



Greystone HOA

POLICY #5 ASSESSMENT COLLECTION POLICY

This HOA is responsible for the operation and maintenance of the property. In order to carry out this responsibility the HOA assesses all owners for their percentage interest of the common expenses as required by the governing documents (CCRs).

The common expenses are based on the HOA's projection of the expenses necessary to conduct its activities as set forth in the budget adopted by the HOA. It is necessary to assure that all owners pay their assessments promptly so that the sufficient funds are available to fulfill the HOAs obligations to all its members.

Failure of any owner to promptly pay assessments results in additional burdens on all owners. It is, therefore, this HOA's policy to take such steps as are necessary to assure compliance by owners with their obligation to promptly pay assessments levied by the HOA.

1. Section 1. Assessments. Assessments are based on the budget adopted by the HOA, and are due in accordance with the payment schedule adopted by the Board. Assessments include periodic assessments, special assessments, the costs of collection (including for example, attorney's fees, legal costs, and administrative costs), interest, late fees, fines, and other authorized assessments against an owner or the owner's property. Accounts are delinquent if payment in full is not received by the fifteenth of the month in which the payment is due.
2. Section 2. Late Fees. This HOA's governing documents authorize the HOA to assess a late fee against owners who do not pay their assessments in a timely manner. The late fee reimburses the HOA for the additional administrative costs associated with late payment. This fee is a minimum of 10% and is assessed when the account is delinquent.
3. Section 3. Administrative Fees. Should the HOA incur administrative fees in the collection of delinquent assessments, whether self-managed or using the services of a management company, the owner shall be responsible for all administrative fees including any surcharge for a delinquency notice, bank charges for a dishonored check, and credit card processing fees. (This Administrative Fee is in addition to the late charge, which covers the HOAs own internal administrative time and costs).
4. Section 4. Interest. As provided in the governing documents, assessments not paid by the fifteenth of the month accrue interest from the first of the month at the greatest of 10% per annum or the highest rate permitted by State law.
5. Section 5. Attorneys Fees and Costs. As provided in the governing documents, should the HOA be required to use the services of legal counsel and should the HOA incur costs in the collection of delinquent assessments, the delinquent owner shall be responsible for all attorney's fees and costs incurred.
6. Section 6. Application of Payment. Payments received shall be applied to amounts owed as follows: first to



interest accrued; then to late fees; then to administrative fees; then to any other costs and reasonable attorneys fees incurred in collection; then to fine; and lastly to special and periodic assessments.

7. Section 7. Restrictive Endorsements. Notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment, the payment shall be applied as indicated above.
8. Section 8. Owner's Responsibility. Each owner has the responsibility to pay the owner's share of the common expenses to the HOA so that the payment arrives on or before the payment is due.
9. Section 9. Collection Steps. The following steps are those the HOA will typically take in collecting an uncured delinquency. The HOA may evaluate each delinquency on a case-by-case basis and determine which steps and what timing it believes will best achieve the payment of delinquent assessments:
 - a. Day 15- Late fees assessed
 - b. Day 30- Letter to Owner from HOA Management Company requesting payment
 - c. Day 60- Letter sent to Owner from Legal Counsel requesting payment
 - d. Day 90- Claim of Lien prepared and recorded or debt sent to collections agency
10. In the event of continued non-payment after affording the Owner an opportunity to respond to the demand, legal counsel may commence suit or begin foreclosure proceedings against the Owner and the property.
11. It is the intention of the HOA to follow the above procedure and owners are strongly encouraged to make payments promptly to avoid additional costs and legal action.
12. Once assigned, all contacts regarding a delinquent account with a delinquent owner shall be handled through the HOA's attorney. The Attorney shall have the authority to settle the collection of the account directly with an owner after it has been turned over to the HOA's attorney.
13. The HOA reserves the right to vary from the policy adopted above where particular circumstances warrant.
14. Section 10. Protection of Board Members. Persons exercising authority of the Board or a Committee are not liable for action or inaction done in good faith. HOA action under this Policy shall not create any liability of the Board, HOA, or Committee, or any employee or member of the Board, HOA, or Committee.