

SANDESTIN OWNERS ASSOCIATION, INC.

Assessment Collection and Receivable Policy

Board of Directors Approved 2/15/2018

Whereas, Section 720.3085, Florida Statutes, provides for payment of assessments and claims of lien when so authorized by the Association's governing documents;

Whereas, Article V, Section 1 of the Sandestin Owners Association Declaration of Covenants, Conditions and Restrictions (the "Declaration") creates the personal obligation for assessments of each owner to pay the association assessments;

Whereas, Article V, Section 7 of the Declaration further defines the personal obligations of the owner, the lien, and the remedies of the association;

Whereas, Article VI, Section 1 (c) of the Sandestin Owners Association Bylaws ("Bylaws") provides that the Board of Directors shall have the power "To establish, levy and assess, and collect assessments necessary to operate the Association . . .";

Whereas, Article VI(d) of the Bylaws empowers the Board to adopt and amend reasonable rules and regulations; and,

Whereas, it is desirable to establish a policy for the SOA in order to maximize its authority to collect assessments and apply fees, charges, and interest, and define the manner in which all receivables due the association are collected.

Now **THEREFORE BE IT RESOLVED** that the following policy was established for collection of assessments and other receivables due to the SOA. This Policy dissolves the Assessment and Collection Policy approved 2/18/2010 and it supersedes any previous guideline or policy related to the collection of assessments or receivables except as defined in Florida Statutes, as amended from time to time.

1. Assessments - Non Payment

- a. An administrative late fee not to exceed the greater of \$25.00 or 5% U.S. Currency will be applied on each installment that is not paid by the last day of the 1st month of the quarter.
- b. Interest will begin to accrue at the rate of 18% per year, beginning on the first day after the due date.
- c. Any payment received shall be applied to the account balance in the following order;
 - i. Any interest accrued;
 - ii. Any administrative late fee(s);
 - iii. Any costs and reasonable attorney fees incurred in collection; and
 - iv. Delinquent assessment¹.
 - v. Other pass through charges incurred by the Owner, including but not limited to cable and irrigation fees.
- d. A late notice will be mailed to the owner stating the additional charges defined in Sections 1 (a) and (b) herein and due date of the 20th of the month.

¹ Florida Statute 720.3085(3)(b)

- e. A Notice of Intent to Lien will be mailed by certified mail and regular mail after the 60th day of nonpayment, stating that payment in full is due within 45 days of the date t of the Notice. The mailing will be sent Certified Mail to the last address reflected in the Records of the Association, and the parcel address if it is different and if the address is outside the US, the mailing should be sent at minimum first class by U.S. mail to that address and to the parcel address.
- f. In the event the account remains delinquent, there will be an administrative fee not to exceed \$100.00 applied to the account. There will be a final documented attempt to contact the owner of the delinquent account. The Association may, at its discretion, file a civil action in lieu of or in addition to filing a lien to collect the assessments.
- g. As soon as practical following day 106 of the delinquency, a lien request will be referred to the Association's Attorney to be filed with the Clerk of Court for Walton County. All liens will be renewed every 5 years while still outstanding.

2. Collections

- a. The Director of Finance is authorized to waive or reduce administrative late or other fees and/or interest up to \$2,500.00 in an effort to expedite collection of the assessment. However, there will be no waiver of any accumulated attorney fees without authorization from the President of the Board of Directors².
- b. The Director of Finance will provide a list of all outstanding delinquent accounts, and recommend any action to be taken to the SOA Finance Committee at least quarterly.
- c. The Finance Committee shall review the delinquent accounts and recommend action to the Board, if any, on each account. Foreclosure action must be economically sound or otherwise beneficial to the Association, and will only be authorized by the Board of Directors.
- d. If a parcel is occupied by a tenant, and the owner is delinquent in paying any monetary obligation to the Association, the Association may demand that the tenant, upon written notice, pay rental payments to the Association until all obligations are paid in full³.
- e. In the event the Association prevails in a small claims action, and no payment has been made 45 days after that judgment has been rendered, the SOA may pursue all of its remedies and collection options.
- f. If a foreclosure action has been filed and a monetary settlement is offered by the defendant, the Association's Attorney is authorized to negotiate the best available settlement. All settlements will require authorization of the President of the Board of Directors.
- g. Collection of any receivables other than assessments that are due to the Association may be collected through litigation upon approval of the Board of Directors.

² Authority is hereby granted to the President of the Board of Directors to act expeditiously on behalf of the Board to resolve collection matters, and includes any similar reference to authorized approvals by the President within this document.

³ Florida Statute 720.3085(8)

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