

## APPENDIX A

### **OAKRIDGE PROPERTY OWNERS AND RECREATIONAL ASSOCIATION, INC.** **POLICY AND PROCEDURE FOR COLLECTION OF OVERDUE ASSESSMENTS**

WHEREAS, OakRidge Property Owners and Recreational Association, Inc. (hereinafter referred to as "OakRidge") has been granted, pursuant to Article IV, Covenant for Maintenance Assessment, SECTION 4, Maximum General Assessment, Item F of the Declaration for OakRidge and Article VII, Board of Directors-Powers and Duties Section 1, Powers, Item (e) of the By-Laws for OakRidge, to establish, make and enforce rules and regulations, and to collect overdue assessments; and WHEREAS, the Board of Directors of OakRidge (hereinafter referred to as "BOD") has determined in order to uniformly and effectively enforce payment of assessments and collection of past due assessments, it is appropriate and proper for a policy and procedure to be adopted regarding collection of past due assessments;

NOW, THEREFORE, IT IS RESOLVED that the following Policy and Procedures are hereby adopted by the Board of Directors of OakRidge:

1. The policies and procedures are hereby adopted for the purpose of compliance with Florida Statutes, and to promote the recreation, health, safety, and welfare of the owners and residents of the properties, for improvement and maintenance of the Common Areas, and to maintain an adequate reserve fund for those common elements that must be replaced on a periodic basis.
2. The rate of assessment shall be fixed, and from time to time amended, in a manner sufficient to meet the expected needs of the Association, as determined by the Board of Directors in order to act in a fiscally sound manner. Periodic statement of dues, assessments of all kinds, and other charges and fines are mailed to all Owners on the first day of each month and payment is due by the 30<sup>th</sup> day of each month, or as otherwise indicated.
3. Interest Rate. Pursuant to Article IV, Covenant for Maintenance Assessment, Section 1, Item C of the Declaration for OakRidge, interest accrues at the Interest Rate on all assessments not paid within thirty (30) days of the assessment due date, currently February 1, at the maximum interest allowed by law (Eighteen per cent (18%) per annum).

4. Late Charges. Pursuant to Article IV, *Covenant for Maintenance Assessment*, Section 1, Item C of the Declaration for OakRidge, any assessments installment, whether pertaining to annual, special, or default assessment, is delinquent if not paid within thirty (30) days of the date due, currently February 1, shall bear a late charge of \$25.00 in addition to interest.

5. Suspension of Voting Rights. No Owner who has an assessment delinquency shall be entitled to vote on any Association matter.

6. Statement of Lien. OakRidge, by and through a duly authorized BOD member, an attorney, or authorized representative shall, after due written notice, record with the Citrus County Clerk of the Court a Statement of Lien in regard to delinquent assessments if not paid in full (**seventy-five (75) days**) after said assessment(s) became delinquent with foreclosure to commence with ninety (90) days after the delinquency arose, **currently February 1**.

#### **PROCEDURE FOR COLLECTION OF ASSESSMENTS**

a. All of the actions prescribed above shall occur as set forth herein.

b. **Initial Demand Letter.** Any assessment installment, whether pertaining to annual dues or special assessments, is delinquent if not paid within thirty (30) days of the due date, currently February 1. Once a delinquency arises, the Board of Directors hereby authorizes and instructs the Treasurer or authorized representative for OakRidge to send a letter requesting payment of the overdue assessment on the letter form attached hereto as "EXHIBIT A" which shall advise the delinquent Owner of the following:

(i) if payment **was** not received with thirty (30) of the date, currently February 1, the assessment became delinquent **and** a late fee of \$25.00 shall be levied.

(ii) Maximum interest allowed by law (Eighteen percent (18%) per annum) will begin to accrue on the delinquent amount as of the date of the delinquency, **currently February 1**.

(iii) The Owner's voting rights are suspended until the delinquency is satisfied in full.

(iv) A Statement of Lien may be recorded if payment is not made within seventy-five (75) day of the date, February 1, the assessment became delinquent.

(v) The Owner shall be liable for all attorney fees and costs incurred by OakRidge to collect the overdue assessment.

c. **Second Demand Letter.** Once an assessment delinquency has existed for **seventy-five (75) days** from February 1, OakRidge shall, itself, or through its designated BOD Member, **association accountant** or attorney send **the** second forty-five (45) day letter by Certified, Regular and Priority Mail to the delinquent Owner on the Form attached hereto as "EXHIBIT B". This letter shall include a statement of the following:

(i) a late fee has been imposed in the amount of \$25.00.

(ii) interest is accruing on the delinquency at maximum interest allowed by law (Eighteen Percent (18%) per annum).

(iii) Owner's voting rights are suspended.

(iv) a Statement of Lien may be recorded against the Property if payment is not received within seventy-five (75) days of the date, February 1, the delinquency arose.

(v) all overdue assessments for the fiscal year are due and payable immediately. Interest will accrue on the assessments until paid.

(vi) that Owner continues to be liable for all attorney fees and costs; and

(vii) that legal foreclosure and collection proceedings may be instituted to collect the delinquency.

d. **Final Demand Letter** OakRidge authorizes **sending** a final demand letter seventy-five (75) days after a delinquency arises, **currently February 1**, advising the Owner that a foreclosure action and/or a personal collection action may be commenced if payment is not timely received.

e. **Personal Collection Action/Foreclosure.** Once a delinquency is ninety (90) days old, the Board shall authorize either a personal collection action or both.

**8. Non-binding On Association.** Except as provided by Florida Law, the provisions of this Collection Policy and Procedures are to establish a framework for prompt and uniform collection of overdue

assessments. OakRidge shall not be required to take each or any of the steps set forth herein, and its failure to take any of these steps, and/or to follow each step as prescribe herein, shall not be deemed a violation that would alleviate a homeowner's obligation under the Association documents or be a waiver by OakRidge of any of its rights pursuant to the Association documents. Furthermore, a homeowner cannot assert as a defense in ay any collection action for assessments the lack of compliance with these Policy and Procedures.

9. ***Non-exclusive Remedies.*** All remedies set forth herein are cumulative and non-exclusive.

10. ***No Waiver.*** Failure of the Board of Directors, or designated agent to enforce eth OakRidge documents and/or these policies and procedures, shall not be deemed a waiver of the right to do so with regard to said violation, any subsequent violations, or the right to enforce any other part of the OakRidge documents at any future time.

11. ***No Liability.*** No member of the Board of Directors, or any Owner shall be liable to any other Owner for failure to enforce any of the OakRidge documents, including these Policy and Procedures, at any time.

12. ***Recovery of Costs.*** If an attorney is hired to enforce any provision of the OakRidge documents, including these Policy and Procedures, or for the restraint of violation of the OakRidge documents, the prevailing party in such proceedings shall be entitled to recover its reasonable attorney fees and all costs incurred by it in such action.

The OakRidge Property Owners & Recreational Association, Inc. Board of Directors hereby adopts these Policy and Procedures this **20th day of February 2019.**

## EXHIBIT A FIRST DEMAND LETTER

Dear Property Owner:

Please be advised that your last assessment payment for Lot\_\_\_\_ Block\_\_\_\_ In the amount of \$\_\_\_\_\_ became overdue as of February 1, 20\_\_\_, pursuant to the Declaration for OakRidge Property Owners Association, Inc. The purpose of this letter is to request immediate payment of the delinquency and to advise you of the ramifications for non-payment.

The ramifications for non-payment include, but are not necessarily limited to, the following:

- (a) If payment is not received on or about March 2 thirty days (30) days of the date, February 1, that the assessment became delinquent, a \$25.00 late fee **has been** levied against your account.
- (b) Interest is accruing at maximum interest allowed by law (Eighteen Percent (18%) per annum) upon the delinquent amount as of the date, February 1, it became delinquent;
- (c) Your voting rights are suspended until the delinquency is satisfied in full;
- (d) A Statement of Lien may be recorded against your property if payment is not made on or about April 16<sup>th</sup>, seventy-five (75) days of the date, February 1, the assessment became delinquent.
- (3) You shall be liable for all attorney fees and costs incurred by OakRidge to address and/or collect the overdue assessment.

Overdue assessments have a negative impact of the Association, and as such, OakRidge Property Owners Association, Inc. looks forward to your immediate cooperation in this regard. If you have any question, please do not hesitate to contact the President (insert name and telephone number) ~~or the Treasurer (insert name and phone number).~~

THIS IS AN ATTEMPT TO COLLECT A DEBT

*Any information obtained will be used for that purpose. Unless you notify the OakRidge Property Owners Association in writing within thirty (30) days after receiving this letter that you dispute the validity of the debt, any portion thereof, the debt will be assumed to be valid by the Association. If you notify the OakRidge Property Owners Association, Inc. within such 30-day period that the debt, or any portion thereof, is disputed, the Association will obtain verification or a copy of a judgment for you. Also, if you make your written request with the 30-day period, we will provide you with the name and address of the original creditor, if different from the current creditor. If, at any time, you notify the Association in writing that you wish them to cease contact by telephone or at your place of employment, then no such further contact shall be made. In addition, if, at any time, you notify us in writing that you refuse to pay the debt or that you wish the Association to cease any further communication with you with respect to such a debt, the Association will not communicate with you further except (1) to advise you that efforts are being terminated; or (2) to notify you that we may invoke or intend to invoke specific legal remedies.*

Very truly yours,

OakRidge Property Owners Association, Inc.

By: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

## **EXHIBIT B**

### **SECOND DEMAND LETTER**

Dear Property Owner:

Please be advised that you have overdue assessments that have now been delinquent no less than sixty (60) days pursuant to the Declaration for OakRidge Owners Association, Inc. The purpose of this correspondence is to advise you that the following shall occur, in addition to other remedies and rights of OakRidge Property Owners Association, Inc if payment is not immediately received:

- (a) Late fee of \$25 has already been assessed;
- (b) As per Florida Statute 720.3085 (4) notice is hereby given that you have forty-five (45) days from the date of this correspondence to provide full payment of outstanding assessments including late fee and interest for a total of \$\_\_\_\_\_;
- (c) Interest continues to accrue on the delinquency at maximum interest allowed by law (Eighteen Percent (18%) per annum);
- (d) Your voting rights are suspended until the delinquency is paid in full;
- (e) Should you fail to pay the full balance due with 45 days of the date hereof, upon majority vote approval of the Board of Directors, a Claim of Lien may be recorded against your Property with the Citrus County Clerk of the Court;
- (f) You continue to be liable for all attorney fees and costs that are being incurred by the Association to address your delinquency;
- (g) As per Florida Statute 720.3085 (1) (c) the Association attorney will be contacted about legal procedure to foreclose on your property for delinquencies.

THIS IS AN ATTEMPT TO COLLECT A DEBT

***Any information obtained will be for that purpose. If, at any time, you notify the OakRidge Property Owners Association, Inc. in writing that you wish them to cease contact by telephone or at your place of employment, then no such further contact will be made. In addition, if, at any time, you notify us in writing that you refuse to pay the debt or that you wish the Association to cease any further communication with you with respect to such a debt, the Association will not communicate with you further except (1) to advise you that the efforts are being terminated; or (2) to notify you that we may invoke or intend to invoke specific legal remedies.***

Very truly yours,

OakRidge Property Owners Association, Inc.

By: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



SCHEDULE FOR COLLECTION OF OVERDUE ASSESSMENTS\_x000D\_

D-Jan	D-Feb	D-Feb	D-Apr	D-May
Assessment Invoice				
31 Days to Pay	Delinquent	Initial Demand Letter	Second Demand Letter	Final Demand Letter
		Late Fee	Late Fee	Board Liens
		Interest	Interest	Possible Foreclosure
			Board May Lien	Possible Collection Action
			Board May Foreclose	
Person A Pays	No Further Action			
Person B did not pay	First Demand Letter	Pays by March 2	No further Action	
Person C did not pay	First Demand Letter	Does Not Pay	Second Demand Letter	Does Not Pay
				FINAL DEMAND LETTER