

## **SUNRISE BLUFFS HOMEOWNERS ASSOCIATION**

### **Assessment Collection Policy**

**April 2020**

Pursuant to the Declaration of the HOA Covenants, Conditions, and Restrictions, and the By-Laws of the Sunrise Bluffs Homeowners Association, as supplemented by resolutions adopted from time to time by the Board of Directors, the following resolution is hereby adopted by the undersigned, being an officer of the Sunrise Bluffs Homeowners Association.

It is resolved that the following procedures and practices are established for the collection of Assessments owing and to become owing by the Owners of the Lots in the Association, and the same are to be known as the "Assessment Collection Policy" for the Association in the discharge of its responsibilities regarding collection of Assessments levied against Lots.

**POLICY OBJECTIVE.** The Association will pursue collection of all Assessments pursuant to the Declaration and this Assessment Collection Policy. The term "Assessment" shall include Maintenance Assessments, Special Assessments, Reimbursement Assessments or any other fees or allowable in the Declaration of Covenants, Conditions, and Restrictions. (CCR's Article VIII 8.1 pg. 17)

**HANDLING CHARGES AND RETURNED CHECK FEE.** In order to recoup costs incurred because of the additional administrative expenses associated with collecting delinquent Assessments, collection of these fees and charges are part of the Collection policy. These fees and charges, including a Collection Notice Fee, will be added to the amount outstanding and are collectible to the same extent and in the same manner as the delinquent Assessment.

**INTEREST CHARGES.** Interest charges are deferred for the first thirty (30) days of the month. (CCR's Article VIII 8.1 paragraph 2 pg. 17) Interest is computed from the due date of an assessment at the rate of 15% per annum. The Board of Directors has adopted a policy that waives interest charges provided an assessment is paid within 30 days from the date it was due.

**PARTIAL PAYMENTS AND APPLICATION OF FUNDS.** Partial payments will not prevent the accrual of interest on the unpaid portion of the Assessment. The owner will still be considered to be delinquent upon making partial payments.

OWNERSHIP RECORDS. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Lot for which the Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address reflected by the records of the Association as being the Owner will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such a time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.

NOTIFICATION TO OWNER.

15 DAYS DELINQUENT            LATE NOTICE. A payment by a member is deemed delinquent if it is unpaid fifteen (15) days or more after the due date. A letter of delinquency will be sent via regular first-class mail when an Assessment is 20 days delinquent. A late fee of \$10 and a Collection Notice Fee of \$15 will be charged to the Owner's account. No interest will be accrued during the first thirty (30) days.

60 DAYS DELINQUENT            INTENT TO LIEN. No sooner than sixty (60) days beyond the due date, the Association will send a notice of Intent to Lien to the Owner making formal demand for immediate payment for all outstanding amounts. The Intent to Lien notice will be sent via regular mail. All fees associated with this letter, including Intent to Lien fee, will be charged to the Owner's account.

90 DAYS DELINQUENT            RECORDATION OF LIEN. Ninety (90) days after the due date, if an Owner fails to pay in full the entire amount covered by Intent to Lien notice by the date specified, a written notice of lien will be prepared and recorded with the County Clerk. A lien fee will be charged to the owner's account.

ALTERNATIVE COLLECTION COURSES. The Board, acting with input and recommendations from management and/or counsel, will evaluate which course of legal action appears to be in the best interest of the Association for recovery of unpaid Assessments. Where foreclosure of the Assessment lien in favor of the Association against a Lot owner, together with pursuit of personal judgment against the Owner, is determined to be advisable or personal judgment

alone, the Board will direct the counsel accordingly. The Board may choose to send the account directly to a Collection Agency or Attorney after sufficient notice.

VERIFICATION OF INDEBTEDNESS. Where an Owner requests verification of indebtedness, the Management will, upon notification of the Owner's request, supply such verification within fifteen (15) business days. The exercise of the collection rights of the Association regarding Assessments will in all ways comply with the Fair Debt Collection Practices Act.

OWNER'S AGENT OR REPRESENTATIVE. If the Owner expressly or impliedly indicates to the Association that the Owner's interest in the property is being handles by an agent or representative, any notice from the Association to such agent or representative pursuant to this Assessment Collection Policy shall be deemed to be full and effective notice to the owner for all purposes.

It is further resolved that this Assessment Collection Policy replaces and supersedes in all respects all prior resolutions with respect to the collection of Assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified, or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors of the Sunrise Bluffs Homeowners Association on the 14<sup>th</sup> day of April, 2020. To be effective as of May 1, 2020, and has not been modified, rescinded, or revoked.

4/17/2020 Date Steve J. [Signature] Board Officer President