



Delinquent Assessment Collections Policy

(Amended as of: 26 October 2019)

Prompt payment of Assessments by all homeowners is critical to the financial health of the Association and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and the South Carolina Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors.

Therefore, pursuant to the CC&R's and South Carolina Civil Code, the following are the Association's assessment practices and policies:

1. Regular assessments are due, in advance, on the first (1st) day of January each assessment period and delinquent if not received, in full, by the Association within forty-five (45) days after the due date thereof. Special Assessments and Reimbursement Assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received by the Association within thirty (30) days after it is due. A late charge of ten dollars (\$10.00) or percent (10%) of the delinquent assessment, whichever is greater, shall be due on any such delinquent assessment. The Association may also recover interest on all such amounts due once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.
2. If any portion of any such assessment, late charge, interest or cost of collection remains unpaid sixty (60) days after the original due date, a "Notice of Intent to Lien" will be prepared and sent to the owner(s) by certified mail. The Notice will, among other things, state the current charges owed by the owner(s), and any additional information required by South Carolina Civil Code or comparable superseding statute
3. If all such amounts have not been received ninety (90) days after the original due date thereof, or thirty (30) days after the mailing of a "Notice of Intent to Lien", whichever is later, Notice of Delinquent Assessment ("Lien") will be prepared and recorded as to the delinquent property and the owner(s) thereof, and all resulting collection fees and costs will be added to the total delinquent amount secured by the Lien.
4. If all such amounts have not been received, in full, within thirty (30) days after the recordation of such Lien, or within the time frame outlined in South Carolina Civil Code, whichever occurs later, the Association may, without further advance notice to the owner(s),

proceed to take any and all additional enforcement remedies as the Association, in its sole discretion, deems appropriate, including, without limitation, non-judicial foreclosure of such Lien, judicial foreclosure, or suit for money damages, all at the expense of the property owner(s).

5. For liens recorded on and after January 1, 2006, an association may not use judicial or non-judicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800.00). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800.00) or more than 12 months delinquent, an association may use judicial or non-judicial foreclosure subject to the conditions set forth in Civil Code. When using judicial or non-judicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid.

6. The Association may recover all reasonable costs incurred in collecting any delinquent assessment, including reasonable attorney's fees.

7. All payments received by the Association, regardless of the amount paid, will be directed to the oldest assessment balances first, until such time as all assessment balances are paid, and then to late charges, interest and costs of collection unless otherwise specified by written agreement.

8. The Association shall charge a "returned check charge" of thirty-five dollars (\$35.00) for all checks returned as "non-negotiable", "insufficient funds" or any other reason.

9. All above-referenced notices will be mailed to the owner(s) at the last mailing address provided in writing to the Association by such owner(s).

10. The Board of Directors of the Association may revise this policy, either generally or on a case-by-case basis, if it finds good cause to do so.