

COLLECTIONS POLICY

ASSESSMENT RELATED

1. Assessment statements will be mailed to all Property Owners of record by the FCCA management staff in November prior to the assessment year. All assessments are due and payable to the Association on January 1st of the assessment year.
2. Interest at a rate of 10% per year is charged on assessments to all accounts that remain unpaid or delinquent as of the last day of each month. A monthly late fee of \$15.00 is also applied to all delinquent accounts. (The monthly late fee is reduced to \$5.00 for those accounts with an approved payment plan – see Payment Plan Policy below). January is considered to be a grace period, if the account is paid by January 31st. Thereafter the account is delinquent. Delinquent accounts are those with a past due assessment balance that are not on an approved, written Payment Plan. Late fees and interest for the month of January will be charged if an account remains delinquent after January 31st. Additional late fees and interest will accrue for each subsequent month the account remains unpaid.

Example: Account owes \$438. Account not paid by January 31st. On February 1st late fee of \$15 is added to account balance. Interest of \$3.65 is added to account balance. New balance is \$456.65. (Interest charges will be the same whether the payment is 1 day late or 10 days late because the charge is for the month of January.)

Same account still not paid by February 28th. On March 1st late fee of \$15 is added to account balance. Interest of \$3.65 is added to account balance. New balance is \$475.30. (Interest charges will be the same whether the payment is 1 day late or 10 days late because the charge is for the month of February.)

Different neighborhoods may have different assessment amounts. The above is an example only.

3. U.S. Postal Service postmarks will be used to determine whether a payment is on time or late for purposes of applying late fee and interest. Any payment not postmarked by January 31st will be subject to late fees and interest. Envelope containing payment must be clearly marked with owner's return address and account number in order to receive late fee waiver based on postmark. (In most cases, our banking facilities open and post payments. We subsequently review postmarks for late fee waivers.)
4. **On February 1st**, all amounts billed January 1st become delinquent. This does not include voluntary contribution requests. All Property Owners with any delinquent amounts outstanding (including assessments, deed restriction fines, legal fees, interest, and late fees) are deemed to be a "member not in good standing". This includes all accounts for which there are approved payment plan or amounts being disputed by a Property Owner until such time as any disputed balance is paid or the dispute resolved.
5. **After February 1st**, the FCCA management staff will mail a past due statement to each delinquent Property Owner setting forth all amounts due plus late fees and interest. Amounts detailed are due the last day of February.
6. **After March 1st**, the FCCA management staff will mail another past due statement by certified mail to each delinquent account setting forth all amounts due plus late fees and interest. Amounts detailed are due the last day of March. This statement will include notification to the Property Owner of their responsibility to reimburse future legal fees associated with the collection of this account.
7. **After April 1st**, the FCCA management staff will have a title search performed on each delinquent property to verify ownership and to determine the current mortgage holders. A \$25.00 fee will be added to the account for the expense of the title search, plus late fees and interest. Another statement will be mailed to each delinquent account, with amounts detailed due the last day of April.

8. **After May 1st**, delinquent accounts will be turned over to the Association counsel to pursue collection efforts and all remedies available. All applicable attorney's fees and costs, plus monthly late fees and interest will be added to the account.
9. After obtaining a judgment, post judgment remedies will be considered on a case-by-case basis. Utilizing the Order of Sale to satisfy the judgment is one option.

PAYMENT PLAN

Payment Plans may be approved provided:

1. Application is not from a Property Owner with a history of late payments and or defaulted payment plans.
2. There are no outstanding deed restriction fines or legal fees on the account.
3. The proposed payment schedule does not exceed 4 consecutive monthly payments.
4. For Property Owners over the age of 65, longer terms maybe available, but cannot extend beyond current assessment year.

If terms of the approved payment plan are strictly met:

1. FCCA's usual \$15/month late fee will be reduced to \$5/month.
2. Interest will continue to be charged at a rate of 10% per year.
3. No further legal action will be initiated by FCCA.

FCCA has the authority to deny any plan submitted. If the terms of the plan are not met, the plan will become null and void. At that time FCCA's Collection Policy will then be fully enforced.

LOSS OF PRIVILEGES

All Property Owners with any delinquent amounts outstanding (including assessments, deed restriction fines, legal fees, interest, and late fees) are deemed to be a "member not in good standing". This includes all accounts for which there are approved payment plan or amounts being disputed by a Property Owner until such time as any disputed balance is paid or the dispute resolved. As such the Property Owner, with proper notification, may be denied access to any recreational facilities; may not be allowed to vote on any matter regarding the association; and, may not be allowed to serve as a member of any committee, a neighborhood representative or a member of the Board of Directors.

BALANCES FOR AMOUNTS OWED OTHER THAN ASSESSMENTS

If there is a balance on an account in excess of \$200.00 for charges other than assessments, FCCA has the right to pursue all legal remedies available, including loss of privileges to the Property Owner, filing suit, etc.

This policy was approved by the Executive Director of the FCCA on the ____ day of October, 2003, based on authority granted by the Board of Directors.

Sherrie Knoepfel, Executive Director

FCCA HAS THE RIGHT TO MAKE CHANGES TO THIS POLICY AT ANY TIME WITHOUT NOTICE

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