



Collection Policy for Assessments, Reimbursable Expenses, and Fines

Resolution of the Board of Directors

WHEREAS the Board of Directors of the Association is charged with the responsibility of collecting assessments for the common expenses from homeowners as well as other monies; and

WHEREAS from time to time homeowners become delinquent in their payments of these assessments and/or fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS the Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the Association to refer delinquent accounts promptly for collection so as to minimize the Association's loss of revenue;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Errol by the Sea Condominium, Inc. (The Association) adopts the following policy and practice effective thirty (30) days after distribution to owners.

This document sets forth The Association's policy regarding the collection of assessments pursuant to the Association's Declaration of Covenants, Conditions and Restrictions.

The Board confirms the Association's fiscal year, January 1 to December 31, as the Regular assessment period. Monthly payments are due on the first day of each Month and are delinquent after 10 days.

- 1.0 Assessments in General. The Association has a duty to levy regular and special assessments sufficient to perform its obligations under the governing documents and Florida Law. Regular assessments are levied annually and are payable during the year in Monthly installments.
- 2.0 Obligation to Pay Assessments or other monies. Each assessment or charge is an obligation of the owner at the time the assessment or other

- monies are levied. Each assessment or charge is also a lien on the owner's unit from and after the time the Association causes a Notice of Delinquent Assessment Lien or other delinquent invoice lien to be recorded with the County Recorder's Office.
- 3.0 Notice of Assessments. The association will give the owners legally required notice before any increase in the annual assessment or any special assessment. Notice will be sent by first-class mail or Electronic means if opted to addresses on the membership register as of the date of notice. It is the responsibility of each owner to advise the association of any mailing and/or email address changes. The Board of Directors may elect from time to time to provide additional periodic coupons or statements of assessments and charges, but lack of such coupons or statements does not relieve the owners of the obligation to pay assessments.
- 4.0 Designation of Agent. The Board of Directors may designate an agent or agents to collect assessment payments and administer this Collection Policy. Such designated agent may be an officer of the Association, manager, bookkeeper, banking institution, Trustee Company, law firm, or other appropriate agent.
- 5.0 Due Date/Delinquency Date of Assessments and/or other invoices unless otherwise specified by the Board, is due on the first day of each Month for which it due. An assessment and/or other invoice or any portion thereof, is delinquent if it is not received as directed by the Board or its designated agent 10 DAYS after it is due.
- 6.0 Charge on Delinquent Amounts. For any amounts over \$5.00 after 10 DAYS past due, any assessment, and/or other invoice, or any portion thereof over \$5.00, which is delinquent shall incur a late charge up to \$25.00 per Month, retroactive to the initial delinquent date. Any collection charges, if any, will also be added at that time.
- 7.0 Interest Charges. The unpaid balance of an assessment account shall bear interest in accordance with "Any assessment for common expenses or installment thereof that is 60 days or more past due bears interest at a rate equal to the 18% or the legally allowable rate. Other delinquent invoices shall be subject to the same conditions.
- 8.0 Interest and Collection Charges. Any costs and fees incurred in processing and collecting delinquent amounts, including, without limitation, late and interest charges, charges for preparation of delinquency notices or referral to collection, postage and copies, and attorney's fees and costs, shall become an additional charge against the owner and the owner's unit and shall be subject to collection pursuant to this Policy.
- 9.0 Application of Payments. Payments shall be applied first to assessments unless instructed otherwise.

- 10.0 Delinquency Notices. Owners delinquent 30 DAYS will receive a Notice of Delinquent Assessment and/or expense reimbursement and intention to end to designated collection agent within ten (10) days.

If the account is not brought current within (10) days then it will be turned over to the Association's contracted designated collection agent for collections according to state and federal fair debt collection laws. These collection procedures will include but not be limited to Notice of Intent to Lien, Lien and Foreclosure proceedings.

The cost of transferring the account from the management company to the collection agent and monitoring collections will be \$175.00 (or the amount instituted by the Board as time goes on), which will be levied against the homeowner's account by designated collections agent upon transfer and become a part of the collectible debt.

All other expenses, interest, fees and charges incurred in the collection of a delinquent assessment and/or other monies shall be the sole responsibility of the property owner and be payable prior to the curing of delinquency status.

Good Faith Agreements to resolve delinquent assessments may be considered by the Board of Directors on an individual basis if a written dispute of collection and request for hearing is submitted to the Board of Directors through its designated collections agent. Any such agreement shall in no way relieve the property owner of any expenses/interest incurred or accruing.

11. Collection of Fines. When fines reach \$100.00 they will be turned over to the Association's designated collection agent for collection after a 10-day notification of intent to turn over to collections is mailed via USPS to the property owners.
12. Address of the Association and the Board of Directors. Owners should make payments to the address as directed by the designated agent. If no address is given, payments, request for payment plans, written correspondence including responses and changes to mailing address should be sent to the Association at the following address:
- Errol by the Sea Condominiums, Inc.
4500 S. Atlantic Avenue
New Smyrna Beach, FL 32169

13. Void Provision. If any provision of this Policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.

This resolution of the Board of Directors has been duly adopted at the January 20th, 2018 Board of Directors Meeting.

By: _____

Dale Fage, Secretary Errol by the Sea Board of Directors