

**OVERLOOK VILLAGE CONDOMINIUM ASSOCIATION, INC.**

**POLICY RESOLUTION NO.\_\_\_\_-03**

**COLLECTION OF DELINQUENT ASSESSMENTS**

WHEREAS, the Bylaws of the Association impose upon the Board the duty to collect from each owner his proportionate share of the common expenses; and

WHEREAS, the Bylaws establish a lien to secure payment of common expenses and authorize the Board to recover a personal judgment against the owner for all sums due, including attorneys= fees; and

WHEREAS, the Bylaws further empower the Board to accelerate unpaid assessments and take all necessary and appropriate action to collect unpaid assessments including the imposition of late charges; and

WHEREAS, the Board deems it necessary to establish procedures for the collection of delinquent assessment;

NOW THEREFORE, BE IT HEREBY RESOLVED THAT the following common expense assessment collection procedures be and hereby are adopted:

1. All owners shall be obligated to pay the annual assessment in monthly installments on the first day of each month in advance to an address designated by the Board.

2. If payment is not received by the tenth (10) day of the month in which it is due, the account shall be deemed late. The Board shall thereupon send a late notice and shall charge a late fee of twenty dollars (\$20) to the owner. This charge shall automatically be added to the account and thereafter be a part of the continuing lien for assessments until all sums due including such late fee shall have been paid in full. Interest may be charged on all late accounts at the rate of twelve (12%) percent per annum.

3. A second Alate notice@ shall be sent by the Board to owners who have not paid the assessment in full within thirty (30) days after the due date, and an additional thirty dollar (\$30)

late charge shall be imposed. All voting and other membership privileges in Association shall thereupon be suspended.

5. Late fees in the amount of thirty dollars (\$30) shall be imposed thereafter each month for which there are delinquent maintenance fees due.

6. Once an account is late, any funds thereafter received shall be applied first to unpaid maintenance fees, then to legal fees, then to NSF fees, then to late fees, then to fines (if any).

7. Delinquent accounts shall be turned over to counsel for collection sixty (60) days after the initial due date. Legal counsel will send a collection letter under the Fair Debt Collection Practices Act advising that if payment is not received within thirty (30) days, the remaining installments of the assessment for the Association fiscal year (at the then applicable rate) shall be accelerated without any further notice to the owner, a claim of lien will be recorded against the unit, and a lawsuit will be filed against the owner personally to collect the accelerated assessment, interest, and attorneys fees and costs of collection. The charge for this letter shall be imposed on the paid by the owner.

8. If payment in full, including late fee(s), interest, and counsel fees is not received within the time required in counsel=s letter, counsel shall record a lien against the unit for the accelerated amount due, administrative fee(s), interest, counsel fees and costs. In addition, counsel shall file a personal action against the owner to recover said sums.

9. Attorney=s fees in the minimum amount of twenty percent (20%) of the gross amount due shall be added to the account if payment is not made in response to the first counsel=s letter, and shall thereafter be part of the continuing lien for assessments as provided for in the Bylaws until all sums due, including such attorney=s fees, shall have been paid in full. If additional attorney=s fees above twenty percent (20%) are incurred in order to collect assessments, the owner shall be obligated for same.

10. If any payment is made and the check is returned for insufficient funds, the cost of the returned check will be assessed against the owner.

11. Counsel is authorized to proceed to judgment in all cases handled by counsel, and upon recovery of judgment to take all necessary or appropriate actions to secure payment thereof including but not limited to information subpoenas, wage garnishment, and asset levies.

12. Upon recommendation by counsel, the Board may authorize foreclosure of the claim of lien. All costs of such action, including title searches shall, to the extent permitted by law, be assessed to and recovered from the owner.

13. Upon complete payment of all delinquent assessments, accrued interest and/or other charges including but not limited to attorneys= fees and costs, the Board shall authorize discharge of the claims of lien and restoration of all membership privileges.

14. The Board may, on a case by case basis, grant relief to a delinquent owner from interest charges, late or administrative fees, collection costs or attorneys= fees where, in the sole discretion of the Board, the circumstances merit such relief.

I certify that the foregoing Resolution was duly adopted by the Board of Directors at a meeting held in accordance with the Bylaws thereof on \_\_\_\_\_, 2003.

**ATTEST:**

**Dated:**

\_\_\_\_\_

**, Secretary**