

THORNHILL COMMUNITY ASSOCIATION, Inc.
DELINQUENCY POLICY

The Thornhill Community Association, Inc. (hereinafter referred to Thornhill) Delinquency Policy has been written within the requirements of the Amended and Restated Declaration of Covenants, Conditions, and Restrictions applicable to the Thornhill Subdivision, and the laws of the State of North Carolina. This policy will be enforced to ensure the financial security of all Thornhill homeowners, while simultaneously ensuring that the appearance and integrity of the Thornhill community common needs are maintained as outlined in the Declaration. This delinquency policy will be enforced effective April, 2006.

I. ANNUAL BILLING

Each homeowner will be billed annual assessments, in advance, to be paid quarterly in four (4) equal installments. Bills will be sent to each homeowner four (4) times per year in advance of the due dates for the quarterly payments. Quarterly due dates are the first business day of January, April, July and October of each year. If the owner so wishes, he or she may pay up to one year in advance. All bills and notices will be sent to the mailing address of each lot on file with the Association's records or to any alternate mailing address provided by the lot owner in writing. All such mailings will be sent via First Class mail.

II. LATE PAYMENTS

If any assessment payment, annual or quarterly, is not received within ten (10) days of the due date, the lot owner will incur a late charge in the amount of twenty (\$20.00) dollars for each quarter the account is delinquent.

If any assessment payment, annual or quarterly, has not been received within thirty (30) days of the original due date, the unpaid balance of the assessment shall bear interest from the due date at the rate of twelve per cent (12%) per annum until paid in full.

III. LATE NOTICE

If any assessment payment, annual or quarterly, should be delinquent beyond thirty (30) days from the original due date, a late notice will be issued. All bills and notices will be sent to the mailing address of each lot on file with the Association's records or to any alternate mailing address provided by the lot owner in writing. All such mailings will be sent via First Class mail. Such notice will allow a minimum of fifteen (15) days for the lot owner to make payment in full of the assessments owed. After that minimum fifteen (15) day period if the assessments are not paid in full, the lot owner will be subject to any and all legal fees, costs or charges as allowed in the Declaration.

III. LEGAL ACTION AND COSTS

If payment in full of the Assessments, interest and late charges have not been made within the time periods stated in numbers I, II, or III of this policy, the Association may bring an action at law against the owner, or foreclose the lien against the property, and the interest, late charges, costs and reasonable attorney fees of such action or foreclosure shall be added to the assessments and become the responsibility of the lot owner to pay.

The Board of Directors for Thornhill will determine the appropriate action to be taken in any situation not expressly covered by this delinquency policy.

**A returned check reimbursement charge of \$25.00 or the maximum allowed by North Carolina State law will be issued to any account whose checks on which payment has been refused by the payer bank because of insufficient funds, or because the drawer did not have an account at that bank. The Board of Directors reserves the right to require that any homeowner with a history of non-sufficient fund payments to make all assessment payments in certified funds.*

*** Partial payments will be applied to costs and attorney fees, late charges and interest first, and to assessments last.*