

**PALM VILLAS CONDOMINIUM ASSOCIATION**  
**RESOLUTION OF THE BOARD OF DIRECTORS – Collection Policy #2012- 1**

Adopted by Board of Directors \_\_\_\_\_  
Effective Date 03/01/12

*Palm Villas P.M.*

This resolution is adopted by the Board of Directors of Reflections In The ~~Catalines~~ Condominium Association pursuant to the Declaration of Covenants, Conditions and Restrictions (CC&R's) and Bylaws. The procedure for the collection of delinquent assessments is set forth below:

**I. Introduction**

The Board of Directors of an association has a fiduciary duty to collect assessments. The Association's management company performs initial collection of assessments for the Association. What follows is the outline of the collection process as approved by the Board and as performed by management.

**II. The Collection Process**

Management begins collections procedures when an individual Unit Owner is delinquent in paying assessments as follows:


**Letter One:** Friendly Reminder sent to Unit Owner: **30 days delinquent**. A \$10.00 late fee is assessed at 15 days delinquent. Delinquent assessments will bear interest at the rate of 18% per annum.

**Letter Two:** Demand Letter sent to Unit Owner: **60 days delinquent** along with **10-day** notice of intent to lien. If the Unit Owner has not responded to the correspondence, the account shall be automatically turned over to counsel for collections. If the Unit Owner has responded to the correspondence, the Board shall evaluate whether to send the account to counsel for collections. After sending a demand letter, counsel may record a lien against the Unit Owner's Unit.

Management and the attorneys have no authority to negotiate reductions of the debts, and have no authority to waive any assessments or fines. Homeowners must approach the Board of Directors directly to request waiver of any fines or late fees. Management will enter into reasonable written payment arrangements.

Dated : 1/27/12

PALM VILLAS ASSOCIATION

  
\_\_\_\_\_