

Hampton South Homeowner's Association, Inc.
Procedures for Non-Payment of Association Dues

Policy: It is the policy of the Board of Directors to collect the annual dues from all members of the Hampton South Homeowner's Association (the Association), and pursue appropriate action on members who refuse to pay dues or fail to pay dues in a timely manner, as provided for in the By-Laws and Deed of Dedication and Restrictive Covenants of the Hampton South Homeowner's Association, Inc.

Purpose: To provide consistency and fairness in the assessment of dues, fees, and assignment of liens for non-payment of dues.

Procedures:

1. Dues Letters are sent out in August each year (~ Aug 1st). The Association is a mandatory association.
2. Dues are due on August 31st.
3. Dues not received by August 31st begin to accrue late fees of 12% interest (as allowed in By-Laws).
4. After September 1st, an assessment is made of unreceived dues. A second letter is sent to members regarding unpaid dues, including interest.
5. Liens are prepared and filed against properties that are not current on dues. The Association pays legal fees and other costs associated with filing the liens.
6. The lien(s) on the property cannot be released until all back dues, interest, and legal fees (including both lien filing and lien release costs) are paid back to the Association.
7. Where unpaid back dues are not paid willingly, these costs are recovered in "closing" transaction upon the sale of the property.
8. The Association has been fully successful in the collection of back dues, fees, and interest.

ADOPTED BY THE BOARD: November 29, 2004