

BOXWOOD GREEN HOMEOWNERS ASSOCIATION COLLECTION POLICY

Purpose of Policy. To establish a fair, uniform, and systematic procedure for collecting assessments and other charges established by the Boxwood Green Homeowners Association (hereafter known as the Association) thus ensuring its financial well being.

Background. All Lot Owners are obligated by the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Boxwood Green, Section 11c, (Declaration) and the Bylaws of the Boxwood Green Home Owners Association, Inc, Article V, subsections 5.2 and 5.3 (Bylaws) to pay all assessments in a timely manner. Failure to do so impairs the Association's ability to provide essential services, manage its assets in the most efficient and effective manner, pay its bills, and maintain its reputation. The failure to pay assessments also is unfair to other Lot Owners, the majority of whom pay their assessments in a timely manner. Accordingly, the Association, acting through the Board of Directors (Board), must take steps to ensure the timely payment of assessments.

Additionally, Article VI, Compliance and Default, of the Bylaws authorizes the Board to take certain enforcement actions to recover assessment fees. This policy clarifies the procedures the Board will employ in enforcing the Declaration and Bylaws.

General Guidelines. The Board adopts the following policies and procedures for the collection of annual assessments and other Association charges.

1. Mailing of Assessments. On or before the last day of February, the Treasurer will mail invoices for annual Association assessment fees to Lot Owners at their mailing address of record. It is the Lot Owners' responsibility to notify the Association of changes in E-mail and mailing addresses.
2. Due Dates. The annual assessment is due and payable to the Association upon receipt; however, if payment is received by the Association on or before March 31st the rebate (if one is offered on the invoice) will apply. If March 31st falls on a weekend, the deadline will be the first Monday following the 31st. In accordance with the Association's Rebate Policy, after the due date the full amount of the assessment is due and any rebate offered no longer applies.
3. Annual Assessment Late Charges. The Association is entitled to charge \$10 per month on fully or partially past due and delinquent assessment fees. The \$10 per month late fee will be applied on May 1, and the first of each month following, until all amounts owed are paid in full.

All late charges shall be due and payable, without notice, in the manner provided for payment of assessments.

4. Return Check Charges. A thirty dollar (\$30) fee will be assessed against a Lot Owner in the event that any check or other instrument attributable to or payable for the benefit of the Lot Owner is not honored by a financial institution or is returned by a financial institution for any reason whatsoever, including but not limited to, insufficient funds. Notwithstanding this provision, the Association is entitled to all additional remedies as may be provided by applicable law. If two or more of a Lot Owner's checks are returned unpaid by a financial institution within any twenty-four month period, the Association may require that all the Lot Owner's future payments, for a period of twenty four months, be made by certified check or money order.
5. Attorney's Fees on Delinquent Accounts. The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of annual assessments and other charges due the Association from a delinquent Lot Owner.
6. Application for payments made to the Association. The Association reserves the right to apply all payments received on account of any Lot Owner first to payment of any and all legal fees and costs (including attorney fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing or incurred with respect to the Lot Owner.
7. Collection Letters.
 - a. After an assessment or other charge owed the Association becomes 5 days past due and delinquent, the Association shall mail a late assessment notice to the delinquent Lot Owner.
 - b. If payment in full is not received within 10 days after the notice of late payment, the Association may, but shall not be required to send a notice of default to the Lot Owner.
8. Small Claims Court Actions and Liens. If within 90 days after the past due and delinquent date, a Lot Owner fails to pay any assessment or other charges, the Association may take action in a Small Claims Court (SCC) or file a notice of lien against the property of the delinquent Lot Owner. The SCC action or lien shall include assessments, fees, charges, late charges, attorney fees, fines, and interest owed by the delinquent Lot Owner.
9. Referral of Delinquent Accounts to Attorneys. The Association may, but is not required to, refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys will take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account will remain with the attorney until the account is settled, has a zero balance, or is written off. All payment plans involving accounts referred to an attorney for collection will be set up and monitored through the attorney. After consultation with the Board the attorneys will be entitled to exercise all available remedies to

collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Lot Owner's property.

10. Referral of Delinquent Accounts to Collection Agencies. The Association may, but is not required to, assign delinquent accounts to one or more collection agencies for collection.

11. Waivers. Nothing in this resolution requires the Board to take specific actions other than to notify Lot Owners of the adoption of these policies and procedures. The Board has the option and right to continue to evaluate each delinquency on a case by case basis. The Board may grant a waiver of any provision herein upon petition in writing by Lot Owners showing a personal hardship. Such relief granted Lot Owners shall be appropriately documented in the files with the name of the person representing the Board granting the relief and the conditions of the relief. In addition, the Board may extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Board determines appropriate under the circumstances.

Revised by the Board January 18, 2019