

Cherry Grove Condominium Association Board Policy Statement

Collection of Delinquent Accounts

Whereas, the Board of Directors of Cherry Grove Condominium Association is empowered to govern the affairs of the Association, and

Whereas, co-owners are required to make assessment payments to the Association, and

Whereas, it may be necessary to collect on delinquent accounts as a result of non-payment of Association assessments,

Therefore, be it resolved that the policy for the collection of delinquent accounts shall be as follows:

1. The monthly assessment is due on the first of each month. Any balance remaining after the tenth of the month is delinquent and a late fee of \$15.00 shall be added to the account. (Article II, Section 3)
2. A late notice will be mailed to a delinquent co-owner showing the total balance due including late fees and any collection costs. A late notice is a courtesy and is not required. Failure of management to send a notice, or of the co-owner to receive the notice, shall not prevent further collection action, or excuse the co-owner from payment of all delinquent assessments, late fees and collection charges.
3. When the delinquent balance of an account is equal to or greater than three (3) months assessments the Association's legal counsel shall be directed to notify the co-owner that:
 - A. A lien may be recorded against the unit if the arrearage is not paid within thirty (30) days.
 - B. All collection costs will be added to the member's account.
 - C. The remaining balance of the annual assessment will be immediately due and payable, if the arrearage is not paid within thirty (30) days.
4. If thirty (30) days after the above notice is sent, the balance is not paid, the Association's legal counsel may record a lien against the co-owner's unit and so notify the co-owner.
5. If the account has not been paid in full within 10 days of filing the lien, the Board may then authorize the Association's legal counsel to commence a suit at law against the delinquent co-owner for all sums due to the Association including, but not limited to, late charges, assessments due through the remainder of the fiscal year, legal costs and legal fees incurred by the Association to collect the delinquency, or to foreclose upon the Association's lien against the unit, whichever course is deemed more beneficial to the Association.

Policy approved by the Board: February 17, 2004

Policy mailed to co-owners: date

Policy effective: February 17, 2004