

**SUMMERLIN NORTH COMMUNITY ASSOCIATION
RESIDENTIAL BILLING AND COLLECTION PROCEDURES**

Pursuant to NRS and NAC Chapter 116 and the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservations of Easements for the Summerlin North Community Association ("CC&Rs"), including Article VI, Sections 6.9 and 6.14, the Board of Directors has authority to adopt procedures for the billing and collecting of assessments and charges (hereinafter referred to as "Assessments").

In accordance with NRS 116.3116, Summerlin North Community Association (the "Association") has a lien on a unit for any construction penalty that is imposed against a unit's owner pursuant to NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner from the time the construction penalty, assessment or fine becomes due. If the assessment is paid in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due.

The Board hereby formally adopts the following billing and collection procedures to be implemented henceforth.

1. Assessments shall be due in twelve (12) equal installments each year on the first day of each month.
2. No later than fifteen (15) days prior to the beginning of the fiscal year, monthly coupon booklets will be mailed by regular mail to the Members at their current addresses. Members that have signed up for the Automatic Payment Program will not receive a coupon book.
3. Assessments are due on the 1st day of each month and are considered late if not **received** within 30 days of the due date. There is a late charge of \$5.00 for each month the payment has not been received and the assessment may bear interest from the due date at two (2) percentage points per annum above the prime interest rate as charged by Bank of America, Nevada. Subject to any limitations imposed by the Nevada Servicemembers Civil Relief Act (NVSCRA) and/or the Nevada Civil Relief Act (NRCA), as defined herein below, interest is assessed when an account is delinquent six (6) months or more and a formal Intent to Lien Notice, as outlined in Paragraph 7 herein, is sent.
4. As part of the collection procedure, pursuant to Section 3.1(e) of the CC&Rs, the Board may suspend the voting rights and the use of any common area by any Member who is delinquent on their assessment.
5. In order to comply with the Nevada Servicemembers Civil Relief Act ("NVSCRA"), which became law in Nevada on May 29, 2017, before the Association takes any action to pursue collection of past due obligations, the Association shall: (a) inform each owner, or the owner's successor-in-interest, that if the person is a servicemember or dependent of a servicemember, s/he may be entitled to certain protections granted by the NVSCRA; and (b) give the person the opportunity to provide the information necessary for the Association to verify whether the person is entitled to the protections set forth in the NVSCRA including, but not limited to, the social security number and date of birth of the person. If a person or a dependent of that person is entitled to the protections of the NVSCRA, then, in the absence of a court order to the contrary, the Association shall not commence collection of any past due assessments and related charges, during the person's term of active duty or deployment and up to one (1) year after the active duty or deployment ends.
6. In order to comply with the Nevada Civil Relief Act: Federal Tribal and State Workers/Contractors and Landlords ("NCRA"), which became law in Nevada on June 8, 2019, before the Association takes any action to pursue collection of past due obligations, the Association shall: (a) inform each Owner, or his or her successor-in-interest, that if the person is a federal, tribal or state worker or contractor or a household member or landlord of these persons, he or she may be entitled to certain protections granted by the NCRA; and (b) give the person the opportunity to provide the information necessary for the Association to verify whether the person is entitled to the protections set forth in NCRA. If a person, a household member of the person, or the landlord of the person is entitled to the protections of NCRA, then, in the absence of a court order to the contrary, the Association shall not commence collection of any past due assessments and related charges, during a shutdown

and up to ninety (90) days after the shutdown has expired. For the purpose of this provision, the term "shutdown" is defined as any period of time during which there is a lapse in appropriation for a federal or state agency or tribal government that continues through any unpaid payday for a federal worker, state worker or tribal worker employed by that agency or tribal government.

7. If a Member is delinquent six (6) months or more, a formal Intent to Lien Notice, pursuant to Section 6.15 of the CC&Rs, shall be mailed by regular and certified mail. A minimum of thirty (30) days prior to the mailing of the Intent to Lien Notice or the Notice of Delinquent Assessment, and not earlier than sixty (60) days after the obligation becomes past due, and after the Association has made a good faith effort to verify that the owner is not entitled to the protections of the NVSCRA or NRCA, the Association will mail to the delinquent unit's owner or his/her successor in interest a letter in compliance with NRS 116.31162(4) ("Disclosure and Payment Plan Letter"), which provides:
 - (a) A schedule of the fees that may be charged if the unit's owner fails to pay the past due obligation;
 - (b) A proposed repayment plan;
 - (c) A notice of the right to contest the past due obligation at a hearing before the executive board and the procedures for requesting such a hearing; and
 - (d) Notice that the Association's records do not reflect that the person is entitled to the protections of the NVSCRA or NRCA, and an invitation to provide the Association with the information necessary to verify whether the person is entitled to protection under the NVSCRA or NRCA.

If, within thirty (30) days after the Disclosure and Payment Plan Letter is mailed, the past due obligation has not been paid in full by the unit's owner or his or her successor in interest has not entered into a repayment plan or requested a hearing before the executive board, the Association will mail the Intent to Lien Notice. The Intent to Lien Notice will itemize all sums due and inform the Member that if all delinquent sums are not fully paid within thirty-five (35) days from the date of the notice, one or more of the following steps will be taken:

- A. Acceleration of the balance of fiscal year assessments.
 - B. A Notice of Delinquent Assessment will be recorded.
 - C. Legal action may be commenced to foreclose the lien.
 - D. Legal action may be commenced to collect the assessment, late charges, interest, collection fees/costs, attorney fees/costs, court costs, and all other sums due.
 - E. The debt may be reported to a credit reporting agency.
8. If the payment is not received as stated in Paragraph 7, on the thirty-fifth (35th) day, the preparation of the Notice of Delinquent Assessment will begin. In addition, the current ownership of the property will be verified and a copy of the deed will be secured.
 9. Upon assignment of a Member's file to a professional lien and foreclosure service or an attorney, (hereafter referred to as "Agent") the collection procedure is as follows:
 - A. The Agent will prepare and record a Notice of Delinquent Assessment demanding payment within thirty (30) days after mailing of the Notice of Delinquent Assessment. The Notice of Delinquent Assessment will include the Agent's fees for such.
 - B. The Notice of Delinquent Assessment will be sent by regular and certified mail. It will demand that payment be made to Summerlin North Community Association.
 - C. If payment is not received within thirty (30) days after mailing a Notice of Delinquent

Assessment or if the Member does not make satisfactory arrangements to pay the sum due, the Association or the Agent may on, or as soon after, the thirty-first (31st) day as possible, and without further notice, report the debt to a credit agency.

- D. Agent and management company will coordinate as to those Member(s) still delinquent and the management company will consult with the Board of Directors for further instructions, which may include a Notice of Default and Election to Sell, a Notice of Sale, actually conducting a sale, and/or a Summons and Complaint.
- E. The Association may file suit to foreclose the lien or sue on a contract theory for all sums due.
- F. In the event a judgement is rendered and the Member still refuses to pay, the Agent may, upon request, be granted the authority from the Board to immediately commence execution upon the judgement, which may include garnishment of bank accounts and wages, seizure and sale by the sheriff or constable of non-exempt real and personal property, and debtor's examination.

Adopted this 20th day of November 2019.

SUMMERLIN NORTH COMMUNITY ASSOCIATION
SPECIFIC ASSESSMENT PENALTY POLICIES AND PROCEDURES

The Board of Directors of the Summerlin North Community Association has been granted responsibility to conduct, manage and control the affairs and business of the Association. In accordance with Article V, Functions of the Association, Section 5.2 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Summerlin North Community Association, the Board is empowered to adopt, amend, and repeal such Rules and Regulations as it deems reasonable and appropriate.

Furthermore, the Rules and Regulations, in accordance with Article VI, Section 6.8(b), may also include the establishment of a Specific Assessment related to the enforcement and/or violation thereof.

Accordingly, to provide for continuing proper operation of the Association property, the Association, through its Board of Directors, and in conformity with Article V and Article VI of the CC & R's and Article IV, Section 4.3 of the Bylaws, has adopted the following Specific Assessment Penalty Policies and Procedures for the CC & R's now in force or as may be amended hereafter, and of the Rules and Regulations as may be hereinafter adopted, amended or repealed.

POLICY

Violation of the CC & R's and/or Rules are subject to the following Specific assessment penalties:

- [a] First Notice of Violation - written warning without Monetary Penalty
- [b] Second Notice of Violation - \$100.00 Specific Assessment
- [c] (1) After sending a second notice of the violation, the offending member will be entitled to appear before the Association's Board of Directors. A Specific Assessment, which must be commensurate with the severity of the violation, may be imposed, not to exceed \$100.00 for each violation or a total of \$500.00, whichever is less.

(2) If a fine is imposed pursuant to subsection c.1, and the violation is not cured within 14 days immediately following the hearing, or a longer period, as determined by the Board of Directors, the violation shall be deemed a continuing violation. Thereafter, for each seven (7) day period that passes in which the violation has not been corrected as required by the Board, the Board may impose an additional Specific Assessment, which must be commensurate with the severity of the violation. Any specific assessment imposed as a result of a continuing violation may be imposed without notice and an opportunity to be heard.

Additionally, the Board shall have the power to levy a Specific Assessment against the Member for violations which the Board determines threaten the health and welfare of the community. The Specific Assessment amount shall be commensurate with the severity of the violation but shall not be restricted by a maximum dollar amount.

- [d] If the violation has resulted in damage to the Common Area, the Board may order that the damages be repaired at the expense of the offending Member.
- [e] A violation is deemed to be a repeated or continued violation for purposes of the 14 day period and for each 7 day period thereafter when a sufficient amount of time has elapsed from the preceding violation to allow correction of the initial violation.