

# MIRROR LAKE HOME OWNERS ASSOCIATION, INC.

## ASSOCIATION DUES & COLLECTION FEES

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>Assessment</b>	<b>Home Owner Annual Dues</b>	<b>\$ 475.00</b>
<b>Late Fees</b>	<b>Commencing 31 Days After January 01 Due Date Additional \$35.00 per Calendar Quarter</b>	<b>\$ 35.00</b>
<b>Interest</b>	<b>Assessed at 16% Maximum Per Annum</b>	
<b>Lien Placed/Removal Fee</b>	<b>Lien Filed For Outstanding Dues/Assessments Includes Remove Lien for Dues Paid</b>	<b>\$ 125.00</b>
<b>Letter Fee</b>	<b>Notify Lien Placed</b>	<b>\$ 15.00</b>
<b>Letter Fee</b>	<b>Letter Relative to Collection</b>	<b>\$ 15.00</b>
<b>Letter Fee</b>	<b>Estoppel/Assessment Letter</b>	<b>\$ 15.00</b>
<b>Law Suit Warning</b>	<b>Letter of Advice</b>	<b>\$ 15.00</b>
<b>Statement of Claim (One Person)</b>	<b>Magistrate Claim Fee (Douglas County) (Includes Service)</b>	<b>\$ 103.00</b>
<b>Statement of Claim (Each Additional Person)</b>	<b>Magistrate Claim Fee (Douglas County) (Includes Service)</b>	<b>\$ 50.00</b>
<b>Statement of Claim (One Person)</b>	<b>Magistrate Claim Fee (Carroll County) (Includes Service)</b>	<b>\$ 98.00</b>
<b>Statement of Claim (Each Additional Person)</b>	<b>Magistrate Claim Fee (Carroll County) (Includes Service)</b>	<b>\$ 50.00</b>
<b>Special Service</b>	<b>If County Service Not Successful</b>	<b>Third Party Cost</b>
<b>Lawsuit Fees</b>	<b>Filing &amp; Defending Lawsuit</b>	<b>Third Party Cost</b>
<b>Attorney Fees</b>	<b>As Applicable Until Payment of Debt in Full</b>	<b>To Be Determined</b>
<b>Lawn Service</b>	<b>Neglected or Abandoned Properties</b>	<b>\$ 75.00</b>
<b>Transfer &amp; Initiation Fee</b>	<b>Home Sale and/or Deed Transfer</b>	<b>\$ 500.00</b>
<b>Covenants</b>	<b>Complete Copy of Covenants</b>	<b>\$ 25.00</b>

# ASSESSMENT COLLECTION AND FREQUENTLY ASKED QUESTIONS

## PREAMBLE

For the year 2017, the Management and Board of the HOA has found it necessary to increase the dues to \$475.00, due to continued rising costs, foreclosures, hardships, and catch-up for mandatory expenditures at the Mirror Lake Dam during 2016. The +1,135 residents of this HOA made a commitment to pay their annual assessments when they were attracted to purchase within the community and accordingly the Board and HOA Management are committed to collect the obligations. Unpaid dues can quickly lead to very expensive costs for delinquent owners. Thus the following information is presented to clearly portray the obligation of the residents of this community and the duties of your Board and Management group to make this all come together.

Many circumstances can occur to cause a homeowner to fall behind on his, her or jointly, their assessment payments. As with other obligations, there are ways to handle delinquencies to produce a win-win situation. However, the burden remains with the homeowner to take this obligation seriously and to respond promptly to communication from the Association and its agents who are mandated with the responsibility to collect assessments.

## FREQUENTLY ASKED QUESTIONS:

### **Q: What establishes my responsibility to pay dues to the HOA?**

**A:** The Declaration of Protective Covenants, Conditions, Restrictions and Easements (herein subsequently referred to as the "Covenants) for Mirror Lake Home Owners Association, Inc. (herein subsequently referred to as the "Association"), are the primary authority that regulates not only your responsibility to pay but the assessment as well. Essentially, the Covenant documents require the Board of Directors or the Board to fund the Association at necessary levels to meet its obligations. These obligations normally include common area maintenance, reserves, amenities, insurance, and in many cases security, landscape and other items such as the Category I Dam and Lake areas. The Board has a fiduciary duty outlined in the Covenants as well as in the civil codes to properly fund the Association to meet all obligations. Our Covenants help to regulate the function of the Association and also have very strict requirements not only to fund, but also to collect the assessments from homeowner members of the Association.

### **Q: How do I know how much my assessments are, and how is this determined?**

**A:** The Association is required to prepare an annual budget and to distribute it to the members. The annual dues are outlined in this document. The Board, because of its duty to fund the Association properly, has the authority under the law to raise assessments to fund proper HOA operations. This law was designed to give the Board sufficient authority to fund operations without having to appeal to homeowners to raise assessments.

### **Q: Is my obligation to pay assessments enforceable?**

**A:** Yes, not only is it enforceable, but residents have lost their homes over failure to pay their assessments. Virtually all governing documents, which are recorded as part of your property ownership, have a provision for the Association to use whatever means possible to collect your assessments.

That includes foreclosing on your home if you don't pay them, and in a relatively short time – as early as 90 to 180 days. That means that if you are five months behind on your assessment of \$475.00, you can lose your \$250,000 home over a \$730.00 delinquency. The law is very strict on this topic and the Association has almost as much authority to put you in foreclosure as does your mortgage holder.

**Q: Are there procedures for collecting assessments?**

**A:** Absolutely, and the Association is required to follow them. The law protects you against capricious actions by the Association and it requires each homeowner to be treated the same way regarding collections. Your Association publishes their Assessment Collection Policy on their Website to the members as part of their disclosure responsibility. Irrespective if you saw or read these documents or not, doesn't excuse your responsibility to pay your dues. If you want a copy of any Association policy you need to simply ask. Most delinquency policies are published along with the annual budget.

**Q: Is there a penalty for not paying my assessments?**

**A:** Yes, the Association assesses a late payment fee much like your credit cards. Interest at 16% per annum is also applicable to all amounts in arrears. Fees are outlined in the section preceding these FAQ'S pages.

**Q: What happens if I don't pay my dues?**

**A:** Generally, the Administrator will assess a late penalty and/or interest additional to outstanding amount of unpaid dues. We will give members the benefit of the doubt for up to sixty days before a Lien is considered. Perhaps you are out of town, didn't have the money, forgot or simply just didn't write the check. If your dues are in arrears more than sixty days, the Association will file a Lien against your property with the Douglas County or Carroll County Office of the Clerk of Superior Court in the amount as determined for delinquent dues, late fees, interest, and filing costs. Once the Lien is filed, the Association will send you a letter advising a Lien has been filed along with a filed copy for your information and notice that if you do not respond with payment during the following thirty days, the Association will commence collection procedures.

**Q: What happens to the process once my file is turned over to a Collection Agency?**

**(Note: The Association may elect to conduct its own collection; the procedure is similar)**

**A:** Once your account is turned over to the contracted Collection Agency, you will need to direct all calls, correspondence and payments to the Collector until your account is at a zero balance. It is extremely important that you follow this procedure because if you don't, it will cause delays which can cost you more money for collection activities that could have been avoided.

During the collection process you will not receive your normal billing statement; instead all communications and balance information will be sent or communicated to you by the Collection Agency. Therefore, we stress that it is important you correspond with them directly and regularly as they are there to help you resolve your delinquency.

The Collection Agency and the Association are subject to the Fair Debt Collection Practices Act and applicable Georgia law. They have parameters and guidelines to use to collect your delinquent dues but may employ law suit, judgment, garnishment or other legal action to the fullest extent of the law to collect the account. They can check your credit, determine your assets, run title searches on your property and even foreclose on your home by forcing it to public sale through non-judicial foreclosure.

The Collection Agency also has fees for their service, all of which may be added to your account. This can be very expensive and cause a \$730.00 delinquency to result in a \$1,900 secured debt. The law recognizes and supports these fees as legitimate and you are obligated to pay them.

**Q: What if I get a notice from the Collection Agency or an Attorney and I simply can't pay?**

**A:** Call them immediately and explain your situation. We don't want to foreclose on anyone's home. If you cooperate, the collection representatives can work out a payment plan to help you get back on track. We encourage these plans because we realize that people's lives go through cycles of job loss, financial setbacks, etc. This is a part of life. But to ignore collection activity regarding past due assessments is really bad judgment because you can lose your home over it. This is serious business and you need to recognize it as such. The collection people our Association uses are very knowledgeable and helpful. They are very diplomatic and do not pre-judge anyone as long as you respond to their inquiries and, if an agreement is concluded with you for payment, that you in fact honor the agreement.

**Q: What if I can't make an arrangement with the Collection Agency that meets my ability to pay?**

**A:** The ball remains in your court to make the initial call to discuss your situation. If your financial situation requires a payment plan that will exceed the authority granted to the Collection Agency, they will facilitate a process to get your written appeal to the Board so that the Board can consider your proposal. Then they will provide the Board's decision to you in writing and will work with you in resolving the account. Late fees and expenses will continue to be charged to your account until all fees are paid. The Association may also suspend your right to use common areas and to vote on Association matters.

**Q: What if I simply refuse to pay in dispute of the process?**

**A:** The law is very clear on this matter. Basically it states that you need to pay the account in full under protest and then challenge the assessment. For a copy of the law and the procedure in which disputes are handled, you can contact the Collection Agency and they will be happy to provide it to you at no charge.

**Q: Can I withhold my assessments because of something like an enforcement issue or disagreement about a maintenance item or other policy matter?**

**A:** Again, the law is very clear on this matter and states that an owner may not withhold assessments owed to the Association on the grounds that the owner is entitled to recover money or damages from the Association for some other obligation. Regardless of your dispute, even if you were current on your assessment when you started the dispute you will be assessed late penalties and fines during all months you do not pay and eventually sent to collection. You are then subject to all the collection avenues identified above.

**Q: What if I lose my home in foreclosure and unpaid assessments remain due?**

**A:** If you lose your home through foreclosure by the mortgage company, the debt then becomes a personal obligation subject to collection against you personally, including a judgment against you, garnishment of wages or other lawful process as deemed necessary to collect the account.