



## **Marsh Harbour at Kingsland Property Owners Association, Ltd. Policies on Assessments and Collections**

The Marsh Harbour at Kingsland Property Owners Association, Ltd. (the "Association") Board of Directors has a fiduciary duty to the members of the Association to collect assessments and properly handle the Association's financial affairs. To comply with this mandate, the Board of Directors relies on the timely payment of assessments. If owners fail to pay lawfully imposed assessments as required, the Board must take action to secure payment from these delinquent owners. This document outlines a comprehensive collections strategy that incorporates all resources available to the Association to effectively deal with this matter.

Under the Association's governing documents, the Declaration of Covenants and Restrictions Marsh Harbour (the "Declaration") and the Association's Bylaws, owners have the obligation to pay lawfully imposed assessments. The Georgia Property Owner's Association Act supports this obligation. In Georgia, there is no legal justification to not pay assessments. If an owner becomes delinquent, the Association's Board of Directors has the obligation to move expediently towards legal action in order to secure funds owed to the Association from the delinquent owner.

The Board's process for notifying Association members of assessments is as follows:

1. An invoice is sent to all property owners in December for the upcoming year. Assessments are due by January 31 of each year. Three options for payment are available:
  - a. **Annual**; payment of the assessment amount in full by January 31.
  - b. **Semi-Annual**; payment of one half of the assessment by January 31, payment of the remaining balance by July 31.
  - c. **Quarterly**; payment of the assessment amount in 4 payments, due as follows: 1<sup>st</sup> payment due January 31; 2<sup>nd</sup> payment due April 30; 3<sup>rd</sup> payment due July 31; and 4<sup>th</sup> payment due October 31.

2. Included in the December invoice will be a payment selection card to designate the payment option. The card must be completed and returned with the first payment.
3. If payment is not received by the due date(s), a second notice will be sent approximately two weeks after the due date. At that time, the Board will impose a 10% late fee on the amount due plus interest of 10% per annum on the outstanding balance of the assessment and the imposed late fee. This notice also will also state that a claim of lien will be placed against the property if the outstanding balance is not paid by a certain date (usually 30 days from the date of the letter).
4. If payment is still not received, a third notice with a copy of the claim of lien to be filed will be sent to the property owner stating that the owner has 10 days to pay the assessment, late fee, interest and other costs of collection in full or further legal action will be taken, including the filing of the claim of lien and the filing of a lawsuit against the owner and the property for which assessments are due. Although the Georgia Property Owner's Association Act provides lien rights against the property through the Declaration, the Association will file a claim of lien against the property with respect to which assessments are due with the Clerk of the Superior Court of Camden County, Georgia.
5. If the property owner makes no attempt to pay the assessment, late fee, interest and other costs of collection, including lien fees and attorneys fees, a Statement of Claim will be filed with the Camden County Magistrate Court. This legal proceeding may include foreclosing on the lien and subsequent sale of the property to satisfy the debt as well as a judgment against the property owner. The Board may also enlist the services of a collection agency.
6. The delinquent property owner will be responsible for payment of all outstanding assessment, late fee, interest and other costs of collection, including lien fees and attorneys fees.

**It is the Association's policy not to waive the annual Association assessments for any reason.**

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**Summary of changes from April 22, 2014 policy:**

1. Added the option for quarterly payments
  2. Removed Administrative Fee
  3. Added selection card to designate payment option
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MHPOA BOD adopted on this 19th day of May 2015 at Board Meeting.