

Bella Costa Condominium
A resolution of the Board of Directors
Establishing Procedure for the Collection of Delinquent Accounts

Whereas, the Board of Directors (hereinafter "Board") of Bella Costa Condominium (hereinafter "Association") is responsible for the operation and maintenance of the Association and Condominium property; and

Whereas, the Association has contracted with Whittaker & Associates (hereinafter "Agent") to provide accounting services as Association's agent; and Sunstate Management (hereinafter "CAM") to provide property management services; and

Whereas, Bella Costa Condominium's payment address is: Cadence Bank, PO Box 4233, Sarasota FL 34230-4233 and,

Whereas, the Board has determined that there is a need to enact uniform policies regarding collections of delinquent accounts in order to ensure proper collection of assessments from all unit owners and to do so in an objective and efficient manner.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

SECTION I

THAT all assessments (including special assessments) or assessment installments are due on the first day of each Quarter and if not received by the Agent at the address of the Association by the 15th day after the date when the assessment or assessment installment is due shall be deemed delinquent. As authorized by the Association's By Laws, page 2, Section 12.2 and 12.7, assessments not paid when due shall bear interest from the due date until paid at the rate of 18% per annum together with a one-time Late Fee of \$25.00 or 5% of the delinquent amount plus any costs of collection from the date when due until paid.

SECTION II

THAT in addition to the above fees and costs and an Administrative Fee will be added to each delinquent unit owner for the processing of each delinquent notice and turned over to Legal Counsel: \$15.00 for First Notice (Late Notice), \$30.00 for Second Notice (Intent to Lien Notice) and \$45.00 to turn over to Legal Counsel (Legal Counsel Authorization). These additional fees shall be paid to the Agent by the Association. The fees will be reimbursed to the Association upon receipt of payment from the unit owner. The Agent, with Board approval, may amend these fees to cover administrative costs annually, as it deems necessary.

SECTION III

THAT when any assessments or assessment installments are not received by the Agent on behalf of Association at the address of Agent by the 15th day after the date when the assessment or assessment installment was due, the unit owner will receive, by regular US Mail, a Notice indicating that there is still an outstanding balance. In accordance with the Associations bylaws, interest will be added from the 1st day of the month through the 15th of the Quarter together with a Late Fee of \$25.00 or 5% of the delinquent amount. The \$15.00 Administrative Fee will be added to each delinquent account as a cost to prepare the First Notice.

SECTION IV

THAT when any assessments or assessment installments are not received by the Agent on behalf of the Association at the address of the Association by the 45th day after the due date, the unit owner will receive, by regular US Mail, a letter stating that the unit account will be turned over to Legal Counsel if payment is not received within 15 days. An additional 15 days of interest will be added to the account and \$30.00 will be added to each delinquent account as a cost to prepare the Second Notice (Intent to Lien).

Section V

THAT the Board of Directors authorizes the Agent to turn over all delinquent accounts with assessment or assessment installments and not paid within forty five (45) days from the date when due. The Agent will notify the President and the Treasurer via email, the accounts still not paid by attaching an Aged Owner report and advising that these accounts will be turned over to Legal Counsel. The Agent will coordinate with the CAM to facilitate legal action.

Section VI

THAT the delinquent account will be turned over to Legal Counsel. At direction of the Board or the CAM the Agent shall email a ledger for each delinquent account to the Association's Legal Counsel, with a copy to the Association's President, Treasurer. The Board or CAM will instruct Legal Counsel to prepare a Collection Notice and notify the delinquent unit owner by certified mail that the assessment, together with all the costs and fees as set forth above, must be paid within 30 days or a claim of lien will be filed. If payment not received by the 30th day as stated in the Legal Counsel's initial collection Notice the claim of lien will be filed and Legal Counsel will notify the delinquent unit owner of the recording, and advise such owner by certified mail that the Association intends to foreclose the lien and collect the unpaid assessment, together with all the costs and fees if delinquent account not paid within 30 days. Agent is hereby authorized to execute on behalf of the Association the claim of lien, a retainer agreement with the association's Legal Counsel to pursue collection, and any other documents or instruments that may be necessary pursuant to the claim of lien and foreclosure proceedings.

Section VII

That once the delinquent account has been turned over to Legal Counsel, it will be Legal Counsel's responsibility to contact the Board Treasurer and/or the President to request further action. Copy of the request will be delivered to Agent and Property Manager, as well.

Section VIII

THAT The Board of Directors or its designated officer may direct Agent or the Association's Legal Counsel to stop collection proceedings against any unit owner on a case by case basis. The decision to stop or hold collection proceedings against any unit owner shall be documented on the Associations Meeting Minutes and forwarded to the Agent to be filed on the unit owner's account. A one-time waiver of a late fee may be granted, with authorization from the Treasurer to the Agent. Documentation of use of this one time waiver will be filed in the unit owner's account.