



Board Resolution – 2006 - 1

Collection Procedures

Authority Bylaws: Section 5.6

The Board hereby establishes these collection procedures:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, fines, cost of repairs to the common area that are an owner's responsibility and legal fees and other costs associated with collection of funds on behalf of the Association.

2. PAYMENT SCHEDULE. The regular assessment is payable by the first of each month. Fees not received by the 10th of the month will be considered past due.

3. LATE FEES, NSF & INTEREST CHARGES.

- A late fee of five percent (5%) of any assessment shall be charged to any assessment not paid within ten (10) days of its due date.
- A \$25 NSF (Non-Sufficient Funds) charge will apply to any returned check or ACH withdrawal.
- Any outstanding balance older than thirty (30) days will incur an interest charge of one percent (1%) per month until paid.

4. ORDER OF CREDITING PAYMENTS. Payments received shall be applied to the oldest balance unless otherwise specified by the Homeowner.

5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances exceeding one month's dues that are thirty (30) days past due, the following notification process applies:

- **FIRST NOTICE.** First Notice of Past Due Charges including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by First Class Mail to an owner whose balance is thirty (30) days past due.
- **SECOND NOTICE.** Second Notice of Past Due Charges including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by First Class Mail to an owner whose balance is sixty (60) days past due.

- **10 DAY DEMAND.** 10 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner whose balance is seventy five (75) days past due. This Notice will recite intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 10 days. Attorney actions include but not limited to filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.

6. LEGAL SERVICES. If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and related costs.


7. DEBT COLLECTION OPTIONS. In order to collect a debt owed to the homeowner association by a member, the following options may be invoked to satisfy that debt:

- Suspension of amenity privileges (like pool, clubhouse, tennis courts, etc.)
- Collection of rents being generated by member's homeowner association unit or home.

8. PAYMENT PLAN OPTIONS. In the event an owner is unable to pay the total outstanding balance the owner may make payment arrangements with Manager which will be brought to the Board for approval. All payment plans must be adhered to and followed, or collection action may be taken.

Recorded in the Book of Minutes: May 30, 2006

Date: May 30, 2006


Chairperson - Board of Directors