

SHHOA Delinquency Dues Process 2023-2024

SHHOA will utilize the following delinquency processing schedule and fee structure
(Prevailing rates, subject to change):

| <u>What</u> | <u>When</u> ² | <u>Cost to Home Owner</u> |
|--|------------------------------|---------------------------|
| Step 1: Reminder Notice | 60 Days after Statement Date | \$14 |
| Step 2: Demand Letter ¹ | 90 Days | \$45 |
| Step 3: Final Notice | 120 Days | \$125 |
| Step 4: Intent to Lien | 150 Days | \$175 |
| Step 5: Lien Filing | 180 Days | \$275 |
| Step 6: Standing Status* | 210 Days | |
| Step 7: Intent to Foreclose** | Over \$1,000 owed | \$395 |
| Step 8: Forward to 3 rd Party Collections | BOD Approval | \$150 |

Additional Notes:

¹Report account in arrears to Equifax monthly until resolved

²Payment overdue 60 days after Invoice Statement Date. Subsequent "When" is relative to overdue date

*All fees are charged to the association and subsequently assessed against the delinquent owner's account at the time of service, except the fee(s) on both Steps 1 and 6 are only charged to the association and not assessed to the individual owner's account.

Fees are inclusive of all processing, postage, and otherwise previously itemized reimbursable materials/labor costs.

Monthly positive and negative payment history credit bureau (Equifax) filing is included at no additional cost. Negative credit bureau filing only begins at Step 2 and beyond, when a homeowner is at least 60 days delinquent.

Payment plan administration is billed at \$25 per payment, charged to the association and reimbursed by the homeowner.

Bankruptcy proof of claim filing, when required, will be billed at \$125.

*Step 6 (Standing Status) represents balances that have not reached the \$1,000 threshold to progress to Step 7. While a delinquent owner is in a Standing Status, they will receive a \$4/mo. late statement.

Step 7 includes the Intent to Foreclose correspondence as well as a confidential Delinquency Analysis Package prepared by independent counsel to help determine

the viability of further collections efforts.

**Unless otherwise instructed by a Board of Directors, delinquent accounts after Step 7 will be converted back to a Standing Status pending final Board review.

Should a Board of Directors decide to pursue legal collections/foreclosure with a 3rd party collection agency, Goodwin & Company will charge a one-time \$150 account preparation fee to deliver all necessary information to that chosen firm. Additionally, there will be a \$25/month administrative fee charged to all delinquent accounts that are being actively worked by a 3rd party collection agency.