



# RAINTREE HOMEOWNERS ASSOCIATION, INC.

## ADMINISTRATIVE RESOLUTION 2003-01

### COLLECTION POLICY

WHEREAS, Article V, Section 1 of the Declaration of Covenants, Conditions and Restrictions of the Raintree Homeowners Association, Inc. deems that annual assessments, interest, late charges, costs of collection, and reasonable attorney's fees, shall be a charge and lien upon each Lot; and

WHEREAS, Article V, Section 9 of the Declaration empowers the Association to collect payment of all costs and reasonable attorneys fees incurred as a result of non-payment of the assessment amount; and

WHEREAS Article VI, Section 2, of the By-Laws grant the Board of Directors with the power to conduct Association business and establish a procedure for collection of assessments:

THEREFORE, BE IT RESOLVED THAT the following Collection Policy will be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, special assessments, rules enforcement fees, repairs to the common area that are the owner's responsibility, legal fees and other costs associated with the collection of funds on behalf of the Association. The amount of the regular assessment will be determined by the Board by December 1<sup>st</sup> of the preceding year and sent to all Lot owners.
2. PAYMENT SCHEDULE. The regular assessment is payable January 1st of each calendar year. Fees not received or postmarked by January 30th will be considered past due.
3. LATE FEES, NSF & INTEREST CHARGES. A one time late fee of twenty dollars (\$20) shall be charged on all accounts past due and any balance older than 30 days shall bear interest from January 30th at the rate of twenty percent (20%) per annum (calculated monthly) until paid. Checks returned to the Association for "Non Sufficient Funds" (NSF) will be charged an additional twenty-five dollars (\$25) to cover the costs incurred by the Association.
4. ORDER OF CREDITING PAYMENTS. Payments received shall be first applied to assessments owed, then to late charges, interest, or collection expenses.
5. PROCESS FOR DELINQUENCY NOTIFICATION. For all balances that are thirty (30) days past due, the following notification process applies:
  - 5.1. FIRST NOTICE. A First Notice of Delinquent Assessments including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by Certificate of Mailing to an owner whose balance is thirty (30) days past due.
  - 5.2. SECOND NOTICE. A Second Notice of Delinquent Assessments including detail of assessments, late fees, NSF charges, interest and other charges that apply will be sent by Certificate of Mailing to an owner whose balance is sixty (60) days past due.
  - 5.3. 10-DAY DEMAND. A 10 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent to an owner whose balance is seventy five (75) days past due. This Notice will be sent by Certified Letter and indicate intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 10 days. Attorney actions include but are not limited to filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.
6. LEGAL FEES. In any action brought by the Association, the Board or a homeowner as provided in this policy, the prevailing party shall be entitled to recover legal fees incurred in connection with the action.



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7. OTHER CHARGES. The Association may charge the owner for the following items which will be added to the Lot owner's assessment:
- a) Fees charged to collect funds payable to the Association
  - b) Owner bankruptcy
  - c) Foreclosure action or deed in lieu of foreclosure
  - d) Notification, filing and satisfying liens
  - e) Enforcement of the Association's Rules, By-Laws, Declaration or Policies
  - f) Injunctive Relief
  - g) Costs of litigation
  - h) Repairs to the Association's common areas that result from the acts of owners, their tenants or guests.

Recorded in the Minutes: April 22, 2003

Adopted on: May 24, 2003

Brent J. Leib, President - Board of Directors