

Sardis Forest Patio Homes Association, Inc.
Administrative Resolution #1: Delinquency Policy

Adopted by the Board of Directors on October 5, 2015
Amended November 16, 2021
Amended June 18, 2022
Amended February 7, 2024
Amended December 18, 2024

WHEREAS, Article V Sardis Forest Patio Homes Association, Inc. Declaration of Covenants, Conditions, and Restrictions grants the authority to the Board of Directors to establish late charges to defray the cost of late payment and to record a lien against any lot ("home") to secure payment of assessments that remain unpaid. Because the Association's economic well-being relies on the timely payment of assessments and other allowable charges, it is the Board's duty to use its best efforts to collect funds owed to the Association.

NOW, THEREFORE, BE IT RESOLVED THAT these collection procedures shall be followed:

- 1. AMOUNTS PAYABLE TO THE ASSOCIATION** include, but are not limited to, regular assessments, special assessments, rules enforcement fees, late fees, repairs to the common area that are an owner's responsibility, legal fees and other costs associated with the collection of funds on behalf of the Association.
- 2. PAYMENT SCHEDULE.** The regular assessment for homes is due on the 1st of each month. Assessments not received within 30 days of the due date will be considered past due.
- 3. NSF & INTEREST CHARGES.**
 - A late fee of \$20.00 per month that the account remains delinquent.
 - A \$36.00 NSF (Non-Sufficient Funds) charge will apply to any returned check.
- 4. ORDER OF CREDITING PAYMENTS.** Payments received shall first be applied to violation fines and late penalties, then to collection expenses, and then to assessments owed.
- 5. PROCESS FOR DELINQUENCY NOTIFICATION.** For all balances that are not received by the due date plus thirty (30) days, the following notification process applies:
 - **PAST DUE:** A Past Due Letter for payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner thirty (30) days following the due date. The notice will request the balance to be paid in full within thirty (30) days.
 - **15 DAY DEMAND:** A 15 Day Demand for Payment including detail of assessments, late fees, NSF charges and interest charges that apply will be sent by First Class Mail to an owner sixty (60) days following the due date. This Notice will recite intent to turn the matter over to an attorney for collection enforcement if the balance is not paid within fifteen (15) days. Attorney actions include, but are not limited to, filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.
 - **LIEN AND FORECLOSURE:** If the balance is not paid in full within seventy-five (75) days following the due date, the delinquent account will be forwarded to the Association's attorney for lien filing and collection action. HOA Foreclosure action will only be initiated

with a majority approval and signature of the Board of Directors.

6. PAYMENT PLANS: Payment plan proposals made by written request to the Board of Directors, attorney or management company will be reviewed for approval by the Board of Directors.

7. WAIVER OF LATE FEES: At the request of a homeowner, the Management Company for Sardis Forest Patio Homes Association, Inc. has the authority to waive late fees if

- The homeowner has a history of timely payments
- This is the first time the homeowner has been delinquent
- No more than two (2) months of late fees are involved
- The homeowner has been sent only one communication regarding a past due issue

Waiver requests that do not meet the conditions above must be addressed by the Board of Directors.

If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and related collection costs in accordance with the Declaration of Covenants Conditions and Restrictions. Once an account is sent to an attorney for collection, the entire unpaid balance due shall be accelerated and declared immediately due and payable.

/s/ Catherine Kanvik 
President, Board of Directors

December 18, 2024
Date

/s/ Amber Krausse  RPH
Vice President, Board of Directors

Dec 21st 2024 December 18, 2024
Date

SIGNATURES ON FILE