

# Cypress Isles/Waterford Lakes Tract N25A HOA Collection Policy

The cornerstone of an effective collection process is an establishment of a sound Collections Policy to address the collection of delinquent assessments. This can be changed as needed based on the Board's philosophy. This is the guideline used by Associa CMP to take action on all delinquent accounts moving forward.

## Part A

1. Assessments are due on the 1st Quarterly and are considered late after 30 days.
  - a. Interest will accrue at 18 % per annum 30 days after the due date.
2. A late letter will be sent after 30 days, when the owner is more than one quarterly assessment amount in arrears. There is a \$10.00 collection cost for this notification that is added to the homeowners account.
3. An Intent to Lien letter will be sent 30 days after the late notice if the homeowner is more than two quarterly assessments in arrears. This letter has a \$150.00 collection cost to the homeowner.
  - a. If the owner has a balance of less then the above amount, a monthly reminder notice will continue to be sent, with a collection cost of \$10.00 for each reminder notice added to the homeowners account.
  - b. If a past due balance is more than two quarterly assessments and remains 45 days after the intent to Lien notice, the Board of Directors will decide whether to send to legal counsel. Upon Board approval, Legal counsel will process an HOA lien foreclosure and the homeowner will be responsible for all legal costs for this process.

## Part B

Associa CMP highly recommends having all legal & court correspondence, including but not limited to Mortgage Foreclosure & Bankruptcies forwarded to the Associations Legal Counsel for proper review and filing of such correspondence. The Association agrees with this recommendation.

## Part C

If any homeowner is less than \$40.00 in arrears **AND** this amount consists of only interest and collection costs, CMP may reverse the balance, per Board's approval once a year.

## Part D

CMP offers a payment plan to homeowners who are having a difficult time getting caught up on their account. The plan offers homeowners the option to pay the balance including collection costs and interest, within six months of the establishment of the payment plan. The homeowner must also keep current on any future assessments after the payment plan has been established.

Any payment plans requested beyond six (6) months will go to the Board of Directors for approval on an individual basis.

If the homeowner does not meet the agreed upon conditions of the Payment Plan, the account will be revert to the next course of action in Part B.

The Cypress Isles/Waterford Lakes Tract N25A motioned to adopt this policy effective: 9-15-15

/s/ Harold Engold  
Board Officer

President  
Position