

Gatewood Homeowners Association, Inc. Collection Policy 1/1/18

WHEREAS, by purchasing a home within the community, each owner covenants and agrees to pay assessments to the Association for their pro rata share of the Association's common expenses.

1. Assessments are due and payable in advance for each fiscal year annually, with the due date being the 1st day of January. Annual assessment collection will be handled by the Association's property management company.
2. To be deemed timely, payments must be received (not just postmarked) by the due date at the office/address/P.O. Box of the Association's property management company.
3. A "Reminder Notice" will be mailed to owners who have not paid on or after the 15th day after the applicable due date.
4. A payment not received within 15 days after the applicable due date will result in a late charge of twenty-five percent (25%) of the annual assessment rounded to the nearest whole dollar, being added to the delinquent owner's account, for which the owner is responsible, which will then be deemed a part of the indebtedness to the Association.
5. An "Overdue Notice" will be mailed to the owner monthly, with updated late fees listed by month, until full payment is made.

At the discretion of the Gatewood Board of Directors, one of the following actions will be taken to secure collection of the total past due balance:

- 1) A "10 Day Notice" of intent to file will be sent, via certified mail, to the homeowner by the Association's property management company. If payment in full is not received within 10 days by the Association's property management company, the matter will proceed to Hamilton County Small Claims Court for collection. The owner will be responsible for the court filing fee, certified mail cost, and any other collection expenses incurred, in addition to the assessment and late fees due, or
- 2) The account will be turned over to the Association's attorney, at which time the owner will be responsible for all attorney's fees, expenses, and court costs. All of the Association's collection costs and expenses incurred, including a collection cost/administration fee to its property management company, at the current rate, will be added to the account and shall be deemed to be a part of the indebtedness owed to the Association.

Payments received by the Association's management company will be applied to each homeowner's account according to Generally Accepted Accounting Principal rules. Payment(s) received will be applied to the oldest dated amount due.

Payments received after collection procedures have been required to secure such payment are as follows:

- a) Court fees, mail costs, and any other expenses incurred because of collection action,
- b) Charges incurred by the Association for "bounced" or "stopped payment" checks
- c) Late fees
- d) Outstanding assessments