

New Collections Policy February 23, 2017

- 1) All homeowners are subject to finance/interest fees of 3% per month, of the entire unpaid balance on their account, in excess of 30 days. The finance/interest fees will be charged to the account on a monthly basis.
- 2) A 30 day past-due notice/invoice will be sent to the delinquent homeowner indicating their account is 30 days past due and is required to be paid by the specified timeframe.
- 3) A 60 day past-due notice/invoice will be sent to owner indicating their account remains in arrears and has been flagged to begin the collection process with our legal team.
- 4) At 75 days delinquent, a certified notice will be sent to owner stating their account will be referred to our legal team and a lien will be filed on the delinquent homeowner's account if not paid within 14 days of the date on the notice.
- 5) At 90 days delinquent, the owner's account will be turned over to the legal team to pursue collection and place a lien on the property.
- 6) At time the account is turned over to the collection attorney, the owner's account will be accelerated through December 31st of the current year (all monthly assessments become due and payable).
- 7) At time the account is referred to the legal team:
 - a. The homeowner will be sent notice, by regular mail, stating their account has been sent to the collections attorney. Homeowner will also be advised they are required to contact the attorney to make payment on the past due amount.
 - b. A \$20 administrative processing fee will be applied to the homeowner account.
 - c. The total balance being referred will be removed from the homeowner account as bad debt. Payments forwarded to the Association from the attorney are subject to collection processing fees. Upon receipt of these payments from the attorney, the monies will offset the previous bad debt adjustment.
 - d. The homeowner account will be processed for the next formal hearing with the Board of Directors to suspend privileges for the use of common area amenities and facilities.
- 8) All incurred collections fees, including late fees, attorney's fees, interest and lien related fees will be applied to the owners account.