



THE Overlook at Qualchan HOA Delinquency Policy-

The following policy has been reviewed and approved by your Board of Directors at the Overlook HOA at the September 2020 Board Meeting:

Once an account is delinquent beyond the month for which it is assessed, the account will be charged a late fee of \$25.00 and 1.0% interest per the CC&R's of the HOA. The late charge is charged to the Homeowners ledger and paid to WEB Properties, Inc. Interest amounts are retained by the HOA. Interest is calculated at 1.0% of the total outstanding balance, and it compounds monthly. Homeowners will be sent updated monthly statements showing the new outstanding balance.

Once the balance owing on an account reaches \$1,250.00, an Impending Lien Notification will be sent to the homeowner. This notice generates a \$75.00 fee, charged to the Homeowners ledger and paid to WEB.

If we are not contacted within 30 days of the Notice of Impending Lien to make payment arrangements, we will report the account to the Board who may choose to authorize management to file a lien. If authorization is given, a lien will be filed, and all fees charged by the county, along with an additional \$75.00 filing fee will be charged to the homeowner's ledger and paid to WEB. A copy of the lien and new updated statement will be sent to the contact address on file for the homeowner.

Additional updated statements will be sent on a monthly basis until such time as the account reaches \$2,500.00, and the Board decides to take further action. If authorized WEB will conduct and provide to the Board a Property Profile Report and a \$250.00 charge will be added to the homeowner's ledger and paid to WEB. The cost of the presentation to the Board is associated with researching the feasibility of a legal action. In most cases, the Board of Directors will authorize a legal action to obtain a money judgment.

Based upon the Boards review, a decision is made to move forward or not. If legal counsel is engaged, a money judgment suit will be brought against the owner(s) of a property where the HOA seeks to recover funds from Homeowners assets. A letter from an attorney explaining the process will be sent to the homeowner before the case will be filed in court. Any attorney's fees or time from WEB are added to the Homeowners ledger and paid accordingly.

IN SUMMARY:

1. If an account is not paid within the month for which it assessed:	\$25 Late Fee and 1% monthly interest fee is charged, and a statement is sent.
2. If an account reaches \$1,250.00:	A \$75.00 fee is charged and an Impending Lien Notification is sent.
3. 30 days after Impending Lien Notification:	A lien may be filed if no contact has been made.
4. If an account reaches \$2,500.00:	A Property Profile Report is generated and legal action may be authorized.

Signed: Mila Durgan
Overlook at Qualchan President

Date: 09/01/20