

PITTSFIELD VILLAGE CONDOMINIUM ASSOCIATION

Collection Policy

Effective as of April 27, 2025

Pittsfield Village Condominium Association (the "Association") is a Michigan Nonprofit Corporation formed for the purpose of administering the Pittsfield Village Condominium (the "Condominium"). The Condominium and the Association are governed by a set of Articles of Incorporation, Master Deed, Condominium Bylaws, and Rules and Regulations (the "Condominium Documents").

Article II (f) of the Association's Articles of Incorporation and Article VI, Section 9 of the Condominium Bylaws empower the Association's Board of Directors (the "Board") to adopt and enforce rules and regulations concerning the operation of the Association. Therefore, the Board now adopts the following Collection Policy pursuant to MCL 559.165, Article II (f) of the Articles of Incorporation, and Article VI, Section 9 of the Condominium Bylaws to provide for a uniform framework for the timely payment and collection of assessments. This Collection Policy is effective as of the date written above, which is thirty (30) days after mailing or delivery to the designated voting representative of each Co-owner. Any previous Collection Policy is rescinded and replaced with this Collection Policy.

Collection Policy

Section 1. Assessments. All assessments, as that term is defined in the Master Deed, are apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in the Master Deed. The annual assessment is due and payable in twelve (12) equal monthly installments. Each monthly installment is due on the first (1st) day of each calendar month. Additional and special assessments are due by the date contained in the notice announcing their levy. All unpaid assessments, and any other unpaid sums that are owed to the Association which may be collected in accordance with the Condominium Documents, may be collected as provided below.

Section 2. Delinquency Procedure.

- A. Any payment not received by the Association, or its designated agent, on or before the due date is delinquent.
- B. Delinquent assessments that are not paid within ten (10) days after the due date will result in a \$30.00 late charge and interest at the rate of seven (7%) percent per annum.
- C. The Association, or its designated agent, will send a notice of the delinquency, the assessed late charge, and any other expenses charged to the Co-owner's

account to the delinquent Co-owner after the tenth (10th) day, but before the last day, of the first month in which the delinquency occurs. This notice will be sent to the Co-owner's email address that is on file with the Association or its designated agent. If no email address is on file, then the notice will be sent to the Co-owner via first-class mail to the mailing address that is on file with the Association or its designated agent.

- D. If the delinquency continues into a second month, a second late notice will be sent to the delinquent Co-owner after the tenth (10th) day, but before the last day, of the second month in which the delinquency occurs. The Co-owner will be advised that if full payment of all outstanding amounts due is not received by the tenth (10th) day of the following month, and unless other satisfactory arrangements have been made with the Board, the Board may refer the matter to the Association's attorney. This notice will be sent to the Co-owner's email address that is on file with the Association or its designated agent. If no email address is on file, then the notice will be sent to the Co-owner via first-class mail to the mailing address that is on file with the Association or its designated agent.
- E. If full payment of all outstanding amounts due is not received after the tenth (10th) day of the third month, then the Board will vote on whether to refer the matter to the Association's attorney.
- F. If the Board approves referring the matter to the Association's attorney, then the following steps will be taken:
 - i. All unpaid installments of the annual assessment for the fiscal year and all unpaid portions or installments of any additional or special assessment will be accelerated and immediately due and payable;
 - ii. The matter will be turned over to the Association's attorney for handling, which typically will include an initial demand, recording of a lien, a final demand, and foreclosure of the lien. Notices will be sent to the delinquent Co-owner and, if applicable, the Co-owner's mortgage lender;
 - iii. If the Co-owner's Unit is being occupied under a lease or rental agreement, then the Association may give written notice to the tenant that they must deduct from their rental payments the outstanding amounts owed and future assessments as they become due and instead pay those to the Association. If the tenant, after being notified, fails or refuses to pay these amounts to the Association, then the Association may prohibit the tenant from utilizing any of the General Common Elements, issue a statutory notice to quit for non-payment of rent and enforce that notice by summary proceedings, and/or initiate proceedings pursuant to MCL 559.212(4)(b).

- G. The Board may also approve the immediate recording of a lien against the Co-owner's Unit if the Association learns of an impending sale of the Unit, a foreclosure sale of a mortgage or other lien or encumbrance recorded against the Unit, or the death or incapacity of a Co-owner, if the unpaid amounts due on the account are at least thirty (30) days delinquent.
- H. All expenses incurred in collecting the delinquency will be chargeable to the Co-owner in default, including, without limitation, interest, unpaid monetary fines, late charges, costs, reasonable attorney fees (not limited to statutory fees), and advances for taxes or other liens or costs paid by the Association to protect its lien.
- I. Payments, whether partial or in full, on the delinquent account will be applied in the following order: (i) late charges, attorney fees and costs; and (iii) installments in default in order of their due dates.
- J. The Association does not have to accept partial payments and will not accept partial payments after beginning foreclosure proceedings without a formal payment arrangement that is satisfactory to the Association.
- K. Failure to meet any of the time periods set forth in this Collection Policy will not be deemed a waiver of the right of the Association to enforce this Collection Policy.

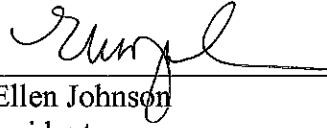
Section 3. Restrictions on Delinquent Co-owners.

- A. A Co-owner in default will not be entitled to vote at any meeting of the Association, run for election as a director, or be appointed as an officer of the Association for as long as the default continues.
- B. A Co-owner in default will not be entitled to utilize any of the General Common Elements of the Condominium, except for ingress or egress to and from their Unit.
- C. The Association may stop providing any utilities or other services to a Co-owner in default upon seven (7) days written notice of its intention to do so.

[Signature on following page]

This Collection Policy has been adopted by the Board of Directors of Pittsfield Village Condominium Association at a regular meeting on February 26, 2025, and shall be effective as of the date first written above.

Pittsfield Village Condominium Association

A handwritten signature in cursive script, appearing to read "Ellen Johnson", written over a horizontal line.

By: Ellen Johnson
It: President