COLLECTION OF DELINQUENT ACCOUNTS
(Adopted 12/15/15)

WHEREAS, the Association’s Board of Directors is charged with the responsibility of collecting assessments (regular and special) for common expenses from owners pursuant to the Association’s Declaration and Bylaws; and

WHEREAS, from time to time owners become delinquent in payment of those assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS, the Board of Directors is charged with implementing the Association’s Declaration and in so doing, either directly or through the Architectural Control Committee, issues penalties or fines to owners who fail to comply with the terms of the Declaration; and

WHEREAS, from time to time owners fail to timely pay such fines and penalties; and

WHEREAS, as used herein, such delinquent assessments and delinquent fines and/or penalties shall be referred to collectively as “delinquent accounts”; and

WHEREAS, the Board deems it to be in the best interest of the Association to adopt an uniform and systematic procedure for dealing with delinquent accounts in a timely manner; and

WHEREAS, the Board may from time to time engage legal counsel to assist the Association in collecting delinquent accounts (the “Association’s Attorney”);

NOW, THEREFORE, BE IT RESOLVED that pursuant to the Declaration there shall be assessed against any account not paid within thirty (30) days of the due date interest at the rate of 12% per annum from the due date. In addition, there shall be assessed against any such delinquent account which is not paid in full within forty-five (45) days after the due date, a late fee in the amount of $ 30.00 per quarter and a delinquent notice fee of $10.00. The Treasurer and Site Manager are authorized and directed to charge and to collect such fees and interest from any delinquent owner. Notice of the delinquency shall be provided in the form of Exhibit 1; and

BE IT FURTHER RESOLVED that the Treasurer and Site Manager are directed to send to any owner who has failed to pay any delinquent account for more than ninety (90) days after the due date a 90 Day Delinquency Notice (See Exhibit 2) informing the owner of the fees and interest that have accrued and of potential action to deactivate the owner’s remote gate clicker(s); and BE IT FURTHER RESOLVED that, unless directed otherwise by the Board, the Treasurer and Site Manager are directed to send to any owner whose account is delinquent more than one hundred fifty (150) days a written notice (See Exhibit 3) that if the account is not paid in full within thirty (30) days it will be turned over to legal counsel for collection of the delinquency plus fees, interest, and attorney’s fees and costs, that a lien will be filed
against the owner’s property, and that the owner’s remote gate clicker(s) will be deactivated (“30 Day Notice of Collection Action”); and

BE IT FURTHER RESOLVED that, unless directed otherwise by the Board, the Treasurer or Site Manager is directed to turn over to the Association’s Attorney for collection any account which has an unpaid balance in excess of $1,000 and remains delinquent for thirty (30) days or more after the mailing of a 30 Day Notice of Collection Action; and

BE IT FURTHER RESOLVED that the Treasurer or Site Manager is directed to consult with the Association’s Attorney and immediately turn over to the attorney for collection any delinquent account where the owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure against the owner’s property; and

BE IT FURTHER RESOLVED that the Treasurer or Site Manager, acting on behalf of the Association, shall pay the Association’s Attorney’s usual and customary charges for time incurred in connection with the attorney’s representation of the Association in the collection of such delinquent accounts, together with all costs incurred by the attorney, including but not limited to fees and charges for filing, service of process, messenger service, court reporters, electronic or computer assisted legal research, photocopies, postage, long distance calls, investigator’s services, credit reports and title reports, promptly upon receipt of the attorney’s monthly invoice; and

BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the Association’s Attorney for collection:

1. All contacts with a delinquent owner shall be handled through the Association’s Attorney. Neither the Treasurer or Site Manager nor any Association officer or director shall have authority to settle the collection of the account directly with the owner after it has been turned over to the Association’s Attorney unless the Board has authorized such action as recorded in its minutes.

2. Unless otherwise specified, all sums collected on a delinquent account should be remitted to the Association in care of the Association’s Attorney until the account has been brought current. All sums collected shall be applied in the following order: interest, late charges, legal charges, and then to regular or special assessments, or fines and penalties, as the case may be (in the ascending order of the date of the regular or special assessment, fine or penalty.)

3. Interest at the rate of 12 percent (12%) per annum, from the due date shall be collected on all delinquent amounts that are forty-five (45) days past due, including but not limited to late fees and legal charges. However, the Association’s President, Treasurer and Site manager are granted the discretion to waive this requirement in whole or in part under circumstances which they deem to be appropriate.
4. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent owner and shall be collectible as an assessment.

Adopted on the ______________ day of ________________________, 2015

CANTERWOOD HOMEOWNERS’ ASSOCIATION

By: ____________________________  By: ____________________________
   Its President                      Its Secretary
90-Day Delinquency Notice

March 1, 2015

John H. Hancock
12345 West 34th Street
Gig Harbor, WA  98332

RE: Delinquent Account No. 55555

Dear Mr. Hancock:

Our records indicate that your account referenced above is 90 days past due. At the present time the balance owing is $674.78. (See attached computations.)

The Association’s Collection Policy for Delinquent Accounts, which is posted on our web site, stipulates that accounts that are more than 45 days past due are subject to the imposition of special fees and interest penalties. Additionally, any remote gate clickers associated with your property may be disabled until this account is returned to a current status.

Please remit the full amount due on your account upon receipt of this letter. Please make your check payable to Canterwood HOA and mail it to:

   Canterwood HOA  
   C/O Bell-Anderson & Associates, LLC, AMO  
   P.O. Box 65584  
   Phoenix, AZ  85082

To discuss alternative payment options, please call me within 14 days of this letter at (253) 851-6158 or by email at Canterwood@bell-anderson.net.

Respectfully,

On behalf of the Canterwood Board of Directors
By Meleanie Guerrero, Site Manager
Canterwood Homeowners Association

cc: Board File
30-Day Notice of Action

July 1, 2015

John H. Hancock
12345 West 34th Street
Gig Harbor, WA  98332

RE:  Delinquent Account No. 55555

Dear Mr. Hancock:

Our records indicate that your account referenced above is seriously past due. At the present time the balance owing is $ 1,042.34. (See attached computations.)

The Association’s Collection Policy for Delinquent Accounts, which is posted on our web site, stipulates that accounts that are delinquent in excess of $ 1,000 be referred to a collection attorney. A lien for the delinquency will be recorded against your property. This action will result in the imposition of attorney fees and other expenses being added to the account that will likely exceed $ 400. Additionally, any remote gate clickers associated with your property will be disabled until this account is returned to a current status.

You can avoid this action by remitting the full amount due within 30 days of the date of this letter. Please make your check payable to Canterwood HOA and mail it to:

Canterwood HOA
C/O Bell-Anderson & Associates, LLC, AMO
P.O. Box 65584
Phoenix, AZ   85082

To discuss alternative payment options, please call me within 14 days of this letter at (253) 851-6158 or by email at Canterwood@bell-anderson.net .

Respectfully,

On behalf of the Canterwood Board of Directors
By Meleanie Guerrero, Site Manager
Canterwood Homeowners Association

cc:   Board File

4026 Canterwood Drive NW, Suite A, Gig Harbor, WA  98332
Website:  www.canterwood.org
(253) 851-6158   (253) 851-1685-Fax
s:Accounts/808/lthrd.doc