

**PROPOSED POLICIES AND PROCEDURES FOR DELINQUENT ACCOUNTS
NOVEMBER 2008**

In accordance with the Association's by-laws, assessments shall be made for the fiscal year at least 30 days preceding the beginning of such fiscal year and shall be **due on the first day of each quarter** of the said fiscal year.¹

To insure timely payments the Association will send an invoice **thirty days before the due date** indicating on the invoice the amount of the quarterly assessment and the due date.

Fifteen days after the due date the Association shall notify owners of unpaid assessments by sending a statement indicating the amount delinquent plus interest charges. The account statement shall include the following notice: Your quarterly assessment payment is now more than ten (10) days past due; therefore, interest charges are accruing on your account at the rate of 10% per annum from the date due until paid. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment.

Prior to sending the statement the Association will calculate interest charges beginning at the due date in accordance with section 6.2 of the Declaration of Condominiums, which allows for interest to be calculated on the unpaid balance at the rate of 10% per annum.²

Thirty days after the due date the interest charges will be updated and a second statement will be sent to the owner of record indicating the amount due which includes the delinquent assessment plus interest charges. This account statement shall include the following notice: Your account is now at least thirty (30) days past due. It is the intent of the Association to file a lien on your condominium for the past due assessment plus interest charges. The Association attorney will be contacted thirty (30) days after the mailing of this notice to file the lien.³

If payment has not been received from the unit owner within thirty (30) days of the second notice, the general manager shall contact the Association's attorney to file a lien on the condominium.

Sixty (60) days after the due date a third and final statement shall be sent to the unit owner of record and shall include the amount past due plus interest charges and attorney fees, if any, and shall include the following notice: Your account is now more than sixty (60) days past due. It is the intent of the Association to file a foreclosure action against your condominium to collect the payment due the Association. The Association attorney will be contacted to file for foreclosure on your condominium thirty (30) days after the mailing of this notice.⁴

The Board of Directors will be notified of delinquent accounts at every normal business meeting.

NSF (Insufficient Funds) checks are to be redeposited once after determining sufficiency of funds in the owner's bank account. Payment of fees with foreign checks that are insufficient because of currency exchanges will be deposited and any unpaid balance as a result of the exchange will be subject to interest charges as indicated above. A charge of \$25 for each NSF check and/or for each short check as a result of currency exchange shall be made to the owner and a letter sent explaining the charge.

¹Bylaws Section 6.3

²Section 6.2 of the Declarations states that, "Assessments and installments on such assessments paid on or before 10 days after the day when due shall not bear interest, but all sums not paid on or before 10 days after the date when due shall bear interest at the rate of 10% per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due. Assessments not paid within 30 days may be declared by the Association to be a lien on the unit."

³See Florida Statute 718.121(4)

⁴See Florida Statute 718.116(6)