

Crystal Shores Owners Association Policy on Assessments Collection

1. Annual Assessment Due Date and Past Due Date – The Annual Assessment is allowed for in the Declaration of Covenants, Conditions and Restrictions and is determined by the Board of Directors. The Annual Assessment shall be due on January 1 of each year. Annual Assessments not paid to the Association on or before January 31 of each year shall be considered past due and late.

2. Interest Fee – Any Annual Assessment that is past due and late or any unpaid Assessment balance shall be subject to a 18% per annum (or 1.5% per month) rate of interest. Such interest shall be due and payable with the late assessment payment.

3. Collection Costs on Late Assessment Accounts – As an additional expense permitted by the Declaration of Covenants, Conditions and Restrictions, the Association shall be entitled to recover its reasonable collection costs, including Attorney's fees incurred in the collection of assessments and other charges due the Association from a late paying Owner.

4. Distribution of Late Assessment Payments Made to the Association – In accordance with Florida Statute 720.3085(3)(b), payments received from an Owner for a late assessment account shall be credited in the following order:

- a. Interest Fees incurred on past due Assessments
- b. Legal/Collection Costs and Returned Check Charges
- c. Past Due Assessments

5. Notice of Late Assessment Letter – If an Owner has not paid the Annual Assessment payment on or before January 31 of the year, then the Association will send a "Notice of Late Assessment" letter to the Owner by US Mail as specified by Paragraph 14 of this Policy.

Such letter shall contain a notification that if full payment of past due Assessments plus accrued interest is not received within 30 days from the date of the letter, then the Association will turn the Assessment account to our Attorney for collection.

6. 45-Day Demand Letter with Intent to File Lien – If an Owner has not paid the Annual Assessment payment within 30 days from the date of the Notice of Late Assessment letter, then the Association will send the Assessment account to their Attorney and instruct the Attorney to send the Owner a "45-Day Demand Letter with Intent to File Lien".

7. Claim of Lien Filing - If an Owner has not paid the Annual Assessment payment on or before 45 days after the date the "45-Day Demand Letter with Intent to File Lien" letter is mailed, then the Association will instruct their Attorney to file a "Claim of Lien" for the late Assessment, accrued interest and accrued legal/collection costs, which can include the Demand Letter preparation legal fees, Claim of Lien preparation legal fees, filing fees and recording fees.

8. Returned Check Charges – In addition to interest, collection and legal fees imposed by the Declaration of Covenants, Conditions and Restrictions, a twenty-five dollar (\$25.00) fee shall be assessed against an Owner in the event any check or other payment instrument submitted by an Owner is not honored by the bank or returned by the bank for any reason whatsoever, including but not limited to insufficient funds.

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9. Late Assessment Payments – Unless otherwise specified by the Association or the Association Attorney, all late Assessment payments, including interest fees, collection/legal fees, which are paid 30-days after the due date (due date is defined as January 1), shall be submitted to the Association in the form of Bank Check or Money Order. Payments for late assessment accounts shall be made out to: Crystal Shores Owner's Association, Inc.

And mailed to: Crystal Shores Owner's Association, Inc
PO Box 9005
Miramar Beach, FL 32550

10. Failure to Satisfy Lien – If the Owner fails to satisfy the lien by making full payment to the Association within 45 days of being notified of the Claim of Lien filing/recording, then the Association may proceed with further legal action and/or collections efforts, which could include, but not be limited to, foreclosure proceedings and/or money judgment.

11. Satisfaction of Lien – When full payment of the Assessment lien amount is received and clears the Association bank account, the Association will instruct the Attorney to prepare and file a "Satisfaction of Lien" letter.

12. Schedule of Collection Procedures- The following times/dates shall be used in the collection of the Annual Assessment and the collection of late Annual Assessment accounts:

Annual Assessment Due Date	January 1 of each year
Annual Assessment Past Due Date	January 31 of each year
Assessment Interest Charge date	1 st of each month after January 31
Notice of Late Assessment Letter mailing	On or After February 1
45-Day Demand Letter with Intent to Lien mailing	On or After March 1
Claim of Lien filing/recording	On or After April 15

13. Special Assessments – Any Special Assessment shall be assigned a Due Date and a Past Due Date. The collection of a Special Assessment and the collection of a late Special Assessment shall be handled using the collection procedures specified herein with the timing of such procedures specified as follows:

Special Assessment Past Due Date	30 days after Due Date
Assessment Interest Charge date	each 30-day period after Due Date
Notice of Late Assessment Letter mailing	30 days after Due Date
45-Day Demand Letter with Intent to Lien mailing	60 days after Due Date
Claim of Lien filing/recording	45 days after Demand Letter Date

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14. Notice of Late Assessment Letter to Owner

Notice of Late Assessments will be sent to the owner(s) with assessments not paid after 30 days from the due date and shall be written and mailed in accordance with the following Florida Statute:

FS 720.3085 (3)(d) An association may not require payment of attorney fees related to a past due assessment without first delivering a written notice of late assessment to the parcel owner which specifies the amount owed the association and provides the parcel owner an opportunity to pay the amount owed without the assessment of attorney fees.

The notice of late assessment must be sent by first-class United States mail to the owner at his or her last address as reflected in the association's records and, if such address is not the parcel address, must also be sent by first-class United States mail to the parcel address.

Notice is deemed to have been delivered upon mailing as required by this paragraph. A rebuttable presumption that an association mailed a notice in accordance with this paragraph is established if a board member, officer, or agent of the association, or a manager licensed under part VIII of chapter 468, provides a sworn affidavit attesting to such mailing.

The notice must be in substantially the following form:

NOTICE OF LATE ASSESSMENT

RE: Parcel of (name of association)

The following amounts are currently due on your account to (name of association), and must be paid within 30 days after the date of this letter. This letter shall serve as the association's notice to proceed with further collection action against your property no sooner than 30 days after the date of this letter, unless you pay in full the amounts set forth below:

<i>Maintenance due <u>(dates)</u></i>	<i>\$ _____</i>
<i>Late fee, if applicable</i>	<i>\$ _____</i>
<i>Interest through <u>(dates)</u> *</i>	<i>\$ _____</i>
<i>TOTAL OUTSTANDING</i>	<i>\$ _____</i>

The Crystal Shores Owner's Association Board of Directors revised, approved and adopted this Policy on the 11th day of January, 2023. This Policy shall be effective the 12th day of January, 2023.