

Turtle Bay Condominium Owners Association, Inc.

DELINQUENT ASSESSMENT COLLECTION POLICY

WHEREAS, Turtle Bay Condominium Owners Association, Inc. (the "Association") is a Florida Not for Profit Corporation and the Condominium Association responsible for operating and administering **Turtle Bay, a Condominium**, located in Manatee County, Florida; and

WHEREAS, to efficiently and effectively perform its contractual duties and its statutory functions, it is imperative that Unit Owners timely remit payment of all regular and special assessments to the Association; and

WHEREAS, the Amended and Restated Declaration of Condominium of **Turtle Bay, a Condominium, as recorded in Official Records Instrument #2004104671** of the Public Records of Sarasota County, Florida on May 28, 2004, as amended from time to time (the "Declaration"), along with the Amended and Restated Articles of Incorporation of Turtle Bay Condominium Owners Association, Inc. and the Amended and Restated Association Bylaws of Turtle Bay Condominium Owners Association, Inc. and Chapter 718, Florida Statutes ("Condominium Act") provide the Association various collection rights and remedies to ensure that Unit Owners timely remit payment, and the Association's Board of Directors (the "Board") desires to adopt a clear and uniform delinquent assessment collection policy so that its Unit Owners will be encouraged to timely remit payment and provide remedies in the event its Unit Owners fail to timely satisfy such financial obligations to the Association; and

NOW THEREFORE, the Board hereby approves and adopts this "**DELINQUENT ASSESSMENT COLLECTION POLICY**" (the "Policy") and hereby directs its managers, attorneys, agents, representatives and employees to comply with the following procedures to collect delinquent assessments:

1. **Assessment Due Date and Grace Period.** The annual assessment and installment payments thereon shall be due and payable on the due date. Assessments, installments and other charges not paid to the Association on or before 4:00 p.m. on the tenth day after such due date shall be considered past due and delinquent. Special assessments shall be due and payable on the date(s) and in the amount(s) established by the special assessment resolution adopted by the Board.

A. **Late Fee.** Once a payment is past due and delinquent, the Association shall automatically impose an administrative late fee in the amount of \$25 or 5% of the delinquent assessment or installment, whichever is greater.

B. **18% Interest.** Once a payment is past due and delinquent, simple interest shall accrue at 18% per annum on all outstanding assessments from the date due on a per diem basis until paid in full. The Association shall not fail to charge interest on a delinquent assessment.

C. **Application of Payments.** Any partial payment received by the Association or its agents will be applied in the following order: (1) accrued interest, (2) late fee(s), (3) costs of collection, (4) attorney's fees incurred incident to the collection of delinquent assessments, and then to the principal of the delinquent assessment in the order first due, as authorized and required by Section 718.116, Florida Statutes.

D. **No Restrictive Endorsements.** Restrictive endorsements appearing on any Unit

Owner's check or documents accompanying a partial payment shall be null and void and will be disregarded. Section 2.C. above is applicable notwithstanding Section 673.3111, Florida Statutes, any purported accord and satisfaction, or any restrictive endorsement, designation, or instruction placed on or accompanying a payment.

3. **Notice of Late Assessment.** On or about thirty (30) days after payment is past due and delinquent, the Association will transmit a written notice of late assessment to each Unit Owner whose assessment payment has not been timely received by the Association. The written notice of late assessment will provide the Unit Owner an opportunity to pay the amount owed to the Association without the incurring attorney's fees. The written notice of late assessment will be sent by first-class United States mail to the Unit Owner at his or her last address as reflected in the Association's records and, if such address is not the Unit address, it must also be sent by first-class United States mail to the Unit address. Notice is deemed to have been delivered upon mailing. A rebuttable presumption that the Association mailed or transmitted notice is established if a director, officer, manager, or agent of the Association provides a sworn affidavit attesting to such mailing. A copy of the written notice of late assessment is attached hereto as Exhibit "A" and incorporated herein. A copy of the sworn affidavit attesting to such mailing is attached hereto as Exhibit "B" and incorporated herein.

4. **30-Day File Transfers to Attorney for Legal Collection Efforts.** On or about thirty (30) days after the date of the notice of late assessment, the Association may automatically and without further notice to the Unit Owner turn the collection of the delinquent account over to the Association's attorney for legal collection efforts. Once an account is referred to the attorney for legal action, all payments, correspondence and other communications concerning collection of the delinquent account should be referred to the attorney. The Unit Owner is responsible for reimbursing the Association the attorney's fees incurred incident to collection.

A. **45-day Notice of Intent to Lien Letter.** Upon receipt and review of the file, the Association's attorney will then promptly send the Unit Owner formal notice of the Association's intent to record a claim of lien against the condominium unit in accordance with Section 718.121, Florida Statutes. The attorney will include all unpaid late fees, accrued interest, costs, attorney's fees, and delinquent assessments in the notice. If the Unit Owner fails or refuses to pay the entire amount due as demanded by the Association's attorney within the time period provided, the attorney will record a claim of lien against the Unit.

B. **45-day Notice of Intent to Foreclose Letter.** After the expiration of the initial forty-five (45) days of Paragraph 4. A., the Association's attorney will then send the Unit Owner a second letter advising the Unit Owner that a claim of lien has been filed against the Unit and notice that the Association intends to foreclose on the lien and collect the unpaid amounts due in accordance with Section 718.116, Florida Statutes. The attorney will include the total amount due to the Association, including unpaid late fees, accrued interest, costs, attorney's fees, and delinquent assessments.

C. **Foreclosure on Lien and Personal Money Judgment.** If the Unit Owner does not pay all amounts due as directed in the Notice of Intent to Foreclose letter, the attorney shall forthwith prepare and file a lawsuit seeking to foreclose the lien on behalf of the Association and/or a personal money judgment against the Unit Owner, unless the Association decides after consulting with its attorney that the filing of such a lawsuit is not in the Association's best interests. The purpose of the foreclosure lawsuit is to sell the Unit to

the highest bidder at a judicial foreclosure sale so that the Association can collect sales proceeds sufficient to cure the delinquency.

D. **Release of Lien.** Upon full payment of all amounts due to the Association, the Association's attorney shall promptly prepare and the Association shall execute and record a release of lien in the public records and/or dismiss the foreclosure lawsuit.

5. **Suspension of Voting Rights and Common Element Use Rights; Right to Serve on the Board.**

A. **Suspend Common Element Use Rights.** If a Unit Owner is more than 90 days delinquent in paying a fee, fine, or other monetary obligation due to the Association, the Association will suspend, at a properly noticed Board meeting, the right of the Unit Owner and/or the Unit's occupant, licensee, or invitee to use common elements, common facilities, or any other Association property until the fee, fine, or other monetary obligation is paid in full. The suspension does not apply to limited common elements intended to be used only by that Unit, common elements needed to access the Unit, utility services provided to the Unit, parking spaces, or elevators. Upon approval, the Association will notify the Unit Owner and, if applicable, the Unit's occupant, licensee, or invitee by mail or hand delivery.

B. **Director Disqualification.** Any Unit Owner who is delinquent in the payment of any assessment due to the Association is not eligible to be a candidate for board membership and may not be listed on the ballot.

6. **Seize Rent.** If the Unit is occupied by a tenant and the Unit Owner is delinquent in paying any monetary obligation to the Association, the Association may demand that the tenant pay to the Association the subsequent rental payments and continue to make such payments until all monetary obligations of the Unit Owner related to the Unit have been paid in full and the Association releases the tenant or until the tenant discontinues tenancy in the Unit. If the tenant fails or refuses to do so, the Association will promptly institute eviction proceedings against the tenant.

7. **Insufficient Funds Check.** In the event that any payment by check made by any Unit Owner is not honored by such Unit Owner's bank, the Association will charge the Unit Owner the maximum fee allowed by Florida Statutes. The amount of such fee will be added to any other amounts due to the Association.

8. **Waiver or Abandonment.** The liability for assessments may not be avoided by waiver of the use or enjoyment of any common elements or by abandonment of the Unit for which assessments are made.

9. **Settlement and Deviation.** Based on good and sufficient cause presented by the Unit Owner or the Unit Owner's representative, the Board may elect to negotiate and settle any disputed collection matter on payment terms and with such written agreements as deemed reasonable and acceptable to the Association; however, the Association shall not waive any principal assessments. The Association may also deviate from the procedures contained in Paragraphs 1 through 8 of the Policy as it determines to be appropriate and necessary based on the unique facts and circumstances of each collection matter.

10. **Bankruptcy of Unit Owner.** Upon notice that a delinquent Unit Owner has filed for or is in

NOTICE OF LATE ASSESSMENT

[Date]

[Owner Name(s)]
[Last Address of Record]
[City, State Zip]

[Owner Name(s)]
[Unit Address]
[City, State Zip]

Transmitted by US First Class Mail to the above Address(es)

[Please note that this second notice of late assessment must be sent by first-class United States mail to the unit owner at his or her last address as reflected in the Association's records and, if such address is not the unit address, must also be sent by first-class United States mail to the unit address.]

RE: Unit _____ of Turtle Bay, a Condominium

The following amounts are currently due on your account to Turtle Bay Condominium Owners Association, Inc. and must be paid within thirty (30) days of the date of this letter. This letter shall serve as the Association's notice of its intent to proceed with further collection action against your property no sooner than thirty (30) days of the date of this letter, unless you pay in full the amounts set forth below:

Maintenance due <i>[insert dates]</i>	\$ _____
Late Fees, if applicable	\$ _____
Interest Through <i>[insert dates]</i> *	\$ _____
TOTAL OUTSTANDING	\$ _____

* *Interest accrues at the rate of 18% per annum.*

Please remit your payment to the Association at 8735 Midnight Pass Road, #104B, Sarasota, FL 34242

Turtle Bay Condominium Owners Association, Inc.

By: _____

bankruptcy, the Association shall immediately stop all collection activities and efforts against the Unit Owner and/or the Unit Owner's assets (for example, the Unit). The Association shall also immediately notify its manager, agents, representatives, employees and attorneys of the Unit Owner's bankruptcy and advise them to stop all collection activities and efforts.

IN WITNESS WHEREOF the undersigned hereby certifies that the Board of Directors of Turtle Bay Condominium Owners Association, Inc. duly-adopted the Policy on this 20 day of JULY, 2023, at a duly noticed and held meeting of the Board and shall be effective on an even date herewith unless further modified or revoked by the Board.

Turtle Bay Condominium Owners Association, Inc

Sign: Wendy Campbell

Print: WENDY CAMPBELL, President

Attest: [Signature]

Print: Priscilla H Rose, Secretary

(CORPORATE SEAL)