

COLLECTION POLICY

WHEREAS, the Board of Directors (the “Board”) of Reserve at Sawgrass Homeowners Association, Inc. (the “Association”) is charged with the responsibility of collecting assessments for common expenses from homeowners pursuant to the governing documents of the Association; and

WHEREAS, from time to time homeowners become delinquent in their payments of assessments and fail to respond to demands from the Association to bring their accounts current; and

WHEREAS, the Association’s Board deems it to be in the best interest of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the Association to refer these accounts promptly to the Association’s attorney for collection, so as to minimize the Association’s possible loss of revenues; and

WHEREAS, the Association’s Board has retained the Association’s attorneys to protect the Association’s legal and financial interests, including those interests related to the collection of unpaid assessments from homeowners; and

WHEREAS, the Association’s Board has directed the Association’s attorneys to represent the Association on the terms outlined in this resolution, or as otherwise recommended by the Association’s attorneys;

NOW, THEREFORE, BE IT RESOLVED that, the Association’s attorneys shall pursue all collection and other matters that the Association’s Board, acting through the Association’s Management Company, may from time to time refer to them and to provide any advice and counsel that the Association’s Board may from time to time require; and

BE IT FURTHER RESOLVED that, the Association’s Management Company is directed to send to any homeowner who is more than fifteen (15) days delinquent in the payment of any regular assessment, special assessment or other charges authorized by the Association’s governing documents or statutes (hereinafter referred to as “Assessments”), a written notice of the delinquent balance and a request for immediate payment; and

BE IT FURTHER RESOLVED that, the Association’s Management Company is directed to send any homeowner’s account that is more than thirty (30) days delinquent in the payment of any Assessments to the Association’s attorney for immediate legal action; and

BE IT FURTHER RESOLVED that, when required by law, the Association’s attorney is directed to send to any homeowner who remains delinquent thirty (30) days after the payment of any Assessment was initially due a forty-five (45) day notice advising of the Association’s notice of intent to lien the homeowner’s lot to collect Assessments, which forty-five (45) day notice shall include demand for all pre-lien attorney’s fees and costs of collection; and

BE IT FURTHER RESOLVED that, as required by law, the Association’s attorney upon receipt of written instructions from the Board shall record a claim of lien against any lot when the homeowner remains delinquent after the forty-five (45) day notice to the homeowner has expired, and the homeowner shall be liable for payment of all attorney’s fees and costs of collection imposed by the Association and the Association’s attorney; and

BE IT FURTHER RESOLVED that, as required by law, following the recording of a claim of lien against any lot, the Association’s attorney is directed to send to any homeowner who remains delinquent a forty-five (45) day notice advising of the Association’s notice of intent to foreclose the claim of lien to collect Assessments, which

forty-five (45) day notice shall include demand for all attorney's fees and costs of collection, including those related to the claim of lien; and

BE IT FURTHER RESOLVED that, the Association's attorney is directed, upon receipt of written instructions from the Board, to file a lawsuit seeking all relief available, at law or in equity, against any homeowner who remains delinquent forty-five (45) days after notice of the Association's intent to foreclose the claim of lien to collect Assessments has been sent; and

BE IT FURTHER RESOLVED that, as permitted by law and recommended by the Association's attorney, the Board has the discretion in its business judgment to depart from the above-stated processes from time to time in order to protect the Association's legal and financial interests; and

BE IT FURTHER RESOLVED that, the Management Company is directed to consult with the Association's attorney and turn over for a response or other action any account where the homeowner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien right against a lot, whether the homeowner's account with the Association is delinquent or not; and

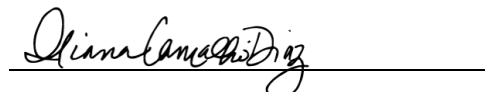
BE IT FURTHER RESOLVED that, in addition to all other remedies available to the Association, if a homeowner's account is delinquent in excess of ninety (90) days, the Association shall suspend the homeowner's rights, as well as the homeowner's tenant's and guest's rights, to use Common Area. If the Association imposes a suspension, the Association must provide written notice of such suspension by mail or hand delivery to the homeowner and, if applicable, to any tenant, licensee, or invitee of the homeowner.

BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the Association's attorney for collection:

1. All contacts with a homeowner who has been placed with the Association's attorneys for collection, including a demand letter, lien or lawsuit, shall be handled through the Association's attorney. Neither the Management Company nor any Association officer or director shall discuss the collection of the amount directly with a homeowner after it has been turned over to the Association's attorneys, unless one of the Association's attorneys is present or has consented to the contact.
2. All sums collected on a delinquent account shall be promptly remitted to the Association upon receipt. The Association's attorney shall request an account history from the Association's Management Company before settling or closing an account. The Association's Management Company shall promptly provide the Association's attorney with same.
3. The Association's attorney's legal fees and costs shall be assessed against each delinquent lot and its owner when the account is turned over to the Association's attorneys for collection.

IN WITNESS WHEREOF, the Board of Directors of Reserve at Sawgrass Homeowners Association, Inc. has approved the provisions hereof this 16 day of December, 2020, at a duly called meeting of the Board at which a quorum was present, by a vote of 2 to 0.

Respectfully submitted,



Secretary