

WATERVIEW CONDOMINIUM ASSOCIATION

Policy and Procedure for the Collection of Delinquent Fees and Dues from Unit Owners

Policy

Introduction. It is the policy of the Waterview Condominium Association to compel all unit owners to pay Association fees promptly when due, to impose upon those unit owners who are delinquent all of the costs and expenses occasioned by their delinquency or non payment, including interest, late charges, legal expenses and any other expenses incurred by the Association to collect or to enforce payment, and to suspend the membership rights and privileges of those owners who become delinquent. An account will be considered delinquent for any month during which there is a balance due as of the second day of the month.

Procedure

1. **Interest** will accrue on all sums from the due date, currently the first day of each month, until paid. The rate charged will be set by the Trustees, and is hereby established at one and one-half per cent (1.5%) per month effective May 1, 2000, until changed. No interest is posted to an account during the first week of a new delinquency.

2. **Late Charges.** A twenty-five dollar (\$25) late charge, per unit, will be imposed on the eighth (8th) day of the first month of any delinquency. An additional late charge of twenty-five dollars (\$25) will be imposed on the eighth (8th) day of **each subsequent month** until the account is brought current. Late charges are imposed in addition to the interest charged.

3. **Acceleration.** In the event any Unit has been delinquent on the payment of three (3) consecutive monthly assessments, an **additional** sum equal to the balance of the calendar year's assessments shall be declared due and payable. Notice of acceleration will be sent to the unit owner with demand for payment in full, and a lien filed in the office of the Atlantic County Clerk.

4. **Suspension of Rights.** Pursuant to Article II, Paragraph 11 of the By-Laws, the

membership and voting rights of a delinquent unit owner shall be automatically suspended on acceleration as set forth in paragraph 4 above, and shall remain suspended until the account is brought current, at which time those rights and privileges shall be immediately and automatically restored. The rights and privileges suspended shall include, without limitation, access to and/or use of the recreational facilities. Notice of the suspension shall be included with the notice of acceleration.

5. **Legal Action** including but not limited to a civil suit and/or foreclosure, will be commenced, on or after the seventy-fifth (75th) day, to collect the entire amount due, together with interest, costs and counsel fees. Delinquent owners shall reimburse the Association for **all** costs of collection, including legal fees incurred by the Association.

6. **Application of Payments.** Payments received from an owner will be credited in the following order of priority:

- (a) Charges for legal fees, court costs and other costs of collection
- (b) Reimbursement of administrative fees, such as bank charges for returned or dishonored checks, etc.
- (c) Service and/or other charges, such as work orders, charges for repairs to a unit, etc.
- (d) Interest
- (e) Late charges
- (f) Monthly assessments
- (g) Special assessments
- (h) Acceleration fees

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Reviewed, approved and adopted by the Board of Trustees on May 10, 2000; as attested to by:

Date: 6-14-00

, Secretary



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