

Resolution

LAKE BERNADETTE COMMUNITY 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 the Association's 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 homeowner's 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 if not paid in full within thirty (30) days of the due date, shall bear interest at the rate of 15% per annum, or the highest rate allowed by law, as determined by the board of directors. 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 (YES or NO). Small balances made up of \$ 10.00 **late fees and interest only** shall be written off if equal to or less than \$ 10.00. Small balances equal to or more than \$ 10.00 shall be sent a delinquent letter. e
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If an owner fails to pay the amount due, as indicated in the Notice of Late Assessment, 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 costs of collection, as 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.

Prior to the attorney initiating litigation, the attorney will request and 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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