



POLICY

Assessment Collection Administration Policy

Approved by WLCA Board of Directors, November 25, 2019

Effective November 25, 2019

Purpose

The purpose of this document is to set forth the policy of the Waterford Lakes Community Association (WLCA) Board of Directors (BOD) relating to the collection of monies due WLCA and to establish procedural requirements and guidelines for the process.

Scope

This policy applies to amounts due to WLCA and neighborhoods managed by WLCA for assessments, collection costs and miscellaneous property maintenance costs charged to a particular property.

Objectives

The WLCA and neighborhoods managed by the WLCA Declaration of Covenants, Codes and Restrictions (CCR's) authorize WLCA through its BOD to establish the amount of assessment each unit owner is required to pay. These assessments provide for the common expenses of WLCA. The CCR's establish that the BOD is responsible for collecting these assessments in a timely, consistent manner. To ensure the responsibility to collect is fulfilled, the BOD has adopted the following processes, timing and communications.

GENERAL GUIDELINES AND INSTRUCTIONS

1. WLCA assessment payments are due quarterly on January 1, April 1, July 1, and October 1.
2. The Estates annual assessment is due January 1.
3. The BOD has established multiple ways unit owners may pay their assessments. If the payment is sent anywhere else, credit to the unit owner's account may be delayed. No credit card information is retained by WLCA. The following are the approved payment methods:
 - a) By mail - check or money order sent directly to the bank lock box.
 - b) In person - check, money order, cash (exact amount only) or credit card at the WLCA office.
 - c) By phone - credit card only, provided to WLCA staff for processing.
 - d) By the bill pay method.

- e) By specific third-party providers for single or recurring credit card, e-check or ACH. Third party providers and options/instructions will be listed on www.mywaterfordlakes.org and may change from time to time.
 - f) Online at WLCA's web site www.mywaterfordlakes.org.
4. Payments made by the third-party provider, or through any method charging a fee, need to include the current fee as posted on the WLCA website that may change from time to time.
 5. Fees incurred by WLCA for cancelling a credit card payment or for insufficient funds will be charged back to the homeowner. Fees may change from time to time.
 6. Unit owners are responsible for all interest and costs including, but not limited to, attorney fees and collection costs.
 7. WLCA has the right to record a lien against the property and file an action of foreclosure for assessments and related collection costs.
 8. Unit owners will be charged for monitoring their unit if it is in the mortgage foreclosure and/or bankruptcy process.
 - a) When notified of a mortgage foreclosure action or bankruptcy, staff will review the account ledger and notify the attorney.
 - b) **As per WLCA Declaration, Article VI, Section 2, when WLCA receives a summons, the staff will send this to the attorney's office. The attorney will monitor the action and all charges made by the attorney will be charged to the unit owner's account.**
 - c) When the summons is answered by the attorney and legal fee is billed, the unit owner will be sent a letter explaining the expenses with a request for payment due within 30 days from the date of the letter. *A copy of the Foreclosure Monitoring template is included with this policy.*
 9. Account balances related to interest only will be written off per standing Board authorization. Accounts will be reviewed semi-annually on a case-by-case basis.
 10. Neither management, staff, nor members of the BOD will initiate outbound collection or reminder emails and/or telephone calls.
 11. The BOD shall implement this process in a consistent and non-discriminatory manner. Deviations from this process may be authorized by majority vote of the WLCA BOD.
 12. Any document received containing Personally Identifiable Information (PII) such as Social Security Numbers (SSN) will have the information redacted ("blacked out") manually.

AUTHORIZED COLLECTION ACTIVITIES

1. Intent to Lien letters
2. WLCA Payment Plans
3. **Forward to Attorney for continued collections and appropriate course of action, including, but not limited to, the mortgage foreclosure/bankruptcy process.**

COLLECTION CHARGES AND DELINQUENCY INTEREST

1. 18% Per annum interest on delinquent balances
2. **ITL Notifications: \$25.00 per address of the owner(s) on file with WLCA, in addition to each alternate address listed on the Orange County Property Appraisers website.**
3. Lien Filing: actual attorney costs
4. Lien foreclosure: actual attorney costs

GENERAL COLLECTIONS PROCESS

1. Assessments or installments not received by the 15th of the month in which they are due are delinquent. The following actions will be taken when that happens:
 - a) An interest charge of 18% per annum shall be assessed from the due date
 - b) The unit owner shall be notified of WLCA's ***Intent to Lien*** (ITL). Two copies of this notice shall be sent; one by first-class mail and the other by certified mail with return receipt to the property and any alternate address. *A copy of the ITL template is included with this policy.*
 - c) The cost charged for preparing and issuing the ITL shall be assessed against the unit owner when the ITL is issued.
 - d) This ITL notice will specify that a response is required within 45 days or the account ***will*** be turned over to an attorney for collection and a lien will be recorded against the property. The notice will meet all requirements of Florida Statutes.
2. If no response is received within 45 days after the ITL is sent, the account will be turned over to the attorney for collection and a lien will be recorded against the property to protect WLCA's financial position.
3. The attorney will advise staff, with BOD assistance as needed, regarding appropriate course of action based on all facts and circumstances. The attorney, staff and BOD will agree on the plan of action.
 - a) Once the account has been turned over to the attorney for collection, all communications will be through the attorney.
 - b) Once the lien has been recorded for at least 45 days the attorney will send a final ten (10) day lien demand letter. If no response, the General Manager will review the account and perform a visual inspection of the property to determine whether to file foreclosure or other legal remedies to protect WLCA's interest. A lien is valid for five (5) years from the recorded date.
 - c) All Association legal costs and incidental costs associated with the lien process shall be borne by the unit owner and shall be part of the delinquency satisfaction.
 - d) Payments to the attorney for legal services related to collection action will be added to the owner's account.
 - e) If the property is leased, the attorney will determine if demand for rent notices will be sent to the tenants in accordance with Florida Statute. If payment is not received from either the unit owner or tenant, the attorney will proceed with eviction of the tenants.

PAYMENT PLAN REQUESTS

1. The homeowner may request payment arrangements in writing to WLCA through its staff. Staff shall not initiate or propose payment arrangements.
2. All payment plans will be in writing and require that:
 - a) payment plans will be no longer than 12 months unless authorized by the BOD,
 - b) payments are required to be made by the 15th of each month,
 - c) all future assessments must be maintained and kept current,
 - d) interest continues to be charged on the outstanding balance at 18% per annum,
 - e) a one-time non-refundable charge of \$150.00 will be due with the application to initiate, administer and maintain a payment plan.
3. If an account has not been turned over to the attorney for collection, staff is authorized to accept payment plan request for full payment within 12 months.
4. Payment Plan Applications for more than 12 months will be reviewed by the BOD on a case-by-case basis.
5. *Templates for the Payment Plan Application and Accepted Payment Plan are included in this policy.*

6. If a payment is not **received** by the 15th of the month that it is due, it will result in breach of the Payment Plan and will require the balance be paid in full. If full payment is not received, the account will be turned over to the attorney and all associated costs of the collection process will be added

ONE-TIME WAIVER REQUESTS:

1. Homeowners may request a waiver as per the following restrictions:
 - a. All requests shall be in writing (email is acceptable.)
 - b. Staff will be allowed to do a one-time waiver for interest and fees accrued from one quarterly assessment, as per standing board authorization.
 - c. Assessments, including legal collection costs and miscellaneous property maintenance costs, are **not** eligible for waiver.
 - d. A homeowner is eligible for one (1) waiver within a thirty-six (36) month period. If a home is jointly owned, either party may make the request for the one eligible waiver per property.

OTHER WAIVER REQUESTS:

1. Homeowners may request waivers due to special circumstances from the WLCA BOD.
2. All request will be in writing (email is acceptable.)
3. Waiver requests will be reviewed and voted on at a scheduled BOD meeting. The decision of the BOD is final.
4. Management staff may inform owners requesting a waiver that their request will not be approved by the BOD if it does not meet these guidelines.

This policy may be amended from time to time as recommended by the Finance Committee and approved by the BOD or to be compliant with Florida Statutes as may be amended from time to time.

Effective Dates and Change Control

Date of Change	Date of Board Approval of Change	Change(s) Made
3/8/16		Initial draft
3/23/16		Updated with changes from Finance Committee mtg. 3/21
4/16/16		Updated with changes suggested by Dennis Horazak
4/19/16		Updated with changes from Finance Committee mtg. 4/19
4/25/16	4/25/16	Approved by the <u>WLCA BOD</u> with no changes
2/28/19		Updated with changes from staff mtg. with Treasurer on 2/28
3/28/19		Updated with changes from staff mtg. with Treasurer and Fin. Comm. Member on 3/28/19 including specific fees charged by WLCA
4/14/19		Revised format by the Treasurer
4/18/19		Updated with changes from Finance Committee mtg. on 4/18
4/23/19		Updated with changes by BOD on 4/22/19 and prepared for submittal to Attorney for review
5/9/19		Updated with changes recommended by attorney, Matt Firestone
5/20/19		Approved by the <u>WLCA BOD</u> with minor changes
11/20/19		Convenience fee's and fee's for cancellations/NSF added. Multiple address advisory added.

NOTICE OF INTENT TO RECORD A CLAIM OF LIEN

WLCA INTENT TO LIEN

February 3, 2020

«OwnersName»

«MailingAddressLine1»

«MailingCityStateZip»

Regarding: «PropertyStreetAddress»

Property Account Number:«PropertyAccountNumber»

«OwnersName»,

The following amounts are currently due on your account with Waterford Lakes Community Association, Inc. (the "Association") because payment was not received by the 15th. These amounts must be paid within 45 days after your receipt of this letter.

This letter serves as the Association's notice of intent to record a Claim of Lien against your property no sooner than 45 days after your receipt of this letter, unless you pay in full the amount set forth below.

«ItemizedBalanceNoPrepaid» Interest through 2/3/2020 (interest accrues at the rate of 18% per annum)

Total Amount Due: «TotalAmountDue»

Note: the amount due, as listed above, does not include assessments or fees that become due after the date of this notice.

If full payment of this amount is not received in this office within 45 days of your receipt of this letter, the Association, through its attorney, may file a lien against your home, entered into Orange County records, in order to secure the amount of delinquent assessments, cost of collections, late charges permitted by law and all attorney's fees incurred as a result of this action. In addition, your access to the Waterford Lakes Community Association website and the facilities may be suspended until your account is brought back into good standings.

If you wish to dispute the Association's right to create a lien for non-payment of assessments or dispute the amount of delinquency referred to above, please do so in writing within 45 days of the receipt of this letter.

If you have questions about your account or would like a statement, please contact us at info@mywaterfordlakes.org. You can make payment by signing into your account: www.mywaterfordlakes.org where you will have an option to make a payment via credit/debit card. You can also pay at the office during office hours Monday through Friday between 8:30 am and 5:00 pm.

If you have your payment coupon please submit payment in full to the address on the coupon. Your payment in full is required to avoid further collection actions and expense.

Sincerely,

WLCA Staff for The Board of Directors of
Waterford Lakes Community Association

NOTICE OF INTENT TO RECORD A CLAIM OF LIEN

BANKRUPTCY INTENT TO LIEN

February 3, 2020

«OwnersName»

«MailingAddressLine1»

«MailingCityStateZip»

Regarding: «PropertyStreetAddress»

Property Account Number:«PropertyAccountNumber»

«OwnersName»,

The following amounts are currently due on your account with Waterford Lakes Community Association, Inc. (the "Association") because payment was not received by the 15th of the month. These amounts must be paid within 45 days after your receipt of this letter.

This letter serves as the Association's notice of intent to record a **Claim of Lien** against your property no sooner than 45 days after your receipt of this letter, unless you pay in full the amount set forth below.

«ItemizedBalanceNoPrepaid» Interest through 2/3/2020 (interest accrues at the rate of 18% per annum)

Total Amount Due: «TotalAmountDue»

Note: the amount due, as listed above, does not include assessments or fees that become due after the date of this notice.

The amounts stated herein represent only the amounts that have accrued since the date you filed your bankruptcy petition. If you have questions, please contact your bankruptcy attorney.

If full payment of this amount is not received in this office within 45 days of your receipt of this letter, the Association, through its attorney, may have a lien filed against your home, entered into Orange County records, in order to secure the amount of delinquent assessments, cost of collections, late charges permitted by law and all attorney's fees incurred as a result of this action. In addition, your access to the Waterford Lakes Community Association website and the facilities may be suspended until your account is brought back into good standings.

If you wish to dispute the Association's right to create a lien for non-payment of assessments or dispute the amount of delinquency referred to above, please do so in writing within 45 days of the receipt of this letter.

If you have questions about your account or would like a statement, please contact us at info@mywaterfordlakes.org .

You can make payment by signing into your account: www.mywaterfordlakes.org where you will have an option to make a payment via credit/debit card. You can also pay at the office during office hours Monday through Friday between 8:30 am and 5:00 pm.

If you have your payment coupon please submit payment in full to the address on the coupon. Your payment in full is required to avoid further collection actions and expense.

Sincerely,

*WLCA Staff for The Board of Directors of
Waterford Lakes Community Association*

NOTICE OF INTENT TO RECORD A CLAIM OF LIEN

THE ESTATES INTENT TO LIEN

February 3, 2020

«OwnersName»

«MailingAddressLine1»

«MailingCityStateZip»

Regarding: «PropertyStreetAddress»

Property Account Number:«PropertyAccountNumber»

«OwnersName»,

The following amounts are currently due on your account with The Estates @ WLCA (the "Association") because payment was not received by January 15th, 2019. These amounts must be paid within 45 days after your receipt of this letter.

This letter serves as the Association's notice of intent to record a **Claim of Lien** against your property no sooner than 45 days after your receipt of this letter, unless you pay in full the amount set forth below. **Interest through 2/3/2020 (interest accrues at the rate of 18% per annum) «ItemizedBalanceNoPrepaid»**

Note: the amount due, as listed above, does not include assessments or fees that become due after the date of this notice.

If full payment of this amount is not received in this office within 45 days of your receipt of this letter, the Association, through its attorney, may have a lien filed against your home, entered into the records of Orange County in order to secure the amount of delinquent assessments, cost of collections, late charges permitted by law and all attorney's fees incurred as a result of this action. In addition, your access to the Waterford Lakes Community Association website and the facilities may be suspended until your account is brought back into good standings.

If you wish to dispute the Association's right to create a lien for non-payment of assessments or dispute the amount of delinquency referred to above, please do so in writing within 45 days of the receipt of this letter.

If you have questions about your account or would like a statement, please contact us at info@mywaterfordlakes.org . You can make payment by signing into your account: www.mywaterfordlakes.org where you will have an option to make a payment via credit/debit card. You can also pay at the office during office hours Monday through Friday between 8:30 am and 5:00 pm.

If you have your payment coupon please submit payment in full to the address on the coupon. Your payment in full is required to avoid further collection actions and expense.

Sincerely,

The Estates @ WLCA Staff
for The Board of Directors of
Waterford Lakes Community Association

PAYMENT PLAN ACCEPTANCE TEMPLATE

February 3, 2020

«OwnersName»
«MailingAddressLine1»
«MailingCityStateZip»

Regarding: «PropertyStreetAddress» Account # «PropertyAccountNumber»

«OwnersName»,

The Board of Directors of the Waterford Lakes Community Association, Inc, has approved your request for a _____ monthly payment plan. The current account balance is \$_____. Please note this does **NOT** include legal fees that will be applied to your account as a result of any open mortgage foreclosure action, bankruptcy, or other legal action.

The payment plan approval includes the following mandatory terms: (please initial)

1. _____ All future assessments must be maintained and kept current as due in January, April, July, and October.
2. _____ Interest will continue to accrue. Please contact us for your final payment amount.
3. _____ A one-time, non-refundable charge of \$150.00 was paid with the application, to initiate, administer, and maintain your payment plan.
4. _____ A monthly payment of \$_____ must be made by the 15th of each month.

To accept this proposal, sign the original copy and return it to the Waterford Lakes Community Association, Inc. to the attention of Accounts Receivable within 10 days from the date of this accepted payment plan.

The return of the signed agreement and all payments must be made at the address listed below.

***Waterford Lakes Community Association
453 Mark Twain Blvd
Orlando, FL 32828***

Office hours: Monday through Friday, 8:30 am to 5:00 pm

In exchange for your acceptance of this plan, no further collection efforts will be filed unless you default on your payment plan or fail to maintain future quarterly assessments. If any portion of this agreement is violated or not strictly followed, the entire agreement will be considered null and void.

Should you decide not to accept this plan, including the terms, payment in full must be made within 10 days after your receipt of this letter.

Please be aware that access to amenities will not be granted until the payment plan is completed and account is paid in full as stated in Article VI, Section 4 of the Waterford Lakes Community Association By-Laws.

Thank you for your prompt and expedited response.

Sincerely,

Waterford Lakes Community Association

Accepted By: _____ Date: _____

*WLCA Staff for The Board of Directors of
Waterford Lakes Community Association*

Payment Plan Request

February 3, 2020

I, _____ request a payment plan for past due assessments and fees to bring my account current with Waterford Lakes Community Association for the property located at:

As of _____ the current balance is \$ _____. This does **not** include assessments, fees, or interest that will become due after the date of this request.

I request _____ months to repay this debt and agree to the following terms: (please initial)

1. _____ All future assessments must be maintained and kept current with as due in January, April, July and October.
2. _____ Interest will continue to accrue. Please contact us for your final payment amount.
3. _____ A one-time, non-refundable charge of \$150.00 will be paid with the application, to initiate, administer, and maintain your payment plan.
4. _____ The monthly payment of \$ _____ must be made by the 15th of each month.

Sign and date: _____

PLEASE RETURN TO OUR OFFICE OR EMAIL TO BECKY.BLACK@MYWATERFORDLAKES.ORG

**Waterford Lakes Community Association
453 Mark Twain Blvd
Orlando, FL 32828**

Office hours: Monday through Friday, 8:30 am to 5:00 pm