



River Ridge Homeowners Association of
Martin County Inc.



Assessment Collection Procedures

ASSESSMENT BILLING:

- 1) Billing will be forwarded by the property manager to each member on a quarterly basis and approximately 30 days before the first day of each quarter (e.g., December 1, March 1, June 1, September 1).
- 2) Assessments are due on the 1st day of the first month of each quarter (e.g., January 1, April 1, July 1, October 1).

COLLECTION OF PAST DUE ASSESSMENTS:

- 1) If an assessment payment is not received by the 15th day of the month in which payment is due, the property manager shall forward a reminder notice via first class mail informing the member that the assessment is past due and should be submitted forthwith to avoid late fees and interest charges.
- 2) If an assessment payment is not received by the 30th day of the month in which payment is due, the property manager shall forward a letter to the member informing them that the assessment is delinquent and now includes a late fee of \$50 as well as accrued interest from the due date to the present at a rate of 18% per annum. This letter shall be forwarded via certified return receipt requested and a copy of this letter will be sent by regular mail with no return address on the envelope. The letter will indicate that if the full amount due, including interest, is not received within 15 days of the date of this notice, the account will be turned over to the Association attorney for collection action, and all attorney fees and costs incurred will be the responsibility of the delinquent member.
- 3) If no payment is received and upon expiration of the 15 days, the delinquent account shall be turned over to the Association's attorney for issuance of a 30-day demand letter. The property manager shall provide the Association's attorney with an up-to-date account statement (inclusive of all applicable interest calculations projected through the end of the 30-day demand letter time frame), the property address, the member/owner name, and any additional mailing address should it be different than that of the property. The letter will demand payment and advise that lien proceedings will begin upon expiration of this 30-day period. This letter shall be forwarded via certified return receipt requested and a copy of this letter will be sent by regular mail with no return address on the envelope.
- 4) If no payment is received and upon expiration of the 30-day demand period the Association's attorney will institute automatic lien proceedings against the property.
- 5) The Association is willing to consider partial payments that are submitted with a written payment plan, but will not consider or accept partial payments tendered without an accompanying payment plan. The Association's attorney need not contact the Board upon receipt of partial payment without an attached payment stipulation as the partial payment should be returned from the owner and proceedings should continue.
- 6) Upon recordation of the claim of lien, the Association's Attorney will then send a 30-day intent to foreclose letter to the property owner. The letter will demand payment of the lien and advise that foreclosure proceedings will begin upon expiration of this 30-day period. This letter shall be forwarded via certified return receipt requested and a copy of this letter will be sent by regular mail with no return address on the envelope.



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- 7) If no payment is received and upon expiration of the 30-day intent to foreclose letter the Association's attorney will inform the Board of the same and at that time the Board shall instruct the Association's attorney as to further action required (e.g., no action, small claims, foreclose). Only upon receipt of written authorization to proceed will further legal action be taken on the account. In addition to the written authorization, up-to-date numbers associated with the account will be provided to the Associations attorney at that time.

DEVIATION FROM PROCEDURES:

The foregoing procedures are intended to provide for the fair and uniform processing of collections. While these procedures are the established and preferred method for processing collections it should be anticipated that from time to time unintentional administrative errors or mailing delays will cause a deviation from the procedures established time frames. Such deviations will not render the process invalid.

AMMENDING PROCEDURES:

The foregoing procedures were ratified by vote of the Board on May 17, 2004. The Association reserves the right to amend these procedures from time to time as deemed necessary. All of these Assessment Collection Procedures are made in accordance with the Boards various authorities, including but not limited to those found in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of River Ridge.