

STONEYBROOK MASTER ASSOCIATION OF ORLANDO INC
138500

PROOF OF NOTICE AFFIDAVIT

STATE OF FLORIDA
COUNTY OF SEMINOLE

On behalf of the Secretary of the Association, the undersigned, being first duly sworn, deposes and says that copies of the attached

NEW COLLECTION POLICY

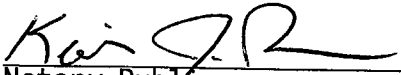
were mailed on the date stated below to each member at the address last furnished to the Association, as set forth in the official records of the Association and attached hereto.

DATED this June 27, 2008

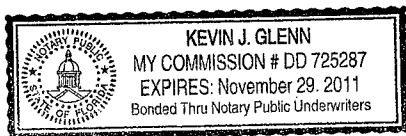


Kim Blocker, Mailing Assistant

The foregoing Affidavit was acknowledged before me this June 27, 2008 by Kim Blocker, who is personally know to me.



Notary Public



Stoneybrook Master Association of Orlando, Inc.

14351 Stoneybrook Blvd.
Orlando, FL 32828
(407) 249-7010
Fax (407) 249-7030

June 2008

Dear Residents,

The Board would like to extend a heartfelt thank you to the vast majority of homeowners whose continued efforts make Stoneybrook a wonderful place to live. The Board would further like to assure those who respect their fellow neighbors by abiding by the covenants that steps are being taken to address those who to date appear unwilling to do so.

As the Board moves forward with plans to improve the community, they wanted to convey a few central thought to you. Sentry Management's June 4, 2008 Accounts Receivable report reflects that more than \$165,000.00 in unpaid assessments outstanding to the Association. Non-payment of assessments handcuffs the Board from introducing further improvements within the community and puts a strain on the provision of existing services. This unfairly punishes the conscientious owners who do pay their assessments on time. If you are unaware of your balance, please contact Sentry Management Accounts Receivable Department at 407-788-6700.

The Board has engaged new collections counsel – James A. Gustino – to aggressively pursue the delinquent accounts we have. Mr. Gustino has dramatically aided our “cousin,” Stoneybrook West, in the collection of its outstanding homeowner receivables, and we trust that he can achieve those same results here.

Indeed, pursuant to Mr. Gustino's recommendations, the Board has voted to implement the following Resolution policies to aid in the collection of unpaid assessment accounts. PLEASE NOTE THAT these policies shall become effective July 1, 2008, and will apply to homeowner accounts with outstanding balances or \$100.00 or more, unless otherwise noted:

1. Cancellation of ALL Vehicle Bar Codes: Pursuant to the community's governing documents, including Article IV, Section 4.9 of the Declaration, Article V, Section 5.1(C) of the Declaration, Section 2.3(C)-(D) of the Bylaws, Section 4.1(A), (F) and (L) of the Bylaws, and Article III of the Amended and Restated Articles of Incorporation of the Association, all vehicle bar codes assigned to the delinquent homeowners will be deactivated. Additionally, upon homeowner curing of the arrearage, a re-activation fee of \$50 will need to be paid to reactivate each vehicle bar code. (Reactivations will occur on the 1st business day of the month following receipt and clearance of payment(s) made by the homeowner).

2. Deactivation of ALL Resident ID Cards: Pursuant to the community's governing documents, including Article IV, Section 4.9 of the Declaration, Article V, Section 5.1(C) of the Declaration, Section 2.3(C)-(D) of the Bylaws, Section 4.1(A),(F) and (L) of the Bylaws, and Article III of the Amended and Restated Articles of Incorporation of the Association, all Resident ID Cards assigned to the delinquent homeowners will be deactivated. Additionally, upon homeowner curing of the arrearage, a re-activation fee of \$50 will need to be paid to reactivate each Resident ID Card. (Reactivations will occur on the 1st business day of the month following receipt and clearance of payment(s) made by the homeowner).
4. Suspension of Cable and Internet Services: Pursuant to the community's governing documents, including Article IV, Section 4.9 of the Declaration, Article V, Section 5.1(C) of the Declaration, Section 2.3(C)-(D) of the Bylaws, Section 4.1(A), (F) and (L) of the Bylaws, and Article III of the Amended and Restated Articles of Incorporation of the Association, basic cable and internet services (the obligation to pay for which is part of each homeowner's quarterly assessment) will be discontinued to the delinquent homeowners' property. Additionally, upon homeowner curing of the arrearage, a re-connect fee of \$125 will need to be paid to re-establish service. (Reconnects will occur on the 1st business day of the month following receipt and clearance of payment(s) made by the homeowner).
5. Exclusion of Social Guests: Pursuant to the community's governing documents, including Article IV, Section 4.9 of the Declaration, Article V, Section 5.1(C) of the Declaration, Section 2.3(C)-(D) of the Bylaws, Section 4.1(A), (F) and (L) of the Bylaws, and Article III of the Amended and Restated Articles of Incorporation of the Association, social guests of delinquent homeowners will not be allowed to enter the community.

In addition to these new policies, the Board has also tightened up and accelerated its formal collections efforts. Enclosed please find your copy of the Board's new policies, which you are urged to review and retain in your permanent records, together with this notice.

It is the hope and expectation of the Board and its counsel that the firm, fair and uniform enforcement of these policies will result in immediate improvements to our collections function, and thereby successfully advance the Association's financial condition – for the betterment of the community as a whole.

As always, we thank you in advance for your anticipated support in these matters. We truly are all in this together.

In your service,

Board of Directors, Stoneybrook
Master Association of Orlando, Inc.

Stoneybrook Master Association of Orlando, Inc. (the "Association")

Board's Resolution Concerning Updated Collection Policies

One of the many advantages of living in a community association is sharing with other members the costs of certain maintenance, repairs, and amenities that are often too expensive for a single-family homeowner. All Association members are legally bound to share those costs.

Hey folks – we are all in this together!

To properly maintain the Association's many amenities and common areas, it's imperative that all assessments, whether regular or special, be paid in full and on time. Delinquencies throw the Association's entire budget off course and negatively affect all members' property values and lifestyles.

The Board's Legal Duties

To adequately maintain our community, Chapter 720, Florida Statutes, and our governing documents vest the Association's Board of Directors with the authority to impose and collect assessments and other allowable charges from members. In fact, the Board owes a legal duty – referred to as a "fiduciary duty" - to all members to make sure everyone pays. The Board has adopted the following new policies -- effective July 1, 2008 -- to fulfill its duty in a fair, systematic, and impartial manner.

1. COMMON EXPENSES

The term "common expense" refers to any amount a member must pay to the Association. Among the charges it includes are regular annual assessments (payable quarterly), special assessments, late fees, common area repairs, and any other collection fees, interest, or charges authorized by the Association's governing documents and/or Chapter 720, Florida Statutes.

2. WHERE TO SEND PAYMENT

Deliver all payments to the Association's address as reflected in the assessment coupons that are mailed to each homeowner each year.

3. WHEN COMMON EXPENSES ARE DUE

Annual assessments (payable quarterly) are due the first day of January, April, July and October of each year. If a member does not pay in full any common expense by its due date as established by the Association's governing documents and/or Chapter 720, Florida Statutes, or via notice sent to the homeowner at the delinquent member's address as shown in the Association's books and records on the date the notice goes out, that payment is delinquent.

4. LATE PAYMENTS

Once an assessment is delinquent, the Association intends to be far more aggressive in its collection efforts, and to that end shall implement and enforce the following policies:

- a. Late fees and interest.** If the Association does not receive payment for any common expense in full on or before the 30th day after it becomes due, the delinquent member shall pay liquidated damages for the Association's time, inconvenience, and overhead in collecting the late payment, as follows:
- i. a \$25.00 late fee; and
 - ii. interest at an 18% Annual Percentage Rate from the original due date until the date of payment.

These charges will be treated as common expenses.

- b. Returned check fees and bank charges.** In addition to any late fee that may be applicable, for each check to the Association that is returned by a bank for any reason, the member who wrote the check shall pay the following charges:
- i. liquidated damages in the amount of \$25.00 and
 - ii. any related bank charges that the Association incurs because of the returned check.

These charges will be treated as common expenses.

- c. Suspend privileges and access to common areas and community amenities.** If an account contains delinquencies for more than 30 days and has an outstanding balance in excess of \$100.00 on August 1, 2008 (or in excess of \$50.00 on November 1, 2008, or in excess of \$20.00 or more on February 1, 2009), the Association shall immediately suspend any or all of the following privileges:
- i. Use of the community pool, playground, fitness center and surrounding facilities, tennis courts, basketball courts, volleyball play area, and other recreational amenities;
 - ii. Use of community ID cards;
 - iii. Use of resident bar codes for vehicular access to the community via the resident gates;
 - iv. Provision of basic cable television and internet service paid for by the Association; and
 - v. Ability to Receive Social Guests within the community.

Please note that reasonable charges, established by the Board of Directors from time to time, will be imposed upon all residents seeking restoration of the suspended community use privileges noted above.

- d. Account referred to an attorney.** The Association shall also refer all delinquent accounts in excess of thirty (30) days past due to the Association's attorney for further action. Such actions shall be undertaken in strict conformity with applicable Florida law and may involve any or all of the following:
- i. Send the statutorily required 45-day notice of intent to lien the affected property for non-payment;

- ii. Record a lien against the property in accordance with Florida law and the Association's governing documents, and send the statutorily required 45-day notice of intent to foreclose that lien;
- iii. File a lawsuit to collect the amount owed and foreclose on the Association's lien against the affected property;
- iv. Take any and all other appropriate legal action.

Effective July 1, 2008, the Board's collections timeline shall be as follows:

Once an account goes beyond 30 days past due, interest begins to accrue at 18% per annum and it is referred to counsel and attorney's fees and costs are added to the account. Additionally, in the event that the homeowner in arrears fails to resolve his/her account within 45 days of counsel's initial demand letter, a claim of lien is recorded by the Association against the homeowner's property, and substantial additional attorney's fees are added to the account. If the homeowner fails to resolve his/her account balance within 45 days of the next (and final) demand letter, then the Association files a claim of lien foreclosure action in county court, and the attorney's fees, court costs, service of process fees, title search fees, etc. all are added to the homeowner's liability to the Association. Homes can, and are, foreclosed on if satisfactory arrangements then are not concluded during the foreclosure process, and folks CAN LOSE THEIR HOMES.

Obviously, the Board would far prefer that every homeowner in Stoneybrook pay their assessments on time and all of the above unpleasantness be averted. For those for whom that is simply not possible, COMMUNICATING with the Board BEFORE the matter becomes a legal referral can often save the homeowner hundreds of dollars in attorney's fees.

- e. **Attorney's fees and costs of collection.** The delinquent member shall be responsible for all of the Association's attorney's fees and costs of collection, including court costs and ancillary collection expenses. These charges will be treated as common expenses.

5. CREDITING LATE PAYMENTS

All delinquent accounts remain delinquent until paid in full. No partial payments will waive the Association's right to pursue full payment and/or to enforce the provisions of this policy. The Association will refuse any partial payment unless a suitable documented payment plan has been negotiated with counsel in advance. Additionally, in the event that the Association and a delinquent homeowner are successful in negotiating and documenting a payment plan, the Association will apply any and all partial payments received to the outstanding balance in the following order:

- late fees and accrued interest;
- Court costs, attorney's fees, and other costs of collection;
- Special assessments; and
- Regular assessments, with payment being applied to the oldest balance first.

6. NOTICES, PAYMENTS, AND CONSEQUENCES OF NONPAYMENT

Unless otherwise required by law, all notices will be sent by first-class mail, postage prepaid, to the delinquent member's address as shown in the Association's books and records on the date the notice goes out. Please note: if a homeowner changes his or her mailing address, written notice must be provided to the Association of that new address – or addresses – and be signed by all property owners.

Calendar of Deactivation of Services

Date of Deactivation	Account Balances over the following amounts will be affected
February 1 st	\$20.00
August 1 st	\$100.00
November 1 st	\$50.00

In order to avoid disconnection of services, an account must be current on the close of business of the date of disconnect. All assessments are late after the first thirty days, and interest is calculated as per the Declaration of Covenants, Conditions and Restrictions for Stoneybrook East (*i.e.*, at 18% per annum).

Individuals experiencing a bona fide financial hardship must detail in writing the circumstances of their hardship and include a very specific payment plan proposal and send it to john@stoneybrookeast.org or darin@stoneybrookeast.org (or complete a letter and mail it to the HOA with that same information). An approval email must be received from the HOA for the payment plan to be valid and the account to avoid disconnection of services and/or commencement of legal actions. All accounts on payment plans will still be subject to interest accrual at 18% per annum – as is dictated by the community's Declaration.

Payment plans must be approved by the Board and submittal for plans should be received at least five (5) business days prior to the above – noted deactivation dates. Please understand that any proposals received thereafter may not be considered.

Reactivation fees are as follows: Basic Cable Television/Internet \$125.00, ID Cards \$50.00 each, Bar Codes \$50.00 each. Reactivations will occur within three-five (3-5) business days upon receiving payment.

Place your request in writing to the association's collection attorney Jim Gustino and send it to jgustino@mindspring.com or P.O. Box 770759, Winter Garden, FL 34777. This creates a written record of what was and was not said - for the protection of BOTH parties and for the more professional servicing of the collections process.