

Resolution

THE HAMMOCKS TOWNHOMES HOMEOWNERS ASSOCIATION, INC. COLLECTION POLICY

BACKGROUND:

The Board of Directors of the Association is charged with the responsibility of collecting assessments for common expenses from homeowners pursuant to the Governing Documents; and

From time to time homeowners become delinquent in their payments of these Assessments and fail to respond to the demands from the Board to bring their accounts current; and

The Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the Association to refer these accounts promptly to an attorney for collection, through your managing agent, so as to minimize the Association's loss of assessment revenue; and

The Board has retained the Association's attorneys for their experience on representing homeowners associations in collection matters, and the Board has directed the Association's attorneys to represent the Association on the terms outlined in this resolution. The Association's attorneys shall pursue all collection and other matters which the Board, acting through the managing agent, may from time to time refer to them and to provide any advice and counsel which the Board may from time to time require. The Board shall provide this policy to the members of the association through the various avenues of association communication.

PROCEDURE STEPS:

Pursuant to the Governing Documents, any assessment account (past due assessments, legal violation enforcement fees, abatement costs and collection of fines) which is not paid in full by the TENTH (_10_) day of the month due shall bear a late fee of \$25.00 or 10 percent whichever is greater. **The 2021 Florida Statutory 30-Day Notice of Late Assessment** to the homeowner shall be sent by the managing agent to the property address and mailing address. One-time waiving of interest and or late fees, if applicable, per ownership is to be approved by the board. **(NO)**. Small balances made up of \$_____ **late fees and interest only** shall be written off if equal to or less than \$ _____. Small balances equal to or more than \$_____ shall be sent a delinquent letter.

The managing agent, per the Board of Directors, is directed to have the Association's attorney take formal legal proceedings against the owner, by first sending the **statutorily required forty-five (45) day to lien to foreclose notice**, which shall include legal fees and additional collection costs for Association's attorney to send the forty-five (45) day notice to owner. The Association's Attorney shall follow the Collection Policy and accrue interest and late fees, if applicable.

The attorney is directed to send to any homeowner who remains delinquent, a copy of the claim of lien, together with a written notice stating if the account is not paid in full within forty-five (45) days the lien may be foreclosed. The attorney will notify the Association of any homeowner who does not pay their account in full by the end of the second 45-day notice period.

The Board of Directors will provide authorization for the Attorney to foreclose the lien via a vote of the Board of Directors at a duly noticed Board meeting. No foreclosure of the lien may proceed without this affirmative vote of the Board of Directors.

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As required by law, any payment received by the Association and accepted shall be applied first to any interest accrued then to any actual costs and reasonable attorney's fees incurred in collection then to late fees incurred and then to the delinquent Assessments.

OPTIONAL:

Pursuant to F.S. 720.3085(8), if the parcel is occupied by a tenant and the parcel owner is delinquent in paying any monetary obligation due to the Association, the Association may demand that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all the monetary obligations of the parcel owner related to the parcel have been paid in full to the Association and the Association releases the tenant or until the tenant discontinues tenancy in the parcel. Notices to the tenant and the parcel owner regarding payment of the rent shall comply with F.S. 720.3085(8).

POLICIES:

The following policies shall apply to all delinquent accounts turned over to the Association's attorneys for collection:

1. All contacts with a delinquent homeowner shall be handled through the Association's attorneys. Neither the managing agent nor any Association officer or director nor member shall discuss the collection of the amount directly with a homeowner after it has been turned over to the Association's attorneys unless one of the Association's attorneys is present or has consented to the contact.
2. All sums collected on a delinquent account shall be remitted to the Association in care of the Association's attorneys until the account has been brought current, unless otherwise agreed to by counsel on behalf of the Board of Directors, and management.
3. The Association's attorneys' legal fees, legal violation enforcement fees, abatement costs and collection of fines and actual costs shall be assessed against each delinquent parcel and its owner when the account is turned over to the Association's attorneys for collection.
4. This policy shall be provided to the Association's Attorney, once approved by the Board of Directors.

IN WITNESS WHEREOF, the Board of Directors has approved the provisions hereof on August 17, 2021, at a duly called meeting of the Board at which a quorum was present.

Kathy Perry

President

Treasurer

Secretary

Vice President

Director