

## **FORNES RUN PROPERTY OWNERS ASSOCIATION COLLECTIONS POLICY ADOPTED JUNE 22, 2016**

The Board of Directors for the Fornes Run Property Owner's Association has the obligation to oversee the collection of all Association regular and special assessments in a timely manner. Based upon the Association's governing documents, the Board of Directors has enacted the following policies and procedures concerning the collection of delinquent assessment accounts. The collection policy is subject to revision, and if formally revised, homeowners will be notified of the changes.

### **Regular Assessment Due Date and Method of Payment**

Regular annual assessments are due and past-due each year on the following dates:

January 1 – dues post and are now due

February 1 – payment is past-due

Funds should be made payable to Fornes Run POA. Payments can be mailed to Fornes Run POA, c/o HOA Management Company 3107 Evans St. Ste. B, Greenville, NC 27834 with your account number listed. Draft options are also available.

### **Notice of Annual Dues and Late Statements**

Annual dues notices are mailed to homeowners approximately 30 days in advance of the due date. Late statements are sent only to delinquent accounts. It is the homeowner's responsibility to pay the annual dues, to pay any late fee applied to the account if it becomes delinquent, and to notify the management company of any changes in the billing address or title to the property.

### **Returned Bank Checks**

All returned bank checks will be subject to a \$25.00 Returned Check Fee posted on your account and payable to the Fornes Run POA.

### **Payment Plan Policy**

Homeowners may request a payment plan if the homeowner cannot pay the annual dues in full by the due date. Payment plans must be in writing and are subject to Board approval on a case-by-case basis. There is no guarantee that a written payment plan will be accepted. The Association has sole discretion whether to approve a payment plan. When the decision has been

made on whether to accept or reject your written payment plan, you will be notified in writing from the management company.

The submission of a payment plan does not delay collection proceedings, nor does it constitute a waiver by the Association of any default, and does not relieve the owner of the obligation to pay all assessments, late fees, legal costs, or any other costs associated with your account.

### **90 Days Past-Due**

A pre-lien demand letter will be sent to homeowners who are 90 days behind on payments via first class mail with a copy of the ledger for the account showing the amount owed. The demand letter is a demand for payment and offers the homeowner fifteen days to pay the debt in full without incurring attorney's fees and costs associated with the collection of the debt. If the debt is not paid in full within 15 days of the date of the letter, the account will be turned over to the attorney and a lien will be placed on the homeowner's property. The homeowner will be responsible for all legal fees associated with the filing of the lien and debt collection.

### **6 Months Past Due**

Accounts that are delinquent in payments after six months will be turned over to the attorney to begin the foreclosure process after the Board has formally approved it and noted the homeowner's name and address in the meeting minutes or unanimously voted over email. The foreclosure process may include but is not limited to the following actions:

- A title search is completed.
- The lien is updated if deemed necessary by the attorney's office.
- A foreclosure demand letter is mailed.
- A date for hearing is set by the Clerk of Court's office.
- Notice of hearing is sent by Sheriff, certified mail, and regular mail.
- An order of sale is secured.
- A sale date is set and a notice of sale is mailed out as well as posted at the Courthouse and published once per week for two weeks in the newspaper.
- Sale is conducted on Courthouse steps.
- After the sale, a report for sale is filed.
- A Trustee's Deed is recorded to the highest bidder.
- A final report is filed and any writ of possession/eviction process is begun if the HOA is the highest bidder.

The foreclosure process will be stopped if the homeowner pays the account in full using certified funds by sending payment to the attorney's office.