

# Millfording Preserve

## Homeowners Association

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### Assessment Payment and Collection Policy

Effective January 1, 2019

Executive Board Approved Nov 14<sup>th</sup> 2018

The intent of this policy is to establish a clear due date and define the process to be followed for collection of regular assessments, special assessments, and fees in accordance with the governing documents and as agreed when the unit was purchased.

The Assessments, Fees and Special Assessments shall be paid by the Member on or before the **first (1<sup>st</sup>) day of the year**. If any charge levied against any unit is not paid when due, it shall become a lien upon said unit until paid in full. The Board of Directors, on behalf of the Association, may bring such actions as it shall determine appropriate at law or in equity, by way of imposition and foreclosure of a lien upon a Member's Unit or otherwise, to collect the delinquent Assessments, Fees and Special Assessments including, but not limited to: cost of collection, including Court and Sheriff's cost, administrative cost, reasonable attorney's fee and or collection agency fees, and interest at a rate fixed by resolution of the Board of Directors which does not exceed for purpose of comparison, the rate current in the Commonwealth of Pennsylvania as provided in the Goods and Service Installment Sales Act, as amended. The sale or transfer of any Unit, either voluntary or involuntary, including Sheriff Sales and Tax Sales, shall not extinguish any lien for charges provided for herein, except discharge of any lien pursuant to the bankruptcy laws of the United States of America.

The following steps will be taken if an account is in arrears:

1. After the **15<sup>th</sup>** of the month in which payment is due, a late fee of **\$12.50** will be added to the Unit Owner's account. This fee will also be added monthly thereafter until the account is returned to a zero balance.
2. After the **15<sup>th</sup>** of the month in which payment is due, an administrative fee of **\$10** will be added to the Unit Owner's account. This fee will also be added monthly thereafter until the account is returned to a zero balance.
3. A late notice will, including an account statement will be mailed to the owner by the **20<sup>th</sup>** of the month.
4. A warning letter will be sent to the delinquent unit owner, with balance above 10% of the annual assessment, stating the amount owed and the penalty for non-payment on accounts

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more than 30 days delinquent with balance above 10% of the annual assessment. A charge of \$10 will be added to the owners account for this letter.

5. If payment in full has not been received within two (2) weeks of the mailing of the first delinquent notice, a second notice will be sent by certified mail again stating the amount owed and the penalty for non-payment. The cost of the certified postage and an administrative fee of \$10 will be added to the Unit Owner's account.
6. A demand letter will be sent to the delinquent unit owner, with balance above 10% of the annual assessment, stating the amount owed and the penalty for non-payment on accounts more than 60 days delinquent. This letter will be sent regular and certified mail. The cost of the certified postage and an administrative fee of \$10 will be added to the Unit Owner's account.
7. If the balance on the delinquent account has reached at least ninety (90) days of delinquency and is greater than \$100, the account will be turned over to collection. All costs associated with the collection process will be added to the Unit Owner's Account. (Executive Board may bypass Step 4 and 5 for delinquent accounts owing more than one year's worth of assessments. (See Step 6)
8. If a special assessment is three (3) months overdue the account may be turned over to collection. All costs associated with the collection process will be added to the Unit Owner's Account.
9. In the event an account has been turned over to collection, the Collection agency will be allowed a period of no less than 180 days to either collect monies owed on the account or to produce written verification of activity toward satisfaction of debt. Should neither of these occur, the account will be returned to the Association and the filing process will begin. All fees associated with this process in addition to the costs of filing will be added to the Unit Owner's account.
10. If any account has had a past due balance more than one hundred eighty (180) days the Executive Board may choose to bypass all the above steps above and begin the filing process immediately. All costs associated with the filing process will be added to the Unit Owner's Account.

Once a judgment has been made the amount owed on the account is to be paid immediately. Failure to comply will result in further legal action, collection activity, and the additional costs associated with such.