

RiverPlace at Summer Beach Property Owners Association, Inc.
Policies and Procedures

Name of Policy: Assessment of Late Fees and Interest

Policy Number: RP1

Date: 06/14/2011

Revised: 04/18/2024

Reference to CCR's: Article V, Section F 2(d) of Declaration

A. General

This is a policy concerning the application and collection of late fees and interest associated with assessments. It is the goal of the Board to ensure the proper funding of the operating budget by timely collections of assessments and associated fees. Therefore, the following will be enforced through our contracted management company at the Board's direction.

IN SUMMARY THE COVENANTS AND RESTRICTIONS OF THE ASSOCIATION STATE:

Non-Payment. If any Assessments (or installments thereof) are not paid on the date(s) when due, then the Assessments shall become delinquent and fully due and payable and the personal obligation of the Owner.

Late Fees, Interest. Any Assessments not paid within ten (10) days after the due date shall be subject to a late fee as determined from time to time by the Board of Directors, and may, upon resolution of the Board of Directors, bear interest at a percentage rate determined by such Directors.

B. Procedures

The Association will charge late fees in accordance with the Declaration and Florida law.

Example: June 1st the assessment is due, June 10th the assessment is late.

The Late Fee is \$25.00

The Default Interest is 18% per annum on the entire balance on the account on the 10th and such amount is authorized by Florida Law and the Declarations. If on the due date of the second month which in the above example is July 1st, if the previous month's (June 1st) assessment has not been received a "Notice of Late Assessment" will be sent including language in the statutory form under Chapter 720, Florida Statutes.

The Notice shall provide the Owner 30 days after the date of the letter to pay the delinquent amount.

If on the expiration of the 30 days in the Notice *the delinquent amount is not paid*, the Association will send the Owner a “Notice of Intent to Record a Claim of Lien” in the statutory form under Chapter 720, Florida Statutes. The Letter will allow 45 days for the Owner to pay the Delinquency. If at the expiration of the 45 days, the delinquency is still not paid, the Association will prepare and record a Claim of Lien on the unit. Immediately thereafter, the Association shall send the Owner the “Delinquent Assessment” letter alerting the Owner to the institution of lien foreclosure proceedings with the amount if not paid within 45 days from the date of the letter. No late fees or interest will be waived from this day forward. In addition, the Owner’s account will be charged any associated legal fees for the collection process, which attorney fees are recoverable against the Owner by the terms of the Declaration and Florida Law.

C. Notice to Owners

INTEREST:

Once late fees and interest are applied to an account, interest will continue to accrue on the total account balance after the 10th day of each month when the account balance has not been paid in full.

NOTICE ON APPLICATION OF FUNDS TO THE ACCOUNT:

Florida Statutes require that once a late fee, attorney fees and/or interest has been applied that any payments received after such receipt will first be applied to the late fee, attorney fees and then the interest with the remainder applied to the principle assessment amount. Therefore, if late fees and interest have been applied and the Owner remits the payment for only the assessment amount due, after late fees, attorney fees and interest are deducted there will be a remaining assessment balance due which will not preclude the collection process contained in this policy. It is very important for the Owners to request a pay-off of the total amounts due from the Association, its management company or counsel retained for the Association.

The Board also suggests that if Owners currently are paying monthly fees by check, that they consider allowing our management company to direct debit the association fee on a monthly basis. This suggestion will save the cost of a stamp as well as allow the association to not incur the cost of printing an annual coupon book and providing

envelopes. A form authorizing that change may be obtained from the Association management company.