



Policy for Assessment Billing and Collection

Introduction

A clear and concise policy statement is essential for the members of an association to understand their responsibilities regarding payment of dues, fees, miscellaneous charges, various assessments, and other financial obligations to the association, and the consequences of late or delinquent payments. A documented policy helps ensure that all members of the association are then treated equitably regarding financial obligations.

Purpose and Intent

This document provides the policies of King's Deer Highlands Homeowners Association for all Assessments due to the Association by the members of the Association.

This document consolidates information and rules from the King's Deer Subdivision Covenants and the King's Deer Highlands Covenants, and the Bylaws of the King's Deer Highlands Homeowners Association. Where the Covenants and Bylaws are silent on details of financial management, this document provides policies adopted by the Association Board of Directors to ensure the financial procedures of the Association are defined, and that the financial obligations to the Association are met.

Definitions

Assessments Any and all monies owed to the Association by Members. This shall include annual assessments, fees for service to any individual member, fines, charges for legal services and collection costs.

Association King's Deer Highlands Homeowners Association.

Covenants All covenants of the King's Deer Highlands Homeowners Association, including the King's Deer Subdivision Covenants and the King's Deer Highlands Covenants.

Delinquent Assessment, Delinquent An Assessment that has not been paid in full to the Association by the Assessment due date.

Members Individuals who appear on the Legal Title of any property in the King's Deer Highlands Homeowners Association.

Policy

Members are responsible for ensuring the Association has their correct and current mailing address for correspondence and billing.

Assessment billings will be mailed by first class postage to the Member's mailing address maintained in the Association's database.

Assessments are due 30 days after the date the financial obligation is incurred and the due date will be identified in the billing statement. The initial Assessment billing statement will be mailed to the Member not less than 20 days prior to the Assessment due date, otherwise the Assessment due date will be extended to coincide with a date that is 20 days after the postmark of the Assessment mailing.

A \$25 charge will be assessed to any payment made by check or other Debit means that is returned for insufficient funds.

Delinquent Assessments are subject to interest at the rate of 18% per annum on the unpaid balance of the Assessment. Interest will begin to accrue on the first of the month immediately following the month in which an Assessment became delinquent.

Payments will be applied to late fees, accrued interest, and legal and or collection fees first, then to the oldest outstanding invoice.

The Association may, at the Board's discretion,

1. turn over any Delinquent account to an outside collection agency, and
2. record a claim of Assessment Lien with City, County, State or Federal agencies for restitution on any King's Deer Member Property that monies are due.

Collection may be enforced by collection agency action and legal action, including without limitation, recovery of the Association's collection fees, and attorney fees and expenses.

Effective February 1, 2008, a Member will be charged a late payment penalty of \$50 per month for each month they have one or more Delinquent Assessments.

If "payment in full" is received after the monthly billing date but before the next billing cycle, the Association, at its option, will reserve the right to pro-rate the late charges and/or interest or other fees accrued for that month.

Approved by the King's Deer Highlands Homeowners Association Board of Directors February 28, 2008

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President, Board of Directors

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Secretary, Board of Directors