

South Pointe Homeowners' Association Dues and Assessment Collection Policy

South Pointe HOA has clear guidelines regarding collection of yearly dues and special assessments. This policy is not intended to punish property owners, but to be fair to all property owners who pay their dues and assessments on time. If late payments were allowed to accrue, property owners who paid on time and in good faith would be forced to subsidize those who do not pay. Either dues would have to be raised or reserves would dwindle.

No owner may, for any reason, exempt himself from liability for such assessments. The invoiced annual homeowners' association dues must be paid as indicated and on time. Should a homeowner disapprove of the way the association is being managed, the homeowner does not have the right to withhold dues in protest.

If, for any reason, you are unable to pay dues or assessments by the due date, please contact any member of the board in writing. We would prefer to amicably work out a payment plan rather than begin legal proceedings.

An unpaid assessment can increase substantially with late charges and legal expenses if there is no attempt from the property owner to rectify the situation. It is important that you completely understand the collection procedures, therefore, please review the following policy:

1. The association through its board or legal counsel will pursue the collection of delinquent HOA accounts from an owner. Should the recovery of delinquent accounts require legal proceedings, those proceedings will be conducted in accordance with the provisions of this "HOA Dues/Assessment Collection Policy."
2. At each step of the collection process, the Board will be advised of the known facts and circumstances concerning the delinquent account by legal counsel in order to ensure that appropriate collections efforts are being made.
3. Because this is a mandatory HOA, each property owner is required to pay yearly dues in addition to any assessments voted for by a quorum of the voting membership.
4. The effect of nonpayment of dues or assessments will result in the Association bringing legal action against the Owner personally obligated to pay the same. Accounts not paid within thirty (30) days after the due date shall incur late fees referred to in #7. In addition to the amounts due, the association may add reasonable attorney fees for collection of any unpaid dues or assessments. No owner may waive or otherwise escape the liability for the dues and assessments

provided for herein by non-use of the common area or abandonment of his property.

5. Sale or transfer of any property shall not affect the owner's liability for the assessment. Unpaid dues, late charges, attorney fees, court costs and other costs associated with the collection of delinquent accounts is the personal obligation of the owner and remains a debt against the property even if the ownership is transferred.
6. The due date for annual dues is determined by the Board of Directors. Since our yearly meeting is in late March, all yearly dues shall be due and payable on April 30th of each year. A courtesy invoice will be mailed to each property owner as a reminder of this obligation; however, it is the owner of record's responsibility to pay these yearly dues on time regardless of whether a statement is received. If payment is not received within 30 days of the due date, the account is deemed delinquent, and a "Late Notice" will be sent to the owner. Late fees will be assessed as follows:
 - Payment not received within 30 days of the due date, a \$25.00 late fee is applied.
 - Payment not received within 60 days of the due date, an additional \$50.00 late fee is applied.
 - Payment not received within 90 days of the due date, another additional \$100 late fee is applied, and the record is turned over to our attorney for collection. (At this point, your debt has increased by \$175.00.)
7. If payment is still not received within 15 days of the attorney's notification that your delinquent debt has been turned over to him for collection, a legal action of demand letter will be sent. In addition, a 1.5 % (percent) per month fee will be added to the debt total. Any attorney fees incurred by the HOA will be charged to the owner's account.
8. The association may recover the following costs incurred during the collection of any delinquent accounts (This money will be collected as explained above.): any handling charges, collection costs, administrative fees, postage, attorney fee or other expenses. Any check tendered for payment of dues that is returned by the bank for any reason will result in the addition of a returned check fee of \$25.00. Any late fees accrue from the due date.
9. Failure of the Association to strictly enforce this policy is not a waiver of its right to collect delinquent sums.