Assessment Collection Policy for Delinquent Dues and Associated Late Fees for Amherst Homeowners Association, Inc

(Adopted 2|18|20**)**

DELINQUENCY POLICY

The policy below shall apply to all Association property owners who become delinquent in paying their assessments or late fees. Assessments are due on the first (1) day of January, April, July, and October.

This Delinquency Policy allows the Community Manager to execute the collection proceedings against any homeowner that falls delinquent under this policy.

Upon a property owner becoming **30 days** delinquent in dues or late fees, the Community Manager shall send a letter reminding them that their payment has not been received, and a late fee of $20.00 has been assessed and will continue to accrue at a rate of $20.00 each month until the assessment is paid.

Upon a property owner becoming **60 days** delinquent in dues or late fees, the Community Manager shall send a second late notice.

Upon a property owner becoming **90 days** delinquent in dues or late fees, the Community Manager shall send a 15-day Demand notice to the property owner: 1- informing the property owner of the amount of the delinquent dues and the time period the dues are delinquent: 2- late fees are assessed, the current amount of late fees, and the rate late fees will continue to be assessed: 3- the referenced account is being referred for collections and a lien to be filed if full payment is not received by the Demand letter deadline. An administrative fee will be charged to the homeowner for the letter due to state requirements of either County Tax Record search or Title Search.

The Board of Directors will allow the Community Manager to use good judgment to negotiate, establish, and accept payment plans from owners in lieu of legal action. Any owner negligent in making payments as planned will be considered delinquent from the initial time the assessment was due and the Community Manager may proceed with legal action without further warning notices. An administrative fee of $30.00 will be charged to the homeowner for the implementation of a payment plan arrangement for a homeowner.

If payment has not been received after the 15-day Demand period, then the Community Manager shall turn the account over to an Attorney or Collections Agent acting on behalf of the Homeowners Association.

Once an account is referred to the attorney, all payments and correspondence will be directed through the attorney. The property owner will be responsible for all assessments, late fees, collections costs and legal fees. Any payment received is first applied to legal fees incurred, collections costs, late fees and fines, and then applied to the outstanding assessment balance.

The Board of Directors, typically upon recommendation from the Community Manager, will determine any further action necessary for collecting assessments, late fees and attorney fees for all accounts over 3 months or $500 delinquent. Possible collections alternatives include, but are not limited to, initiating an action for a small claims court judgment, and/or initiating foreclosure on the property.

Upon receiving direction from the Association Board of Directors (also identified as the Board), the Community Manager shall initiate foreclosure proceedings on behalf of the Association in accordance with Article 5, Section 8 of the Master Declaration of Covenants Conditions and Restrictions for Amherst Homeowner's Association.

Upon request from a Homeowner, the Board of Directors may waive late fees based on reasonable cause and only after all delinquent dues are paid in full.

Any adjustments, exemptions, or exceptions to this policy will be from formal vote of the Board of Directors.

______________________ Date: 2/18/26
HOA President

ATTEST:

J. Grezuski ______________________ Date: 2/18/25
Secretary