

FAWN RIDGE MAINTENANCE ASSOCIATION, INC.

COLLECTION POLICY

BE IT RESOLVED by the Board of Directors of Fawn Ridge Maintenance Association, Inc. (the "Association") that monetary obligations owed to the Association shall be collected as follows:

1. **DUE DATE.** Annual assessments shall be due and payable on January 1st of each calendar year.

2. **METHOD OF DELIVERY OF INVOICE FOR ASSESSMENTS.** Before January 1st of each calendar year, the Community Manager for the Association shall mail, via regular first-class U.S. mail, a notice to each lot owner of the annual assessment rate for his or her lot. The failure to receive said notice is not an excuse for nonpayment of any amounts owed to the Association.

3. **DELINQUENCY.** Assessments (and any portion of said assessments) are delinquent if not paid within ten (10) days after the due date.

4. **INTEREST.** Assessments (and any portion of said assessments) not paid for over ten (10) days after the due date accrue interest at the rate of eighteen percent (18%) per annum from the due date. Interest is calculated as simple interest by multiplying the daily interest rate by the unpaid principal by the number of days that have elapsed since the due date. The daily interest rate is 0.000493150684931507.

5. **LATE FEES.** Assessments (and any portion of said assessments) not paid for over thirty (30) days after the due date also accrue a late fee of \$25.00 on each individual unpaid assessment (or portion of said assessment).

6. **COSTS OF COLLECTION.** Under its contract with its management company, the Association incurs a \$125.00 administrative fee for tasks associated with referring a delinquent account to the Association's counsel for collection, and with assisting counsel's collection efforts. This administrative fee is a cost to the Association of collection, which shall be added to the delinquent account and recovered from the delinquent owner. The delinquent owner shall be responsible for payment of all costs of collection incurred in the Association's collection efforts.

7. **APPLICATION OF PAYMENTS.** Per Section 720.3085(3)(b) of the Florida Statutes, "Any payment received by an association and accepted shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney fees incurred in collection, and then to the delinquent assessment."

8. **EXAMPLE OF APPLICATION OF PAYMENTS.**

As an illustration, assume that an annual assessment of \$100.00 is due on January 1st. The assessment goes unpaid, and thus a late fee of \$25.00 accrues on January 11 and interest also begins to accrue on January 11. The owner submits a payment of \$100.00 on February 15. Per Section 720.3085(3)(b) of the Florida Statutes, the \$100.00 payment is first applied to \$2.21 in interest and then to the \$25.00 late fee, leaving only \$72.79 available to be paid to the January 1st assessment. This

leaves a balance of \$27.21 owed for the January 1st assessment. Interest continues to accrue on the \$27.21 assessment balance.

9. The Community Manager for the Association shall send a reminder statement to an owner thirty (30) days after that owner has failed to pay an amount owed to the Association. The reminder statement shall give the owner thirty (30) days to submit payment in full. The reminder statement is provided as a courtesy to a delinquent owner. The failure to receive a reminder statement is not an excuse for nonpayment of any amounts owed to the Association.

10. If payment in full is not received in response to the reminder statement, the Community Manager for the Association shall deliver a written notice of late assessment to the delinquent owner, in compliance with Section 720.3085(3)(d) of the Florida Statutes. Said written notice shall be provided by regular first-class U.S. mail to the delinquent owner at his or her last address as reflected in the Association's records, and shall provide the delinquent owner with 30 days to submit payment in full. The Community Manager for the Association shall maintain sufficient proof that the requirements of Section 720.3085(3)(d) of the Florida Statutes have been met.

11. If payment in full is not received in response to the statutory written notice of late assessment, the Community Manager shall forward the account to the Association's counsel for collection within five (5) days of the expiration of the statutory written notice of late assessment. Association counsel is authorized to take all lawful collection efforts that, in his experience and discretion, will maximize the recovery of amounts owed to the Association.

12. ATTORNEYS' FEES. The delinquent owner shall be responsible for payment of all attorneys' fees incurred in the Association's collection efforts.

13. REPAYMENT PLANS. After referral of a delinquent account to Association counsel, requests for repayment plans may be submitted to Association counsel. Association counsel and the Community Manager are authorized to extend any repayment plan that, in either of their experience or discretion, will maximize the recovery of amounts owed to the Association. However, no settlement will be reached unless the Association receives a signed settlement agreement memorializing the repayment plan.

14. WAIVER OR REDUCTION OF AMOUNTS OWED. Interest, fines, costs of collection and attorneys' fees will not be waived or reduced.

15. After referral of a delinquent account to Association counsel, no director, officer or manager of the Association shall communicate with the owner(s) or tenant(s) about the delinquent account. Instead, all inquiries shall be directed to Association counsel.

16. Association's counsel is an authorized agent of the Association for purposes of executing and acknowledging a claim of lien.


17. Association's counsel and management company are authorized agents for the preparation and delivery of estoppel certificates on the Association's behalf. An estoppel fee of \$250.00 may be charged if, on the date the certificate is issued, no delinquent amounts are owed to the association for the applicable parcel. If an estoppel certificate is requested on an expedited basis and delivered within 3 business days after the request, an additional estoppel fee of \$100.00 may be charged. If a delinquent amount is owed to the Association for the applicable parcel, an additional fee

of \$150.00 may be charged. Estoppel fees are payable upon the preparation of the certificate, with right of reimbursement as provided by Florida law.

18. Except for counsel for the Association as part of a collection, enforcement, or other legal matter, no person shall accept a cash payment on behalf of the Association, whether that payment shall be from a vendor, from an owner or tenant, or otherwise.

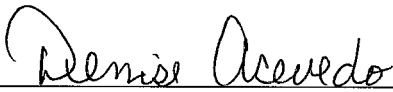
19. This Collection Policy supersedes any previous policy or resolution of the Board of Directors of the Association, and shall be implemented immediately.

DULY APPROVED BY VOTE OF THE BOARD OF DIRECTORS ON JULY 12, 2022.



President: Chris Renshaw

Dated: July 12 2022



Treasurer: Denise Acevedo

Dated: July 12 2022