

September 9, 2011

Dear Residents:

Attached is a copy of the new collection policy approved by the Board of Directors at their August 23, 2011, meeting.

The Board wishes to inform all residents that we are going to be much more aggressive with collections.

Assessments are due and payable the first (1st) of the month and must be received by the fifteenth (15th) of the month or they will be considered delinquent. A letter will be sent from our management company, Greenacre Properties, Inc. informing you that you are delinquent and are being charged a \$25 late fee. If the assessment, plus the late fee, is not paid by the last day of that month, the matter will be forwarded to the Association's legal counsel to begin the legal collection procedure.


The attorney will send a demand letter requesting payment, plus attorney fees. Forty-five (45) days after that letter is sent, if the total assessment, late fee, and attorney fee, is not paid, the attorney will file a lien on the property. At that point there will be additional attorney fees and court costs added to the amount due.

If this still remains unpaid, after waiting the legally prescribed time, the attorney will then proceed to foreclosure.

The vast majority of residents pay their assessments in a timely manner and we thank you for that. However, those who choose not to pay cannot continue to do so at the expense of those who do pay.

Please consider auto-debit for your monthly assessment so you don't have to be concerned that your check is late, lost in the mail, or you forgot to mail it.

Thank you,

For the Board of Directors 

Association Policy PHOA 013

Delinquent Assessment Collection Policy

Purpose:

The PHOA Board of Directors has a fiduciary responsibility in making, levying, collecting and enforcing assessments against members to provide funds to pay the Associations expenses. This policy addresses the collection of Delinquent Assessments.

Policy Definition:

1. All monthly assessments are due and payable on the first day of each month.
2. Assessments are considered delinquent if not received by the fifteenth (15th) of each month.
3. The Association will send one (1) notice informing the owners that the assessments are delinquent and a late charge of \$ 25.00 will be added to that month's assessment. The owners have until the last day of the current month to pay the delinquent assessment plus the \$25.00 late fee.
4. If the delinquent assessment plus the late fee is not received by the Association by the last day of the month that it is due, the matter will then be referred to the Association's attorney's office for collection, which could cause the filing of a lien and foreclosure on the property.
5. The Association has the legal right to place a lien on the home to secure the payment of assessments. The Association also has the right to foreclose on that lien similar to the way a bank forecloses on a mortgage.
6. Owners will be responsible for paying assessments, late fees, interest, collection cost, and all attorney fees incurred while trying to collect the debt. Interest shall accrue on the assessment at the maximum rate allow by Florida statutes.
7. Once the delinquent account for the homeowner is referred to the attorney's office for collection the homeowner will only contact the attorney's office related to the collection matter. The Community Association Manager is required to refer all inquires to the collections attorney's office.
8. Once the assessments are delinquent the Association may utilize any or all of the following remedies.
 - **Accelerate the assessments:** The assessments that will come due during the rest of the year will be due immediately, after notice to the owner.
 - **Refer the case to the Association's attorney to pursue an action in equity:** The attorney's office will foreclose the lien on the property, sell the property, and use the sale proceeds to cover the delinquent assessments, attorney fees, and all cost associated with the delinquency.
 - **Refer the case to the Association's attorney to pursue an action at law:** Sue the owner(s) personally liable for all amounts owed. This may result in garnishing funds and other similar remedies.

9. Any payment received by the Association or the collection attorney shall be applied first to interest accrued, then to administrative late fees, then to any costs and reasonable attorneys fees, and then to the delinquent assessments.

Use of any or all of the above remedies will not waive other options the Association may have.

The above policy will be followed by the Board of Directors as a matter of routine and must be adhered to in a non-discriminatory manner.

NOTE: Electronic payment is the preferred method of payment for assessments.

For Board of Directors  _____

Date Approved: 08/23/2011

Revised: 08/27/2011