

## ***SCHIEVELING PLANTATION HOA COLLECTION POLICY & PROCEDURES***

In order to safeguard the value and the residential character and integrity of the community of Schieveling Plantation, the Schieveling Plantation Homeowners Association (HOA) governing documents assign the authority and responsibility to establish and levy assessments and other charges to the Board of Directors as needed to pay for the maintenance and well-being of the community and its common assets. The governing documents further obligate the members of the Schieveling HOA to pay dues, assessments, and other charges on a timely basis.

The Board of Directors considers it in the best interest of the HOA to adopt fair and consistent procedures for collecting dues, assessments, and all other charges from Schieveling Plantation property owners. This Policy is an internal guideline intended solely to promote consistency in this process, and is not mandatory nor binding on the Board of Directors. It is the intent of this Policy to be procedurally fair and reasonable to owners and to the HOA.

1. **AMOUNTS PAYABLE TO THE HOA** include, but are not limited to, dues, annual assessments, special assessments, compliance enforcement fees, legal fees, and other costs associated with collection of funds on behalf of the HOA (the "HOA Dues").
2. **OBLIGATION TO PAY ASSESSMENTS & CHARGES.** The HOA Dues are obligations of the owner at the time the dues, assessments, or other charges are levied.
3. **DESIGNATION OF AGENT.** The Board of Directors may designate an agent or agents to collect HOA Dues and administer this Collection Policy. Such designated Agent may be an officer of the HOA, representative of a management firm, law firm, or other appropriate agent.
4. **DUE DATE/DELINQUENCY DATE.** The HOA fiscal year extends from January 1 through December 31. Unless otherwise specified by the Board of Directors, the annual assessment is due on January 1 of every year. Assessments or any other HOA Dues not paid in full within thirty (30) days of the due date shall be considered past-due and delinquent.
5. **LATE CHARGES ON DELINQUENT PAYMENTS.** A late charge of \$25.00 per month shall be imposed on each owner who fails to timely pay the HOA Dues in full within thirty (30) days of the due date. Interest of 10% per annum shall be imposed on the amount owed for each owner who fails to timely pay HOA Dues within thirty (30) days of the due date.

**PAYMENT PLAN.** The Board of Directors of the HOA may, in its sole discretion, make a good faith effort to coordinate with a delinquent owner to set up a payment plan upon receipt by the Board of Directors through its designated collections Agent of a written request for such action. Payment plans are to be the exception, and not the norm, and the sole purpose of a payment plan is to serve as a temporary accommodation to short-term financial issues of an owner who is otherwise in good standing with the HOA. Any agreement shall in no way relieve the owner of any expenses or charges incurred or accruing. The Board of Directors is not required to agree to any payment plan, and its willingness to do so with an owner does not obligate it to do so again, or with any other owner. Regardless of any payment plan, the HOA retains all legal rights to collect HOA Dues.

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**6. COLLECTION PROCESS.**

- A. **FIRST MONTH AFTER DUE DATE.** After HOA Dues become more than thirty (30) days delinquent, the Agent may send a written notice (First Letter of Collection) to the owner indicating non-payment, amount past due, and notice that late fees and interest have accrued, and request for immediate payment.
- B. **SECOND MONTH AFTER DUE DATE.** After an assessment or other charges due to the HOA becomes more than sixty (60) days delinquent, the Agent may send a written notice (Second Letter of Collection) to the owner indicating non-payment, amount past due, and notice that late fees and interest have accrued, and request for immediate payment. The notice may include the following:
  - 1. The total amount due to the HOA with accounting of how the total amount was determined.
  - 2. Whether the owner may enter into a payment plan and instructions on the acceptable procedures for doing so.
  - 3. That the HOA is suspending HOA member privileges which may include but are not limited to use of common facilities such as the community pool and clubhouse and the revocation of voting rights.
  - 4. A statement indicating that immediate action is required to cure the delinquency and failure to do so within thirty (30) days may result in legal action that may include the filing of a lien against the owner's property.
- C. **THIRD MONTH AFTER DUE DATE.** After HOA Dues become more than ninety (90) days delinquent, the Agent may send a written notice (Intent to File Lien Notice) to the owner indicating non-payment, amount past due, and notice that late fees and interest have accrued, and request immediate payment. The notice will also state that a lien is being filed against their property in favor of the HOA. The Board of Directors will direct either the management company or the HOA attorney to file a lien against the delinquent owner's property.
- D. **FOURTH MONTH AFTER DUE DATE.** After HOA Dues become more than one hundred and twenty (120) days delinquent, the management company may turn the account over to the HOA attorney for collection. Upon receiving the delinquent account, the HOA attorney shall send a letter to the delinquent owner demanding immediate payment for all past due charges. Upon further review, the HOA attorney may file a lawsuit or other legal action deemed necessary. The HOA attorney is to consult with the HOA Board as necessary to determine if payment has been arranged or what collection procedures are appropriate. All expenses, including but not limited to reasonable attorneys' fees and costs, fees charged by the property manager to collect funds payable to the HOA, collection costs, and any applicable interest and late fees shall be the sole responsibility of the property owner and payable prior to the curing of delinquency status.
- E. **NOTICE OF LEGAL ACTION.** A copy of the filed lien and/or a copy of the filed judgement will be sent to the delinquent property owner by the HOA attorney and/or management company.

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7. **WAIVERS.** THE HOA Board is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the HOA Board shall determine appropriate under the circumstances, in the Board's sole discretion.
8. **ADDRESS FOR PAYMENTS & COMMUNICATION.** Property owners should make payments to the address as directed by the designated Agent. If no address is provided, payments, requests for payments and written correspondence should be sent to the HOA at the following address: *Schieveling HOA, 3000 Macbeth Creek Drive, Charleston, SC 29414.* It is the responsibility of the Owner to keep a current contact address on file with the HOA, and to timely check and respond to communications from the HOA.
9. **DEFENSES.** Failure of the HOA to comply with any provision in this Collection Policy shall not be deemed a defense to payment of assessment fees or any other charges as described and imposed by this Policy. This Policy does not create any rights for an owner, does not create obligations on the HOA above those provided by law and by the governing documents, and does not constitute a waiver by the HOA of any of its rights.
10. **DEVIATIONS.** The Board of Directors may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under specific circumstances.
11. **AMENDMENT.** This Collection Policy may be amended from time to time by the Board of Directors as it may deem necessary.
12. **VOID PROVISIONS.** To the extent this Policy conflicts with applicable law or the governing documents of the HOA, the law or governing documents prevail. If any provision of this Policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.