

## Olympus Homeowners Association Policy for Collection of Delinquent Annual Dues

Invoices for annual dues for a year are mailed in December of the prior year. The payment is due by January 31<sup>st</sup> of that year. If payment is not received by January 31<sup>st</sup>, the policy for collection of annual dues from delinquent homeowners is as follows:

**A 10% late payment fee is imposed for invoices not paid within two months after due date. Thereafter, interest at 12% APR calculated from the initial due date and a \$25 processing fee are added to the balance due. One year after the initial due date, a lien is filed against the property and any legal fees incurred by the Association are added to the balance due.**

This policy is executed in steps described below:

- One month after the due date (February 28<sup>th</sup>), a friendly reminder is mailed to the mailing address of the homeowner reminding him or her that annual dues must be paid. There will be no penalty if payment is received by March 31<sup>st</sup>. All current and prior dues must be paid by March 31<sup>st</sup> to avoid any additional collection efforts and related charges.
- Two months after the due date (March 31<sup>st</sup>), a second letter is mailed to mailing address of the homeowner via signature required mail. A late payment fee of 10% is added to the amount due. No further fees or charges are assessed if payment is received by April 30<sup>th</sup>. All current and prior dues must be paid by April 30<sup>th</sup> to avoid any additional collection efforts and related charges.
- Three months after the due date (April 30<sup>th</sup>), a third letter is mailed to mailing address of the homeowner via signature required mail. In addition to the late payment fee of 10% imposed on April 1<sup>st</sup>, interest at 12% annual interest rate calculated from initial due date and a \$25 processing fee are added to the amount due. No further fees or charges are assessed if payment is received by May 31<sup>st</sup>. All current and prior dues must be paid by May 31<sup>st</sup> to avoid any further fees or charges.
- Four months after the due date (May 31<sup>st</sup>), a fourth letter is mailed to mailing address of the homeowner via signature required mail. No further fees or charges are assessed if payment is received by June 30<sup>th</sup>, although interest will continue to accrue until receipt of payment in full. All current and prior dues must be paid by June 30<sup>th</sup> to avoid any further fees or charges and addition of lien on the property.
- One year after the due date (January 31<sup>st</sup> of the following year), a final letter is mailed to the mailing address of the homeowner via signature required mail. A lien may be filed against that property. In addition to the principal amount due, the lien will include the late payment fee of 10%, interest at 12% APR calculated

from the initial due date, the \$25 processing fee, all attorney fees, lien filing fees and other fees or charges incurred by the Association. The lien will remain against the property until all fees and charges are paid in full. Interest on unpaid amount is added until the payment is made in full.

Accommodation for special situations: The Board of Directors is under an obligation to monitor the financial matters of the Association and act in accordance with the best interest of the members of the Association. This includes working with residents having financial difficulty.

Contesting Process: If a delinquent homeowner wishes to contest the amount or otherwise make alternate arrangements to pay outstanding balance due, he or she can submit a petition in writing postmarked within 10 days after receiving a letter from the Association. This does not preclude the Association from exercising all collection remedies.