

Association of Property Owners at Pine Grove Lakes, Inc.
P.O. Box 163, Sloatsburg, New York, 10974

Collection Policy for Maintenance Charges

The Association of Property Owners at Pine Grove Lakes, Inc. ("Association") hereby adopts the following collection policy. This policy is intended to ensure the fair and uniform treatment of all property owners, to encourage the timely payment of maintenance charges, and to cover the administrative costs of the Association's collection efforts.

Due Date, Late Fees, Returned Check Fees

Annual maintenance charges shall be due on the date specified in the Association's Bylaws, which is currently February 15 of each year. Property owners who do not pay their annual maintenance charges, in full, by the due date shall be responsible for paying a late fee of \$25.00, plus \$10.00 for each month thereafter that the payment is not received.

Property owners whose checks are returned by the bank will be responsible for all bank charges assessed in that regard.

Reminders & Referral to Attorneys

Two reminder notices will be sent to delinquent property owners between March and May of each year. Balances exceeding \$250 which remain unpaid as of June 1 will be referred to the Association's attorneys for collection. The delinquent property owner(s) will be responsible for paying all associated legal and other collection costs.

Lien Filings

New Filings

In accordance with the Association's Declaration of Restrictions, Grants, Trusts and Charges, the Association will file a lien against any property with an unpaid balance equal to or exceeding \$250 as of June 15 of each year.

The delinquent property owner(s) will be responsible for paying: (i) all associated legal, lien filing/satisfaction and other collection costs; and (ii) an administrative fee equal to 10% of the total amount computed pursuant to section (i) of this paragraph.

Prior Year's Filings

The Association will maintain a cumulative list of all liens by property/parcel. This list shall include the original lien filing date, property owner, property address, dollar amount, original due date, the dates and amounts of any lien updates, and the lien satisfaction date. Outstanding liens will be updated with the Rockland County Clerk every three to four years to reflect additional dollar amounts due.

Liens that remain outstanding for one year or more may be referred to the Association's attorneys for litigation and/or foreclosure.

Loss of Privileges

Members who have not paid their dues in full shall lose the following privileges: (i) use of the Association's common properties, and (ii) voting.

Exceptions for Payment Arrangements

The Association will not refer delinquencies to its attorneys, file a lien, or revoke any membership privileges for any member who, because of economic hardship, has, in good faith, entered into a reasonable payment arrangement with the Association and is making regular payments.¹ Any such payment arrangement must be requested by the property owner in a letter addressed to the Board. The letter must set forth the reason(s) that the payment arrangement is being requested and a specific proposal as to the amount and timing of payments. The Board will approve or disapprove the proposal at its discretion.

The initial late fee of \$25 will continue to apply to all delinquencies, regardless of whether the owner has entered into a payment arrangement. The second-tier late fee of \$10 per month will not be assessed as long as payments are being made in accordance with the terms of an approved payment arrangement; however, these late fees will be applied retroactively should the owner fail to make payments as agreed.

How Payments are Applied

All payments made by property owners will be applied to the oldest balance, first.

Responsibility of New Owners for Past Due Maintenance Charges

The Association shall endeavor to collect all maintenance charges and file liens in accordance with this policy. However, maintenance charges attach to the lot, not the owner. Therefore, new owners will be held responsible for any maintenance charges which were not paid by previous owners.

Change of Address

It is incumbent upon the property owner to notify the Association of any change in the property owner's mailing address.

Change of Ownership

In order to track ownership changes for billing and collection purposes, the Board will: (i) obtain an electronic copy of the Town of Ramapo Assessment Roll in July of each year (which is current as of the previous January 1), from which it will determine any changes in ownership that may have occurred during the previous year; and (ii) consult the Rockland County Clerk website (www.rocklandcountyclerk.com) and the Town of Ramapo Assessor's office to identify more recent ownership changes.

The Board shall also take other reasonable steps, as may be necessary from time to time, to determine the identities and mailing addresses of new owners.²

This collection policy shall be effective as of January 1, 2006, except that the second-tier late fee of \$10 per month shall not be effective until January 1, 2007. The Association reserves the right to modify or revoke this policy at any time, by a majority vote of the Board of Trustees and the adoption of a superseding, written collection policy.

/s/
TROY DUBE, President
Association of Property Owners at Pine Grove Lakes, Inc.

June 20, 2006
DATE

¹ The Board, in its sole discretion, shall determine whether the property owner has entered into a payment arrangement in good faith, and whether the arrangement is reasonable.

² The Board is considering an amendment to the Bylaws which would require all property owners to notify the Board in the event of an ownership change.