

AMERICAN MEADOWS CONDOMINIUM ASSOCIATION INC.

**HOUSE RULE 2019 05 14**

**COLLECTION POLICIES**

Timely receipt of member assessments (HOA dues) is critical to the management and fiscal health of the Association. When an owner does not pay assessments in a timely manner, it places a burden on other homeowners and threatens the financing of units in the Association; therefore, the following House Rule (policy) is adopted:

A. Assessments are due on the first day of the month for which they are assessed and late ***if the payment (full assessment) is not received at the management's office on or before the last day of the month*** under the following **parameters**:

1. **Option 1:** Homeowners, who have accepted the direct pay option for their homeowner association (HOA) assessment by providing their banking account information to the current management, will have their assessment deducted from their account monthly. The homeowner's account will be charged between the 15th and 20th of each month.

2. **Option 2:** Payments submitted through the U.S. postal system or any other land, sea or air travel mail system, must arrive at the management's office by the last business day of the month **if the last day of the month falls on a weekend** when the management cannot track or annotate the arrival of the payment. If a payment arrives at the management's office after the last day of the month...

a. The *postmark dated before or on the last day of the month* will be the determining factor **for not issuing a late fee** to the homeowner's account.

b. Conversely, if the *postmark is dated after the last day of the month*, then **a late fee will be issued** and attached to the homeowner's account.

3. **Option 3:** Payments hand carried to the management's office must arrive by the last day of the month or last business day of the month **if**

**the last day lands on a weekend**, when the management cannot track or annotate the arrival of the payment.

B. Collection Actions:

1. Decisions to collect for: late or delinquent assessments may be initiated at any time the Board considers necessary.

2. Costs: All collection costs including, but not limited to collection fees, legal fees and costs, and administrative costs will be assessed against the delinquent homeowner and the unit.

3. When to collect: Absent a Board finding that it is in the interest of the Association to delay collection action, collection action will be initiated against any unit/homeowner with a delinquent or late balance greater than the amount of two month's dues or any unit/homeowner that has had a late balance in any amount for more than three months.

C. Definitions:

1. Delinquent or late assessments: Any overdue (not paid by the last day of the month) assessment to include a balance greater than the amount of two month's dues or any unit/homeowner that has had a late balance in any amount for more than three months.

2. Collection action: Collection action is any action initiated by the Board to retrieve delinquent or late assessments. Collection actions include, but are not limited to, foreclosure, turning the account over to a collection agency, and obtaining a judgment for the delinquent balance and costs. Unless the Board directs otherwise, filing for a foreclosure on the delinquent unit will be the primary collection action.

Adopted by the Executive Board of Directors of the American Meadows Condominium Association this 14th day of May 2019. The HR 2013 04 01 Collection Policies and any other previous policy is hereby repealed.

  
President, American Meadows Condominium Association