
Covenant Violations	
Adjudication Committee results & Documentation	
President's Comments	Gene Sharer
Directory Status	
Roadway/City Streets	
Committee Reports	
Old Business (not previously covered)	
New Business	
Law Firm Discussion	Craig Baader
Next Meeting	3:00 PM February 25, 2014
Adjourn	

TREASURER'S REPORT
BOARD MEETING – January 28, 2014

OPERATING REPORTS: 12/31/13 Operating reports were submitted by CAS to all board members and the Finance Committee on 1/17/14. During my review, I noted that all of the requested account adjustments requested have now been made including those related to the office and utility expenses. Invoice processing is going very well.

	<u>Actual</u> <u>Income/Loss</u>	<u>Variance</u>
Master	\$4,332.44	\$9,113.44
AW	(\$1,719.18)	(\$1,969.18)
BC	(\$481.22)	(\$481.22)
OTW	\$2,287.60	\$2,287.60
TL	\$564.64	\$564.64
Total	\$4,984.28	\$9,515.28

Comments regarding Operating reports:

There were minor unplanned overruns in areas where all requirements were not budgeted and additional scope of work was authorized to provide the service required. As shown above, the negative variances were more than offset by the positive variances in other accounts that resulted in a positive year to date variance of \$9,113.44 for the Master HOA and combined \$9,515.28 for the Master and all sub-associations.

Expenses: Taberna Master and Sub-Associations: Expenses remain within the overall budget for all communities although there were some typical offsetting overruns/underruns. The most significant variance continues to be our delinquent accounts and legal fees which we continue our efforts to recover wherever possible.

Accounts Receivable:

	<u>12/31/13</u>	<u>11/30/13</u>	<u>Accounts with attorney</u>
• Taberna Master	\$15,395.09	\$15,415.14	(8 accounts - \$14,457.53)
• Abbington Woods	\$3,647.27	\$3,827.27	(1 accounts - \$1,045)
• Boleyn Creek	\$280.00	\$260.00	
• O.T.W.	\$5,353.25	\$5,333.25	(1 acct. - \$5,353.25)
• Taberna Landing	\$60.00	\$40.00	
Total	\$24,735.61	\$23,740.24	

>89% of Accounts Receivable are still with attorney.

BANK ACCOUNTS: A number of CD's will mature in the spring of 2014 and will be rolled over to new financial instruments with the most favorable rates available within the Alliance group. Alliance maintains the reserve accounts for all communities as well as the emergency fund currently in money market and CD accounts, although we still have accounts at North State and Vantage South Bank. All bank balances and investments are in FDIC insured CD's or money market accounts.

BANK RECONCILEMENT: Accounts are being reconciled against financial statements, including the transfer of funds by Lou Duffer of CAS to the operating account.

EMERGENCY FUND: The balance stands at \$42,363.68 as of 12/31/13. The remaining \$8,000 is scheduled for the 2014 budget which will bring the fund back to the established goal of \$50,000.

HOA INVOICES: As of 12/31/13, all invoices received have been submitted to CAS for processing, although several payments for services rendered in 2013 by landscape contractors cannot be captured in 2013 as invoices had not been submitted.

Legal Fees: A significant amount of time is being spent scrutinizing the legal bills from our new law firm and net benefit of the actions being taken. Moving forward, legal action will not be initiated unless there is a reasonable chance of account and legal fee recovery. CAS is now taking the initial collection action, providing the initial legal notification previously done by the law firm (at cost). All invoices from Ward & Smith are being reviewed and accounts are only being performed after review and approval by the Treasurer. At present, Ward & Smith has placed liens on a number of properties at board direction. They have also completed the asset searches in an effort to recover the accounts and legal fees related to the Lamm (>\$6,203) and Anderson (>\$3,900) properties. Neither of these searches provided liquid assets worthy of execution efforts and related expenses.

I have talked at length with Brooke and Katie at CAS regarding the fees being charged by Ward & Smith for our collection activities. They have both noted that the fees being charged are high for collection type activities and agree that we should consider changing to a firm that is more collection oriented with a more reasonable fee structure. This was added as an agenda item for the board meeting today.

ACR SUMMARY

- Lot 453, Rohrbach. Install a flag pole at the front of the property. (approved 12/20/13)
- Lot 271, Klawson. Remove an overgrown Bradford Pear tree. (approved 12/16/13)
- Lot 2, Manson. Remove an over grown Bradford Pear tree. (approved 12/18/13)
- Lot 596, Kiefer. New construction; Scheper & Assoc.

Taberna Architectural Change Request

(For changes during the original construction process and/or owner changes after construction)

Submitted By: _____ Phone #: _____

Address: _____ Lot #: _____ Date: _____

The following supporting documentation, indicated by (X), is required at the time of submission to the Architectural Control Committee (ACC)

	Architectural Drawings	Plot Plan	Impervious Surface Impact ¹	Material Specifications	Adjoining Lot(s) Owner(s) Non-objection ²
Additions to House/Lot (Sun rooms, outbuildings, fences, pools, decks, etc.)	X	X	Completed by ACC	X	X
Changes to House (Screen porch enclosures, window changes)	X			X	
Misc. Changes/Additions (Tree removal, propane tank or TV dish installation)		X			
Changes to exterior colors (Vinyl siding, shutters, doors, roof)				X	

1. Total impervious surface for the lot, as calculated by the ACC, must be less than the limit assigned to the lot in the appropriate amendment to Taberna Covenants
2. May be required by ACC after review of request if addition deemed to impact on adjoining lots

Description of change being requested, (include justification for any exception to Taberna Architectural and Appearance Guidelines):

Architectural Control Committee Approval

Signed

Date

Submit to Architectural Control Committee Chairman, Richard Turner; 634-3404
Rev. 3/1/03

Gene Sharer

From: Brooke Baughn [brooke@casnc.com]
Sent: Tuesday, January 28, 2014 9:03 AM
To: 'Gene Sharer'
Cc: craigbaader@verizon.net
Subject: Taberna Meeting Cancelation
Importance: High

Hello Gene,

My most apologies... It is already raining in Southport and I fear the worst on my adventure to Taberna. I did speak to John in regards to the situation and he has shut down all meetings this week (CAS wide) due to the weather conditions.

I truly apologize, if you would like me to join via conference call, I will be more than happy too. Or, I am available, at this time, anyday next week except Thursday.

Please find attached the packet that I put together for today's meeting. I do have one request, if the board decides to print a new directory, please allow homeowners the time to update their information. Most importantly... Please elect a volunteer to head this project and remove any responsibility from myself in regards to the directory.

Last – Anderson/Lamm

Anderson – Mr. Anderson's request for the meeting with the board was denied and conveyed to Mr. Anderson. Although MR. Anderson has previously stated that he would like to get this resolved, he has never provided a specific proposal for resolution of the debt. Ward and Smith has sent correspondence to include today and at this time, no response has been received.

Lamm – Mr. Lamm agreed to pay \$1k each month due no later than the 15th of each month. Payments will be made certified check. At this time, Mr. Lamm is following procedure and January payment has been received.

Related to the violation page (last page) there is a section for hearings, I would suggest Joe confirming the need for a hearing prior to approving notification to be sent.

Once again,. I apologize for the non attendance and let me know if you would like me to conference call in.

Thank you,

Brooke Baughn,
 Community Association Manager



Southport/Wilmington Branch

Phone: 910.509.7197

Wilmington Office:

1213 Culbreth Dr. Ste 112

1/28/2014

902 TABERNA CIRCLE	ANDERSON	481.25	195	1010.93	3900.5	5587.68 waiting on counter
119 ST. GALLEN COUR	LAMM	392.5	266.75	1058.75	890	2608 Payment Plan
203 BADEN COURT	SIMMONS	300	20	20	1800	2140 lien
325 NEUCHATEL ROAD	SCHIFFINO	300	20	387.7	855	1562.7 reminder letter
417 NEUCHATEL ROAD	DORRMAN	300	20	207.78	871.23	1399.01 lien
111 TICINO ROAD	GILKEY	300	20	20	957	1297 lien
128 TEUFEN ROAD	RUSSO	300	20	20	945	1285 lien
302 TABERNA CIRCLE	FLAGER	300	20	62.5	869.39	1251.89 lien
118 NYON ROAD	TEGTMEIER	300	220.00	20	675	775 lien
	971 ASSOCIATI	305	0	0	0	305
203 GENEVA COURT	RAYNOR	305	0	0	0	305
104 GENEVA ROAD	HARDIN	305	0	0	0	305
116 GENEVA ROAD	LONGO	305	0	0	0	305
118 GENEVA ROAD	WANG	305	0	0	0	305
1200 TABERNA ENTRY	EAST CAROLIN.	305	0	0	0	305
203 WALDEN COURT	HUMPHREY	280	0	0	20	300
106 APPENZELL LANE	YOST	280	0	0	0	280
209 APPENZELL LANE	BUCHER	280	0	0	0	280
208 ARBON COURT	HALL	280	0	0	0	280
212 ARBON COURT	LANGHANS	280	0	0	0	280
112 ARBON LANE	KELLY	280	0	0	0	280
120 ARBON LANE	BRUCHSTEIN	280	0	0	0	280
122 ARBON LANE	MITCHELL	280	0	0	0	280
200 BADEN COURT	ASTER	280	0	0	0	280
202 BADEN COURT	MAY	280	0	0	0	280
104 BADEN LANE	MURPHY	280	0	0	0	280
107 BADEN LANE	RIORDAN	280	0	0	0	280
113 BADEN LANE	WILSON	280	0	0	0	280
108 BIEL LANE	KING	280	0	0	0	280
110 BIEL LANE	RAUN	280	0	0	0	280
111 BOLEYN LOOP	RAMSEY	280	0	0	0	280
113 BOLEYN LOOP	RICHARDSON	280	0	0	0	280
115 BOLEYN LOOP	SARGENT	280	0	0	0	280
103 BRUGG COURT	HARGETT	280	0	0	0	280

AGED OWNER BALANCES: AS OF Jan. 27, 2014

STREET ORDER SEQUENCE

* - Previous Owner or Renter

ADDRESS	NAME	CURRENT	OVER 30	OVER 60	OVER 90	TOTAL	STATUS
308 NEUCHATEL ROAD	SIMON	210	0	0	0	210	
318 NEUCHATEL ROAD	EDSALL	210	0	0	45	255	
322 NEUCHATEL ROAD	CONLEY	210	0	0	0	210	
323 NEUCHATEL ROAD	FICKLE	210	20.00-	0	20	210	
324 NEUCHATEL ROAD	BUTLER	230	20	20	220	490	lien
325 NEUCHATEL ROAD	SCHIFFINO	230	20	20	985	1255	lien
326 NEUCHATEL ROAD	MEYER	210	0	0	0	210	
328 NEUCHATEL ROAD	WINKLEY	20	0	0	0	20	
402 NEUCHATEL ROAD	JUMBA	190	0	0	0	190	
405 NEUCHATEL ROAD	CHRISE	230	20	20	875	1145	lien
406 NEUCHATEL ROAD	D'ANGELO	210	0	0	0	210	
407 NEUCHATEL ROAD	CHRISE	255	20	20	212.5	507.5	
411 NEUCHATEL ROAD	NUESCH	210	0	0	0	210	
412 NEUCHATEL ROAD	STOVER	10	0	0	0	10	
415 NEUCHATEL ROAD	QUELETTE	210	0	0	0	210	
417 NEUCHATEL ROAD	DORRMAN	255	20	20	200	495	
418 NEUCHATEL ROAD	GUNDLACH	210	0	0	0	210	
102 USTER COURT	WILSON	210	0	0	0	210	
103 USTER COURT	BEAUCHAMP	230	0	0	245	475	
105 USTER COURT	MERCIER	210	0	0	0	210	
107 USTER COURT	SIMMON	190	0	0	0	190	
113 USTER COURT	COTHERY	210	0	0	0	210	
104 VALAIS COURT	TANIS	210	0	0	0	210	
110 VALAIS COURT	WHEELER	210	0	0	0	210	
110 VALAIS COURT	JOHAOC*	0	0	0	96.77	96.77	
TOTAL:		4780	80	100	2899.27	7859.27	

110 VALAIS COURT	WHEELER	280	0	0	0	280
201 WALDEN COURT	JOHNSON	280	0	0	0	280
113 WALDEN ROAD	SHORTER	0	280	0	0	280
130 WALDEN ROAD	HARMON	280	0	0	0	280
226 MELLEN ROAD	MELCHOIR	157	0	0	0	157
110 NYON ROAD	GRANT	140	0	0	0	140
207 TICINO COURT	SUITT	60	0	0	0	60
112 LUGANO ROAD	CLOSTERMAN	43.02	0	0	0	43.02
223 TICINO COURT	FEDERAL*	0	0	0	38.36	38.36
412 NEUCHATEL ROAD	STOVER	10	0	0	0	10
	TOTAL:	49453.77	641.75	2807.66	11821.48	64724.66

* - Previous Owner or Renter

ADDRESS	NAME	CURRENT	OVER 30	OVER 60	OVER 90	TOTAL	STATUS
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REPORT SUMMARY

COD	DESCRIPTION	A	CURREN	OVER 30	OVER 60	OVER 90	TOTAL
A1	DUES		48957	240.00-	0	5430.86	54147.86
1	Late Fees		180	180	180	3660	4200
3	Doc Proc. Fee		0	0	0	150	150
5	Attorney Fees		273.75	421.75	2627.7	2580.62	5903.78
10	Mailbox Charge		43.02	280	0	0	323.02
		GF	49453.77	641.75	2807.7	11821.48	64724.66

AGED OWNER BALANCES: AS OF Jan. 27, 2014

STREET ORDER SEQUENCE

* - Previous Owner or Renter

ADDRESS	NAME	CURRENT	OVER 30	OVER 60	OVER 90	TOTAL	STATUS
308 NEUCHATEL ROAD	SIMON	210	0	0	0	210	
318 NEUCHATEL ROAD	EDSALL	210	0	0	45	255	
322 NEUCHATEL ROAD	CONLEY	210	0	0	0	210	
323 NEUCHATEL ROAD	FICKLE	210	20.00-	0	20	210	
324 NEUCHATEL ROAD	BUTLER	230	20	20	220	490	lien
325 NEUCHATEL ROAD	SCHIFFINO	230	20	20	985	1255	lien
326 NEUCHATEL ROAD	MEYER	210	0	0	0	210	
328 NEUCHATEL ROAD	WINKLEY	20	0	0	0	20	
402 NEUCHATEL ROAD	JUMBA	190	0	0	0	190	
405 NEUCHATEL ROAD	CHRISE	230	20	20	875	1145	lien
406 NEUCHATEL ROAD	D'ANGELO	210	0	0	0	210	
407 NEUCHATEL ROAD	CHRISE	255	20	20	212.5	507.5	
411 NEUCHATEL ROAD	NUESCH	210	0	0	0	210	
412 NEUCHATEL ROAD	STOVER	10	0	0	0	10	
415 NEUCHATEL ROAD	OUELETTE	210	0	0	0	210	
417 NEUCHATEL ROAD	DORRMAN	255	20	20	200	495	
418 NEUCHATEL ROAD	GUNDLACH	210	0	0	0	210	
102 USTER COURT	WILSON	210	0	0	0	210	
103 USTER COURT	BEAUCHAMP	230	0	0	245	475	
105 USTER COURT	MERCIER	210	0	0	0	210	
107 USTER COURT	SIMMON	190	0	0	0	190	
113 USTER COURT	COTHERY	210	0	0	0	210	
104 VALAIS COURT	TANIS	210	0	0	0	210	
110 VALAIS COURT	WHEELER	210	0	0	0	210	
110 VALAIS COURT	JOHAOC*	0	0	0	96.77	96.77	
TOTAL:		4780	80	100	2899.27	7859.27	

DATE: 1/27/14 TIME: 2:02 PM

TABERNA MASTER DBA ONE TABERNA WAY

AGED OWNER BALANCES: AS OF Jan. 27, 2014
STREET ORDER SEQUENCE

* - Previous Owner or Renter

ADDRESS	NAME	CURRENT	OVER 30
111 ST. GALLEN COURT	SPAGNOLO	25	0
117 ST. GALLEN COURT	CARRIGAN	316.63	0
119 ST. GALLEN COURT	LAMM	495	20
123 ST. GALLEN COURT	MCCARTHY	475	0
	TOTAL:	<u>1311.63</u>	<u>20</u>

DATE: 1/27/14 TIME: 2:01 PM

TABERNA MASTER DBA BOLEYN CREEK

AGED OWNER BALANCES: AS OF Jan. 27, 2014

STREET ORDER SEQUENCE

* - Previous Owner or Renter

ADDRESS	NAME	CURRENT	OVER 30	OVER 60
102 BOLEYN LOOP	BURCH	210	0	0
107 BOLEYN LOOP	SWAIN	20	0	0
111 BOLEYN LOOP	RAMSEY	210	0	0
115 BOLEYN LOOP	SARGENT	255	20	20
313 TABERNA CIRCLE	WHITE	210	0	20.00-
		-----	-----	-----
	TOTAL:	905	20	0

Taberna Violations Summary 2014

<u>Violation</u>	<u>Number YI</u>	<u>In Complia</u>	<u>% Complied</u>	
Trash Can	1	0	0	0%
Boats and Trailers	1	0	0	0%
Lot Maintenance	8	0	0	0%
Property Maintenance	17	0	0	0%
Yard Maintenance	2	0	0	0%
Home Business	1	0	0	0%
Signage	1	0	0	0%
Noise Complaint	0	0	0	0%
Basketball Goals	1	0	0	0%
ARC Default	1	0	0	0%
<u>Total</u>	<u>33</u>	<u>0</u>	<u>0</u>	<u>0%</u>

Hearing Notification

115 Lugano	Singage	
101 Kriens	Mold	No Result
113 Geneva	Yard	
407 Nuechatel	mold	No Result
409 Taberna	mold	
101 Vaud	Mold	
105 Vaud	Mold	

CRIAGE & FOX, PLLC
ASSOCIATION ASSESSMENT COLLECTION POLICY

Most associations face the need to collect assessments at one time or another. Ideally it is handled without legal intervention but after other efforts fail, the file is sent to an attorney to proceed with the collection process. Our firm follows particular steps to collect assessments which combine the need for the Board of Directors to fulfill its fiduciary duty to collect outstanding assessments promptly with the need to provide homeowners with a full and fair opportunity to bring their accounts current. The steps and fees associated with each step are as follows:

1. The account ledger and final demand letter (if applicable) are sent to our firm with a request to begin the lien process.
2. Within 3-5 days, I send an intent to lien letter by first class mail to the homeowner at all available addresses giving the owner 15 days to pay in full (\$50.00). Certain management companies send this letter so this step may not be applicable to your association.
3. Approximately 15 days later, a Claim of Lien is filed against the property if the homeowner does not bring the account current during that time. A copy of the Claim of Lien is sent to the homeowner at all available addresses by first class and certified mail. (\$185.00 for up to three addresses; Additional addresses are charged at cost). The Claim of Lien will remain on record for 3 years if no other action is taken.
4. Upon direction from the board of directors, the following actions may be taken once a Claim of Lien is filed – foreclosure or civil suit. The appropriate choice will depend on the individual circumstances and is made on a case by case basis in a fair and equitable manner. Please feel free to contact me to review any delinquent account. For further research and recommendations, I charge my hourly rate of \$175.00.
5. If the board votes to proceed with foreclosure, the steps are as follows
 - a. I send a demand letter to the homeowner at all available addresses by first class mail giving the homeowner 15 days to pay in full. (\$50.00)
 - b. Approximately 15 days later, if the homeowner has not paid, a foreclosure action is filed and a hearing scheduled before the Clerk of Court. The amount of time it takes to get a hearing date varies by County but is generally 60 to 90 days from the date of filing. At the hearing, an Order Allowing Foreclosure of the property is entered by the clerk and a sale can be scheduled approximately 22 days or more after the hearing. (\$550.00, \$300 filing fee, plus the cost of service which varies).
 - c. If a sale is scheduled, notice of the sale must be published in the local newspaper. On the day of the sale, the house is auctioned to the highest bidder. If the association is highest bidder for the property, a deed will be recorded and homeowner will be evicted from the property. The property is transferred subject to any superior liens and ultimately the mortgage company will then foreclose and take the property from the Association. Alternatively, a third party may bid on

the property and a deed to the third party is recorded in which case the Association is paid in full and the new owner will become responsible for future assessments. (\$600.00 attorney fee, \$250.00 - \$800.00 for publication of the notice of sale depending on the location, and approximately \$100.00 - \$200.00 for filing fees and recording costs).

6. If the board votes to proceed with a civil suit, the steps are as follows:
 - a. I send a demand letter to the homeowner at all available addresses by first class mail giving the homeowner 15 days to pay in full. (\$50.00)
 - b. If the homeowner has not paid, approximately 15 days later I file a complaint in district court seeking a civil judgment against the owner for unpaid assessments. (\$300.00 attorney fee, \$150.00 filing fee, plus the cost of service which varies).
 - c. After the homeowner is served with the complaint and 30 days have passed without the homeowner filing an answer with the clerk, I will file for a default judgment with the clerk of court (\$20.00 filing fee). This will result in a civil judgment against the homeowner which will remain on record for 10 years.
 - d. The homeowner has 30 days to appeal the judgment. If the homeowner does not file an appeal during that time, the judgment can be sent to the sheriff for execution. The sheriff can seize real or personal property owned by the homeowner to be sold to satisfy the judgment. (\$175 attorney fee, \$25.00 sheriff fee plus the cost of service and any levy fee charged by the sheriff in the event property is sold).

Copies of all filed documents are provided to the association as each are completed. If the homeowner contacts me at any point in this process, I will immediately contact the board of directors to discuss payment arrangements. I generally encourage board members to work with homeowners to make a reasonable payment arrangement. Depending on the point in the process when the homeowner contacts me there may be additional attorney fees charged for making payment arrangements. These will be discussed on a case by case basis.

Attorney fees will be charged at each step and payment is due upon receipt. The prices and costs quoted above are based on an uncontested case for collection of assessments. For example, cases involving fines, a disputed debt, an appeal, a counter-claim by the owner, or when additional research is needed may not be charged on a flat rate basis. These will be discussed on a case by case basis.

North Carolina statutes allow attorney fees and costs to be charged to the delinquent homeowner in most cases. If the association is able to collect, the amount will generally include attorney fees and costs. There are circumstances where the association will not be able to collect the unpaid assessments, costs, or attorney fees. I do research prior to proceeding to advise the board on the possibility of not being able to collect but sometimes events occur which make it unavoidable. These include, for example, bank foreclosure, bankruptcy, or when the homeowner dies with an insolvent estate.

The above policy is current as of May 2013. However, standard practices, fees and costs may periodically change. Please check with our firm for an updated policy.