



ASSOCIATION COLLECTIONS POLICY RESOLUTION

Association: **Toxaway Views Homeowners Association, Inc.**

WHEREAS, Assessments are collected in order to provide the funds necessary for the proper operation and management of the Association;

WHEREAS, The Directors of the Association have a fiduciary duty to obtain all monies owed the Association, including assessments from owners; and

WHEREAS, The prompt collection of assessments is necessary in order for the Association to pay its obligations and to avoid an increase in assessments for its members;

RESOLVED, That the Association adopts standardized billing practices to assist in the collections efforts, and that the following billing and payment options will be made available to the membership:

Paper Billing Statements, Electronic Statements, Online Account History, Automatic Debit (ACH), eCheck, Credit Card payments through the website, and traditional Check by Mail;

RESOLVED, That the Association has set its due dates to be the 1st day of the month in which assessment payments are due, and the late payment date to be the **30th** (10th, 15th or 30th) of the month in which assessments are due. Further the Association has determined a late fee in the amount of \$ **0** shall be charged monthly on all outstanding balances;

RESOLVED, the Association has determined that its Declaration of Covenants/Declaration of Condominium states that 30 days after the due date, an account that has an unpaid balance of \$10.00 or more, shall be charged **12%** interest per annum on all outstanding assessment balances;

RESOLVED, That Community Association Management is authorized to apply any payments or partial payments to member's accounts in the following order:

1. Legal Fees
2. NSF Fees
3. Fines
4. Collection Fees
5. Late Fees
6. Special Assessments
7. Regular Assessments
8. Master Association Assessments
9. Landscaping Assessments
10. Water/Sewer/Utility Billing;

RESOLVED, That Community Association Management is authorized to send the following collection letters, at the pre-defined thresholds prior to legal actions being filed:

Description	Balance Must Be Older Than (Days)	Balance Must Be At Least
30 Day Collections Letter	30	\$10.00
60 Day Collections Letter	60	\$10.00
90 Day Collections Letter	90	\$10.00
Pre-Lien Collections Letter	90	\$300.00
Pre-Foreclosure Collections Letter	210	\$600.00;

RESOLVED, That Community Association Management is authorized to send all delinquent assessment accounts to the Associations attorneys for collection that meet the following criteria:

Description	Balance Must Be Older Than (Days)	Balance Must Be At Least
File a Lien	120	\$300.00
File Foreclosure	225	\$600.00;

RESOLVED, That upon an account being turned over for collection, the Association attorneys are authorized to take all steps permitted by the governing documents and State law to collect Past-due assessments, the sending of any demand or default letters, filing a claim of lien, filing notice of foreclosure, and if necessary, conducting a foreclosure sale.

RESOLVED, That the board will execute an affidavit authorizing the attorney to proceed with the foreclosure, pursuant to this collections policy, if required by law.

RESOLVED, That in the event there are no bids at the foreclosure sale, the Association will become the owner of the property;

RESOLVED, That the Association attorneys will utilize their standard association collections process, but have discretion as to the timeframe and manner in performing the necessary steps to collect past due assessments;

RESOLVED, That the practice of the Association attorneys is to collect assessments, attorney's fees and costs from the homeowner (member) in default; however, such fees and costs will be due from the Association in the event the debt is uncollectable, such as in the event of a bankruptcy, death of the homeowner, foreclosure by a mortgage company or a party with a higher security interest, or other circumstances where attorney's fees and costs are uncollectable from the homeowner;

RESOLVED, That the Association understands that once an account is turned over for collection to the Association attorneys, that neither the Directors nor Community Association Management will discuss a resolution of the account with the homeowner, but will instead direct the homeowner to the Association attorneys; and

RESOLVED, That upon adoption, this Resolution will remain in force and effect until terminated by the Association or by Community Association Managements written notice.

Adopted by the Board the 10 day of Aug, 2020

DocuSigned by:
Don Woods
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8/10/2020 | 12:53 PM EDT

President

Date