

VERONA RESERVE COMMUNITY ASSOCIATION, INC.

Collections Policy

Overview: To enact uniform policies regarding the collection of delinquent accounts in order to ensure the proper collection of assessments from all Property Owners (hereinafter “Owners”) in an objective and efficient manner.

Policy Statement: Verona Reserve Community Association, Inc. (hereinafter “Association”) has contracted with the Property Management Company to serve as the collection agent (hereinafter “Agent”) on its behalf.

Section I

All assessments (including special assessments) are due on the 1st day of each Month, are payable to Verona Reserve Community Association, Inc. and must be mailed to:
Cadence Bank, PO Box 4008, Sarasota, FL 34230-4008.

If not received by the Agent by the 15th day after the due date, the assessment shall be deemed delinquent. As authorized by the Association’s Declaration, page 50 & 51, Section 8.4, 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, the greater of \$25.00 or 5% of the assessment, plus any costs of collection from the due date until paid.

Section II

In addition to the above fees and costs, an administrative fee will be added to the account for each delinquent Owner for the processing of delinquent notices and turn over to Legal Counsel:

- \$15.00 for First Notice (Late Notice)
- \$30.00 for Second Notice (Intent to Lien Notice)
- \$45.00 to turn over to Legal Counsel (Legal Counsel Authorization)

These additional fees shall be paid to the Agent by the Association in accordance to the Management Agreement. The fees will be reimbursed to the Association upon receipt of payment from the Owner. The Agent may amend these fees to cover administrative costs annually, as it deems necessary.

Section III

If payment has not been received by the 15th day after the due date, the Agent will mail a Late Notice to the Owner by regular US Mail, indicating that there is an outstanding balance, that a late fee has been added and interest is accumulating.

If payment has still not been received after the 30th day past the due date, the Agent will mail an Intent to Lien Notice to the Owner by regular US Mail. The letter states that the delinquent account plus interest and late fee will be turned over to Legal Counsel if payment is not received within 15 days.

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Section IV

The Board of Directors authorizes the Agent to turn over all delinquent accounts with unpaid assessments forty five (45) days from the date when due. The Agent will notify the President and Treasurer via email with copy to the Property Manager and his/her Administrative Assistant of the accounts still not paid by attaching an Aged Owner report and advising that these accounts will be turned over to Legal Counsel.

Section V

At turn over to Legal Counsel, the Agent shall email a ledger for each delinquent account to the Association's Legal Counsel and will instruct Legal Counsel to prepare a Collection Notice and notify the delinquent 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 is not received by the end date stated on the Legal Counsel's Collection Notice, the claim of lien will be filed and Legal Counsel will notify the delinquent Owner of the recording, and shall 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 the delinquent account is 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 VI

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 President to request further action. A copy of the request will be delivered to Agent as well.

Section VII

The Board of Directors may direct Agent or the Association's Legal Counsel to stop collection proceedings against any Owner on a case by case basis. The decision to stop or hold collection proceedings against any Owner shall be documented on the Associations Meeting Minutes and forwarded to the Agents collections department to be filed on the Owner's account.

Section VIII

The Board of Directors hereby authorizes Agent to write-off balances under \$20.00 at the end of each fiscal year.