

BABCOCK RANCH RESIDENTIAL ASSOCIATION, INC.

ASSESSMENT COLLECTION POLICY AND OTHER FEES RESOLUTION

WHEREAS, Babcock Ranch Residential Association, Inc. ("Association") is the corporation charged with the operation, maintenance, management of Babcock Ranch (the "Community"); and

WHEREAS, the Board of Directors (the "Board") is the entity responsible for the operation of the Association; and

WHEREAS, Section 2.2 of the Community Charter for Babcock Ranch Residential Properties (the "Charter") grants the Board the right to exercise the Association's rights and powers on the Association's behalf; and

WHEREAS, the Board is desirous of adopting an assessment collection policy; and

WHEREAS, the Board is also desirous of setting the fees referenced in the Charter; and

WHEREAS, Section 3.14 of the By-Laws of Babcock Ranch Residential Association, Inc. (the "Bylaws") provides that any action to be taken or that may be taken at a Board meeting may be taken without a meeting if all directors sign a written consent, setting forth the action so taken, which consent shall have the same force and effect as a unanimous vote.

NOW THEREFORE, it is resolved that the undersigned, being all of the members of the Board of Directors, unanimously approve the following by written consent in lieu of a meeting.

1. The above recitations are true and correct and are hereby incorporated into this Resolution.

2. Any general reference in this Resolution to "Assessments" (whether or not capitalized) shall include Base Assessments, Special Assessments, Specific Assessments, Service Area Assessments, the Environmental Stewardship Fee, and the Community Enhancement Fee, all as defined in Chapter 12 of the Charter, to the extent such Assessment is applicable to the Unit.

3. Any general reference in this Resolution to "Fees" (whether or not capitalized) shall include the Working Capital Contribution Fee, Use and Consumption Fees, and the Administrative Transfer Fee, all as defined in the Charter, together with all other fees the Association is authorized to charge and collect by law and the Governing Documents, including but not limited to the Charter.

4. The following due dates are established for each type of Assessment the Association is authorized by the Charter to levy against a Unit:

a. The **Base Assessment** (as defined in Section 12.2(b) of the Charter), the **Service Area Assessment** (as defined in Section 12.2(c) of the Charter and to the extent applicable to the Unit), and the **Environmental Stewardship Fee** (as defined in Section 12.5 of

the Charter and to the extent applicable to the Unit) are due and payable:

i. By Builders in twelve (12) equal monthly installments, which shall be due on the first day of each month.

ii. By Owners other than Builders in four (4) equal quarterly installments, which shall be due and payable on the first day of January, April, July and October.

The amount of the **Base Assessment** and the **Service Area Assessment** shall be established as set forth in the Charter. The **Environmental Stewardship Fee** shall be \$ \$12.00 per Improved Unit per year and shall be payable to the Association until such time as the Board amends this Resolution.

b. **Special Assessments** (as defined in Section 12.3 of the Charter) are payable in such manner and at such time as determined by the Board at the time that the Special Assessment is levied, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is imposed.

c. **Specific Assessments** (as defined in Section 12.4 of the Charter) are payable in such manner and at such time as determined by the Board at the time that the Specific Assessment is levied.

d. The **Community Enhancement Fee** (as defined in Section 12.12 of the Charter) shall be one-quarter of one percent (0.25%) of the Unit's gross sales price, or in the case of a transfer other than a sale at fair market value, the average of the Community Enhancement Fee paid upon the last five non-exempt transfers. The Community Enhancement Fee shall be paid by the transferring Owner (the seller) upon each transfer of title to a Unit, except those that are identified in Section 12.12 of the Charter as being exempt, at the closing of the transfer. The Community Enhancement Fee shall be treated as an Assessment, but shall be paid directly to the Babcock Ranch Foundation, Inc. once the Foundation is granted tax-exempt status under Section 501(c) of the Internal Revenue Code.

5. The following fees and due dates for said fees are established as authorized by the Charter:

a. A **Working Capital Contribution Fee** (as defined in Section 12.10 of the Charter), in an amount equal to one-sixth (1/6) of the annual Base Assessment per Unit levied by the Association for the year in which the transfer occurs, shall be due and payable by the transferee (the buyer/new Owner) to the Association immediately upon transfer of title of a Unit to a Person other than the Founder, a Founder Affiliate, or a Builder designated by the Founder.

b. **Use and Consumption Fees** (as defined in Section 12.11 of the Charter) may be charged to any Person who chooses to use services, equipment, or facilities provided by the Association. Different fees may be charged to different classes of users (e.g., Owners and non-Owners). The amount of said fees and the due dates may be established by the Board by separate resolution as appropriate.

c. An **Administrative Transfer Fee** (as defined in Section 7.1(c) of the

Charter) shall be as set forth in the management agreement between the Association and the Association's management company, as amended from time to time, or as otherwise established by the Board by separate resolution, and shall be due and payable by the transferee (the buyer/new Owner) upon acceptance of title to a Unit.

6. The Board's failure to mail each Owner an Assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay Assessments.

7. The Association or its legal counsel may require payment of any Assessments or other monetary obligation due to the Association to be made by a cashier's check, money order or other form of certified funds if an Owner's check has previously been returned for insufficient funds.

8. Any Assessment not paid by the due date is considered delinquent.

9. If any Owner is ninety (90) days delinquent in paying any Assessments or other charges levied on his or her Unit, the Board may accelerate all, or any selected, outstanding Assessments, including those installments of the Assessment levied but not yet due, and require they be paid in full immediately.

10. Assessments and installments on Assessments that are not paid when due bear interest from the due date until paid at a rate of eighteen percent (18%) per year, provided such rate does not exceed the rate allowed by law.

11. A separate late charge of the greater of twenty-five dollars (\$25.00) or five percent (5%) of the amount of the delinquent Assessment installment will be assessed for each delinquent Assessment installment not paid within thirty (30) days of the due date established herein.

12. Notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying the payment, all payments accepted by the Association on the account of any Owner shall be applied first to interest accrued, then to any late charge, then to any costs and reasonable attorneys' fees incurred in collection, and then to the principal amount of the delinquent Assessment.

13. If any Owner is thirty (30) days delinquent in paying any Assessments or other charges levied on his Unit, a written notice or demand for past due Assessments as well as any other amounts owed to the Association will be sent to the delinquent Owner. The written notice or demand shall, for so long as required by law, be in substantially the form prescribed by Section 720.3085(4)(a), Florida Statutes, as amended from time to time, and shall:

a. Provide the Owner with forty five (45) days following the date the notice is deposited in the mail to pay all amounts due, including, but not limited to, any accrued interest, late charges, attorneys' fees, and actual costs associated with the preparation and delivery of the written demand, including but not limited to postage and printing and those costs and fees owed by the Association to the Association's management company pursuant to the

agreement between the parties. The management company costs and fees shall be all of those owed by the Association to the Association's management company relative to collections and foreclosures pursuant to the agreement between the parties and may include, but shall not be limited to, any delinquency administration fee, legal/collection agency file preparation fee, and any returned payment/insufficient funds fees (collectively referred to hereinafter as "Management Company Costs").

b. Notify the Owner that, if the amounts owed to the Association are not paid within forty-five (45) days of the date the notice is deposited in the mail, the Association may record a Claim of Lien against the Unit and, thereafter, foreclose the lien.

c. Be sent by registered or certified mail, return receipt requested, and by first-class United States mail to the Owner at his or her last address as reflected in the records of the Association, if the address is within the United States, and to the Owner subject to the demand at the address of the Unit if the Owner's address as reflected in the records of the Association is not the Unit address. If the address reflected in the records is outside the United States, then sending the notice to that address and to the Unit address by first-class United States mail is sufficient.

14. After the expiration of forty-five (45) days from the date the written notice or demand letter was mailed, the Board, or its legal counsel, may notify the Owner of the Association's intention to foreclose the lien previously recorded and collect the unpaid amount owed to the Association. The written notice may include a copy of the Claim of Lien recorded against the Owner's Unit by the Association, shall, for so long as required by law, be in substantially the form prescribed by Section 720.3085(5), Florida Statutes, as amended from time to time, and shall:

a. Provide the Owner with forty five (45) days following the date the notice is deposited in the mail to pay all amounts due, including, but not limited to, any accrued interest, late charges, attorneys' fees, and costs, including but not limited to postage and printing and Management Company Costs.

b. Be sent by registered or certified mail, return receipt requested, and by first-class United States mail to the Owner at his or her last address as reflected in the records of the Association, if the address is within the United States, and to the Owner subject to the demand at the address of the Unit if the Owner's address as reflected in the records of the Association is not the Unit address. If the address reflected in the records is outside the United States, then sending the notice to that address and to the Unit address by first-class United States mail is sufficient.

15. An action to foreclose the lien may be brought forty-five (45) after the Owner has been provided notice of the Association's intent to foreclose and collect the unpaid amount. The Association may recover any interest, late charges, attorneys' fees, and costs, including but not limited to Management Company Costs, incurred in the lien foreclosure action or in an action to recover a money judgment for the unpaid Assessments.

16. If an Owner is more than ninety (90) days delinquent in paying any fee, fine, or


other monetary obligation due to the Association, including but not limited to the Assessments addressed herein, the Association may suspend:

- a. The rights of the Owner, or the Owner's tenant, guest, or invitee, to use Common Areas and facilities.
- b. All services provided to the Unit by the Association may be suspended.
- c. The voting rights of the Unit.


The Board, on behalf of the Association, shall have a standing agenda item on its regular meeting agendas for the purpose of imposing the suspensions addressed in this Paragraph against all Owners who, at the time of the meeting, are more than (90) days delinquent in paying any fee, fine, or other monetary obligation due to the Association. Upon approval at the Board meeting, the Association shall notify the Owner and, if applicable, the Unit's occupant, licensee, or invitee by mail or hand delivery. The process provided for herein shall not preclude the Board from calling a special meeting to impose the suspensions addressed in this Paragraph. The suspensions imposed shall continue until the fee, fine, or other monetary obligation is paid in full.

17. If a Unit is occupied by a tenant and the Owner is delinquent in paying any monetary obligation due to the Association, including but not limited to the Assessments addressed herein, the Association may demand that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations of the Owner related to the Unit have been paid in full to the Association and the Association releases the tenant or until the tenant discontinues tenancy in the Unit. For so long as required by law, the form prescribed by Section 720.3085(8)(a)1., Florida Statutes, as amended from time to time, shall be used for notifying the tenant of his or her obligation to pay rent to the Association.

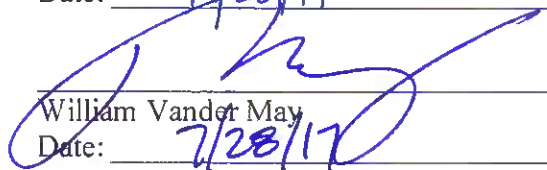
18. The execution of this written resolution by the Directors shall constitute a waiver of the requirement of a formal meeting, and an approval of this resolution, as well as a ratification of all Resolutions set forth herein by such Directors so signing.



Elizabeth Andres
Date: 1.28.17



Amanda Staerker
Date: 7/28/17



William Vander May
Date: 7/28/17