

# **Spring Mills Subdivision Unit Owners Association, Inc.**

## **Collection of Assessments Procedure**

**Revised Effective 11/17/2020**

Pursuant to Article X of the Spring Mills Subdivision Unit Owners Association, Inc. Declaration of Covenants and Restrictions, and with the intent of the Board of Directors to establish uniform and consistent procedures for collection of delinquent accounts, the Spring Mills Subdivision Unit Owners Association, Inc. herewith adopts the following procedures for collection of assessments.

### **ROUTINE COLLECTIONS**

1. The annual assessment shall be billed on May 1 and due by May 30. Payment of any special assessment shall be due and payable in accordance with the payment schedule established by the Board of Directors. Annual Assessments and Special Assessments are hereinafter referred to as "Assessments."
2. All documents, correspondence, and notices related to Assessments shall be mailed to the Owner's address that appears on the books of the Association or as modified in writing by the Owner, or as otherwise required by law. It is the responsibility of the Owner to notify the managing agent in writing of any changes to their address. Failure to do so in no way alleviates the Owner's responsibility to pay their Assessments in full and on time.
3. For the Owner's convenience, the Managing Agent may supply a bill to be submitted with the payment. Non-receipt of a bill shall in no way relieve the Owner of the obligation to pay the amount due in full by the due date.
4. All Assessments shall be made payable to the Spring Mills Subdivision Unit Owners Association, Inc.

### **REMEDIES FOR NON-PAYMENT OF ASSESSMENT**

5. **30 DAYS DELINQUENT** - If payment is not received in the office of the Managing Agent by May 30, the account will accrue interest at the rate of eighteen percent (18%) per annum, and, thereafter, be a part of the continuing amount due. A "Late Statement" shall be mailed to the Owners who have not paid the Assessment amount in full.
6. **60 DAYS DELINQUENT** - If, after sixty (60) days of the due date the full amount of the Assessment remains unpaid, including interest charges, a "Notice of Delinquent Assessment" shall be mailed to the Owners who have not paid the Assessment amount in full.
7. **90 DAYS DELINQUENT** - If payment in full, including interest charges, is not received in the office of the Managing Agent by the ninetieth (90<sup>th</sup>) day after the due date, a "Notice of Intent to File a Lien" will be served to the Owner, by regular and certified mail. This notice shall state the Association's intent to file a lien on the property and shall state that any remaining Assessment installments for the calendar year shall be accelerated (due and payable immediately) if the total delinquent amount, including late fees and interest charges, is not paid in full within thirty (30) days from the date of the notice. The delinquent owner will be charged an additional fee of \$20.00 + the cost of postage for mailing/collections costs for such notice.
8. **FILING OF LIEN** - If payment in full, including interest, collection costs, and attorney fees (if any), is not received within thirty (30) days after proper service of the Notice of Intent to File a Lien, a Statement of Lien shall be recorded against the property for the amount of unpaid accelerated Assessments, together with interest, late fees, any unpaid charges and collection costs, and attorney's fees.

9. SUIT – If payment in full, or a payment arrangement, is not made within thirty (30) days after a lien is filed, the Association may file suit against the Owner to obtain a money judgment and may take other action to collect Assessments and other charges that remain unpaid.
10. OTHER LEGAL REMEDIES – The Board of Directors may also direct the Association's attorney to take legal action to foreclose the lien to collect Assessments and other charges which remain unpaid. The Association's attorney may also file a Writ of Execution against the Owner, which could result in the seizure of Owner's personal property in an effort to collect Assessments and other charges. Further, the Association's attorney may also file for garnishment of bank and/or payroll accounts.
11. COLLECTION COSTS – The delinquent Owner(s) shall be liable for payment of all collection costs, including legal and administrative expenses, resulting from the Owner's failure to pay Assessments when due.
12. PRIORITY OF PAYMENTS - Payments received from Owners shall be credited to the Assessment account according to the following order of priority:
  - a. Attorney's fees
  - b. Collection costs
  - c. Late fees
  - d. Interest
  - e. Special Assessments, if any
  - f. Assessments (payments applied to oldest debt first)
13. SUSPENSION OF RIGHTS – A delinquent owner shall not be entitled to vote and the Owner's right to use the Association's recreational facilities and/or the Common Areas may be suspended until such time as the Owner's account is paid in full.
14. PAYMENT PLANS – The Board of Directors in its sole discretion may, but is in no way obligated to, consider a payment plan or other resolution with a delinquent Owner, provided such a request is submitted in writing by the Owner for the Board's consideration. The Board may authorize the Management Agent or the Association's attorney to accept payment plans that meet predetermined criteria. Proposing a payment plan in no way alters the Owner's obligation to continue to pay all assessments when due. Submitting a request or written payment plan proposal may not stay collection action. An approved payment plan does not alleviate any "Suspension of Rights" as noted above.
15. WAIVER – Except as otherwise required by law or the Association's Declaration or Bylaws, the Board may, in its sole discretion, alter the timing and/or sequence of any of the above-described actions it may take or authorize to collect unpaid assessments from delinquent Owners.
16. This Collection of Assessments Procedure shall replace and supersede any previously-adopted similar procedures and shall be updated/revised with a majority vote of the Board.

***Herewith adopted by the Board of Directors of the Spring Mills Subdivision Unit Owners Association, Inc., to become effective immediately.***



Board President, Spring Mills Subdivision UOA, Inc.

19 Nov 2022  
Date