

## **Walnut Ridge Homeowner's Association Policy Statement – Adopted 01/2009**

### **Collection**

Association annual assessments are due on the 1<sup>st</sup> day of January of each year in accordance with Article II of the Bylaws. Any payments received after the 10<sup>th</sup> of February shall be assessed a \$25.00 late charge. Violation assessments are due on the 1<sup>st</sup> day of the next following month. Late charges will be applied each month the payment is not paid by the 10<sup>th</sup> of the month.

1. First Month Delinquent – A delinquency letter will be sent from the Association's Management Company reminding the respective homeowner of the delinquent status and requesting full payment including penalties, late charges and fines. The letter will be sent regular mail USPS.
2. Second Month Delinquent – A second delinquency letter will be sent from the management company reminding respective homeowner of the delinquent status and requesting full payment including late charges, administrative costs, penalties and fines. The letter will be sent regular mail USPS.
3. Third Month Delinquent – The management company will send the homeowner a lien warning letter requesting full payment of the delinquent Association dues including late charges, administrative costs, penalties and fines within ten (10) days of the date of the letter. Failure to make full payment within ten (10) days will result in a lien being placed on the homeowner's unit. No further notices of delinquency will be sent by the management company and all further contact on the matter will take place through the Association's attorney.
4. The homeowner can request consideration in writing in which an explanation of the delinquency is provided and a payment plan is defined. The acceptance of the payment plan is subject to the approval of the Board of Directors. If the payment plan is approved, the homeowner will be expected to comply with the plan. Failure to make payments, by even one month, as scheduled will nullify the agreement of the payment plan. Immediate and full payment of the delinquency will be required or legal action will be initiated, up to and including foreclosure.
5. Beyond Three Months Delinquent – The Board will decide whether to initiate foreclosure action. The account will be referred to the Association's attorney for review. The Board will act upon the recommendation of the attorney.
6. Homeowners will be responsible for all charges assessed by the Association resulting from the collection process, including but not limited to administrative costs, all attorney costs, court costs and expenses related to filing of liens and foreclosures, correspondence related to delinquency, conversations with the attorney related to the delinquency, costs related to the investigation of the account and miscellaneous fees as may be applicable. These fees cannot be waived.
7. Payments under this policy shall be applied as follows:

First: Outstanding late fees and related charges (administrative fees and fines)

Second: Outstanding legal fees (attorney charges and collection fees)

Third: The balance will be applied to the oldest delinquent assessments in order of their due dates.