

## Collection Policy for Carriage Trails MOA Members

Our MOA has an obligation to ensure that payments have been received from all MOA Members who reside within Carriage Trails. In the event that assessments are not timely paid, per the Covenants, Conditions and Restrictions (hereinafter "CC&R's"), the MOA will aggressively pursue collection of all delinquent accounts and unpaid assessments. The Collection Policy is as follows:

### SINGLE FAMILY HOMES

- Single Family Homes — All assessments are due on the first (1st) day of each quarter (1/4 of the annual assessment).
- Assessments that are not paid when due as set forth above will result in the account having an "outstanding balance due" on the first day after the due date.
- An account becomes "delinquent" on the 16<sup>th</sup> day the account has an outstanding balance due ("first date of delinquency"). Once deemed "delinquent", an account remains in "delinquent" status until it is paid in full including all assessments of any kind as well as collection costs, late fees, attorney fees if applicable, etc.
- A recurring quarterly late fee of Ten Percent (10%) per annum, will be charged to any Member's account that is delinquent for Single Family Homes. Please note that an account will remain in "delinquent" status if the entire balance is not paid in full to include all costs (collection costs, late fees, attorney fees, etc.). Pursuant to Ohio Statute (ORC 5312.11(B)) amounts received on a delinquent account will be credited as follows:

*(1) To interest owed to the owners association;*

*(2) To administrative late fees or enforcement assessments owed to the owners association;*

*(3) To collection costs, attorney's fees, and paralegal fees the owners association incurred in collecting the assessment;*

*(4) To the oldest principal amounts the owner owes to the owners association for the common expenses chargeable against the dwelling unit or lot.*

- On or after the first date of delinquency, Associa may send a "Reminder Letter" to a Member whose account has fallen into "delinquent" status. Associa may, but is not required to, send monthly reminder letters for accounts in "delinquent" status. All members are responsible to know whether their respective accounts are paid current or are delinquent. Inquiries should be directed to Associa.
- A quarterly sum of eight dollars and fifty cents (\$8.50) shall be charged as a "Collection Cost" against any Member's account that is more than fifteen (15) days late in the payment of any quarterly assessment. Please note that the "Collection Cost" is a charge for each quarterly assessment that is not paid when due. Multiple Collection Costs may be charged to a Member's account if more than one assessment is unpaid. This fee will be included in the "Reminder Letter" from Associa.

- Upon the one hundred fifth (105<sup>th</sup>) day of an account becoming delinquent, Associa will inform legal counsel to send an "Attorney Demand Letter" to the Member(s) accounts which are delinquent.
- Upon expiration of the time period specified in the Attorney Demand Letter set forth above, Associa may direct legal counsel to prepare and record a Certificate of Lien against the respective property in compliance with Ohio law and the governing documents.
- The Association may avail itself of all legal remedies in pursuit of delinquent accounts and unpaid assessments with legal action, including but not limited to, civil collection and foreclosure.
- In accordance with Ohio law and the governing documents, Members are responsible for fees/costs incurred by the Association to collect outstanding assessments, including but not limited to, attorneys' fees, court costs, recording fees, etc. associated with collection of respective accounts.

**Multi-Family, Condominiums, Senior Living, etc.**

- Multi-Family, Condominiums, Senior Living, etc. — All assessments are due on the first (1st) day of the month (1/12 of the annual assessment).
- Assessments that are not paid when due as set forth above will result in the account having an "outstanding balance due" on the first day after the due date.
- An account becomes "delinquent" on the 16<sup>th</sup> day the account has an outstanding balance due ("first date of delinquency"). Once deemed "delinquent", an account remains in "delinquent" status until it is paid in full including all assessments of any kind as well as collection costs, late fees, attorney fees if applicable, etc.
- A recurring monthly late fee of Ten Percent (10%) per annum will be charged to any Member's account that is delinquent for Multi-Family, Condominiums, Senior Living, etc.
- Please note that an account can remain in "delinquent" status if the entire balance is not paid in full to include all costs (collections costs, late fees, attorney fees, etc.). Pursuant to Ohio Statute (ORC 5311.18(A)(2)) amounts received on a delinquent account will be credited as follows:

*(1) To interest owed to the owners association;*

*(2) To administrative late fees owed to the association;*

*(3) To collection costs, attorney's fees, and paralegal fees incurred by the association;*

*(4) To the principal amounts the unit owner owes to the association for the common expenses or penalty assessments chargeable against the unit.*

- On or after the first date of delinquency, Associa may send a "Reminder Letter" to a Member whose account has fallen into "delinquent" status. Associa may, but is not required to, send monthly reminder letters for accounts in "delinquent" status. All members are responsible to know whether their respective accounts are paid current or are delinquent. Inquiries should be directed to Associa.
- A **monthly** sum of eight dollars and fifty cents (\$8.50) shall be charged as a "Collection Cost" against any Member's account that is more than fifteen (15) days late in the payment of any assessment. Please note that the "Collection Cost" is a charge for each monthly assessment that is not paid when due. Multiple Collection Costs may be charged to a Member's account if more than one assessment is unpaid. This fee will be included in the "Reminder Letter" from Associa.
- Upon the thirtieth (30<sup>th</sup>) day of an account becoming delinquent, Associa will inform legal counsel to send an "Attorney Demand Letter" to the Member(s) accounts which are delinquent.
- Upon expiration of the time period specified in the Attorney Demand Letter set forth above, Associa may direct legal counsel to prepare and record a Certificate of Lien against the respective property in compliance with Ohio law and the governing documents.
- The Association may avail itself of all legal remedies in pursuit of delinquent accounts and unpaid assessments with legal action, including but not limited to, civil collection and foreclosure.
- In accordance with Ohio law and the governing documents, Members are responsible for fees/costs incurred by the Association to collect outstanding assessments, including but not limited to, attorneys' fees, court costs, recording fees, etc. associated with collection of respective accounts.

APPROVED:



William W. Keethler II, Board Director