

Disciplined Collections Process

RealCommunity

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- RealPay
- RealInspect
- RealFinance
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RealValue

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- RealKnowledge
- ▶ RealCollect
- RealInsure

Comprehensive, efficient and systematic collections process

- Embedded best practices from the collections industry
- Works in conjunction with the community's specific collections procedures and collections attorneys
- Systematically more aggressive as the delinquency continues
- Minimizes expenditures for collection of accounts that may be resolved by bankruptcy or foreclosure

Consistent and uniform approach

- Owners have the incentive to pay their assessments on time to avoid additional charges
- Defaulting owners receive progressively stringent notices
- Uncollectible issues are referred to the association's attorney for legal action

Lower delinquency rates and higher visibility

- RealCollect has been successful in substantially lowering overall delinquency rates for client communities
- Real-time web-based access to all delinquency reports via the RealReports board portal

RealCommunity Owners Association, Inc.

Approved
Assessment Collection Procedure Effective January 1, 2005

Monthly Assessments are due by the first (1st) day of each month. If payments are not received within ten (10) days after the due date, a late charge of \$7.00 shall be imposed to compensate for the Association's administrative and processing costs of late payments.

Please Note: Payment coupons are issued to all residents of record approximately mid-December each year. Residents who do not receive their coupons are responsible for contacting the Management Company prior to the first due date to request a replacement set.

Insufficient funds check: Accounts presented with an insufficient funds payment will be charged a non-negotiable insufficient funds fee of not less than \$25.00. Payment of the outstanding account balance will be required to be paid with a money order or cashier's check. Personal checks will not be accepted to satisfy an outstanding account balance when an insufficient funds check makes up a portion of the balance.

30-Day Delinquency: The Accounts Receivable Department will send a statement to the homeowner for the delinquent assessment, which will include a late fee.

60-Day Delinquency: The Collection Department will send the "Final Notice Letter" notifying the homeowner of collection costs, legal fees and potential legal action if the account is not paid current. A request will be made for the homeowner to check his/her records and contact the Management Company if a discrepancy is found.

120-Day Delinquency: The Collection Department shall send a "Final Notice Letter" and the homeowner's account will be charged a \$25.00 Collection Fee. This letter will notify the homeowner of the amounts owed and will further advise the owner if the account is not paid current within thirty (30) days, that the account will be referred to the Association's attorney and additional collection costs, including legal and collection referral fees, will be incurred immediately upon referral. This letter will also include the notices required by Chapter 209 of the Texas Property Code advising the homeowner that if payment in full is not received within thirty (30) days, the homeowner's right to access the Association's amenities, including the pool, will be terminated.

180-Day Delinquency: If the account has not been paid in full, or the homeowner has not made payment arrangements with the Collection Department, the delinquent account will be referred to the Association's attorney and a Notice of Lien will be filed against the property. The homeowner's account will be assessed a non-negotiable legal/collection fee amount of not less than \$325.00 immediately upon referral of the account to the Association's attorney. The Association's attorney will send a demand for payment to the homeowner asking for full payment within thirty (30) days, advising that if the account is not paid current, a lawsuit will be initiated which may include a request for foreclosure of the Association's Lien.

360-Day Delinquency: If the homeowner's account has not been paid current, and a payment plan has not been established, or if the homeowner has defaulted on an approved payment plan, a Board Resolution will be drawn up by the Association's attorney and presented to the Board of Directors for approval to file a lawsuit. The homeowner will be responsible for all legal fees, court costs and expenses incurred.

STATEMENT OF ACCOUNT
RealCommunity Homeowners Association, Inc.

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RESIDENT:
Jack & Jill Resident
12345 Broken Crown Lane
Austin, Texas 76763

STATEMENT PERIOD: 6/1/05 - 7/31/05
PREPARED ON: 07/27/05
PROPERTY NO.: 87454121
PROPERTY ADDRESS: 12345 Broken Crown Lane, Austin, TX 76763

Billing Questions: PLACEMENT OR CREDIT SERVICE # ING 044622
Contact: 800-848-8888 (ext. 102) or email: REAL@REAL.COM

DATE	DOC NO.	DESCRIPTION	CHARGES	PAYMENTS	BALANCE
04/12/05	13360029	Balance Forward			\$250.00
05/02/05	RAS-200502-47221-149	Payment Received - Thank You		\$200.00	\$50.00
07/02/05	LFD-200506-48219-147	Start-Annual Assessment 2 for 2005	\$200.00		\$250.00
07/12/05	LFD-200506-48219-147	Late Payment Charge for July 2005	\$25.00		\$275.00

Pay by credit card or check online at www.realmanage.com

THIS DOCUMENT IS A REMINDER OF YOUR OBLIGATION TO PAY YOUR ACCOUNT. PLEASE PAY ON TIME WITH YOUR PAYMENT.

AMOUNT DUE: \$275.00

RealCommunity Homeowners Association, Inc.
c/o RealManage
4500
Austin, TX 76750

383 & 38 Resident
12345 Broken Crown Lane
Austin, Texas 76763

RealCommunity Homeowners Association, Inc.
c/o RealManage
PO Box 150037
Austin, TX 76715-0037

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RealValue services maximize cash flow, lengthen asset life and reduce expenses