

# **Muirfield Association, Inc.**

## **Assessment Collection Policy**

The Collection Policy is in accordance with Article 2 of the Warranty Deed and addresses the application and use of the annual assessment fees and deed enforcement fees.

### **Annual Assessment Fees**

The annual assessment billing is usually mailed at the end of January of each year. Payment is due and considered late if not received within 30 days.

Interest in the amount of 8% per annum shall be incurred on late payments.

Delinquency of more than 90 days may result in legal action for a personal judgment and in addition, shall have the right to enforce and foreclose the lien. Any costs, including attorneys' fees, recording costs, title reports and/or court costs, incurred by the Association in the collection of delinquent assessments shall be added to the amount owed by the delinquent Owner.

Unpaid assessments may result in the suspension of owners/residents rights to use the common property and elements. (See Sec. 5.05)

Payments received are allocated to the owner's account in the following order:

1. Interest and/or administrative late fees;
2. Collection fees and/or legal fees;
3. Principal amount owed for common expenses and assessments.

Owners may request a certificate stating that all annual charges or installments thereof (including interest and other fees, if any) have been paid with respect to any specified unit as of the date of such certificate. In the event that all charges and installments thereof have not been paid, the certificate must set forth the amount (including interest and fees, if any) due and payable as of such date. The Association may charge a reasonable fee for this certificate.

### **Deed Enforcement Assessment Fees**

If any owner fails to perform any act that he/she is requested to perform by the Warranty Deed, Bylaws, Design Standards or other Rules and Regulations, the Association may, but shall not be obligated to, undertake such performance or cure such violation and shall charge and collect from the owner the entire cost and expense, including reasonable attorney fees, of such cure incurred by the Association. Any such amount shall be deemed to be an additional assessment and shall be due and payable immediately following notification of such charge and the Association may obtain a lien for said amount in the same manner and to the same extent as if it were a lien for common expenses.

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## Annual Assessment Procedures

### **First Notice**

- The Annual Assessment invoice is sent out.
- The annual assessment is due within 30 days after being levied.
- Owners are advised that interest will be added to late payments.

### **Second Notice**

Should the debt remain unpaid after 30 days of the date of the invoice:

- MAI sends owners a statement (2<sup>nd</sup> notice).
- This notice advises owners that interest will be added to the account in 15 days.

### **Third Notice**

After 45 days of the date of the original invoice and the debt remains unpaid:

- MAI sends owners a statement which includes interest (3<sup>rd</sup> notice)
- This notice advises owners that legal action will be taken if account remains unpaid.

After 60 days of the date of the original invoice:

- MAI staff notifies the attorney of these delinquent accounts.
- The Association's attorney will send a letter to those owners.

After 90 days has passed without payment:

- MAI staff sends the Association attorney a list of 90-day delinquent accounts.
- The association's attorney is authorized to automatically file a lien against any account that is delinquent more than 90 days and release said lien upon satisfaction.
- The Association's attorney will solicit authorization from the Board of Directors to file a Complaint of Foreclosure against any Lot with an account that has a balance more than \$3000.00.

At any time, should another lien holder issue a Complaint for Foreclosure; the Association's attorney will file an Answer to protect the Association's interest if there is no lien. They will file an Answer and a Crossclaim against the owner if there is a lien in order to pursue the amount owed to the Association. The Crossclaim may be dismissed only upon receipt of payment in full.

THIS PROCEDURE WAS APPROVED BY THE BOARD OF DIRECTORS ON 1/28/2013 AND REMAINS IN EFFECT UNTIL DULY CHANGED BY THE BOARD.