**Seasons at Sandpoint Association**

**Seasons at Sandpoint Association Assessment Billing and Collection Policy**

The following procedures outline the Assessment Billing and Collection Policy of Seasons at Sandpoint Association, an Idaho nonprofit corporation (“Association”) consistent with the Declaration of Condominium of Seasons at Sandpoint recorded September 10, 2004, as Document Number 659133 in the County Recorder’s Office for Bonner County, Idaho, as may be amended and supplemented from time to time (“Declaration”) and as approved by the Association’s Board of Directors. The Association’s Manager is directed to apply this Billing Policy to all Owners. Unless the context otherwise requires, all capitalized terms used in this Billing Policy shall have the meanings ascribed to them in the Declaration.

The Association relies on the Owner’s timely payment of Assessments. The obligation to pay Assessments (including Special Assessments and Personal Charges); together with any interest, costs and reasonable attorneys’ fees is the personal obligation of each Owner. The obligation to pay Assessments is for the mutual benefit and protection of all the members of the Association and it is triggered by ownership in the project not use. Therefore, no Owner may waive or avoid liability for Assessments by non-use or abandonment. The Declaration of Condominium of Seasons at Sandpoint establishes the obligation to pay Assessments as an affirmative covenant running with the land. Upon acceptance of a deed to a Unit, each Unit Owner becomes subject to the covenant to pay Assessments. Specifically, Section 16 of the Declaration provides that “Assessments for Common Expenses shall be borne by Unit Owners” and that “a Unit Owner . . . is liable for all assessments which come due while he or she is the Unit Owner.” The Bylaws further clarify in Article XI that “no owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his Unit.”

**BILLING POLICY – ASSESSMENTS**

The Declaration provides that the annual Assessments are due and payable quarterly. Billing statements will be mailed to each Owner for each quarterly installment at least thirty (30) days prior to the due date of the approved payment schedule (shown below). All amounts are due in U.S. funds.

QUARTERLY PAYMENT DUE DATE

First Installment January 1, XXXX

Second Installment April 1, XXXX

Third Installment July 1, XXXX

Fourth Installment October 1, XXXX

On rare occasions, billings sent through normal mailing channels may not be received by an Owner. Failure to receive a billing statement does not relieve any Owner of his legal obligation to pay his Assessment by the due date or his obligation to pay any and all late charges associated with the delinquency. It shall be such Owner’s responsibility to request a duplicate billing statement in such circumstances, for which a fee may be charged.

**BILLING POLICY – SPECIAL ASSESSMENTS**

Special Assessments billed to each Owner by the Association are due and payable within ten (10) days after the date a written notice of such Special Assessment is mailed. The Board may determine that Special Assessments shall be payable in one lump sum or periodically, in which case the due dates for each installment will be provided in the initial billing only, and no further billing notices will be required.

**BILLING POLICY – PERSONAL CHARGES**

Personal Charges incurred as a result of the act or omission to act by such Owner or his Permitted User(s) are the responsibility of the Owner.

**INTEREST CHARGES, LATE FEES AND COLLECTION CHARGES**

Assessments become delinquent if not paid within ten (10) days of the due date and Personal Charges become delinquent if not paid within ten (10) days after the Board gives written notice to the Owner (each a “Delinquent Payment”). Any such Delinquent Payment may be subject to interest charges, late fees, and other collection charges, including reasonable attorneys’ fees as further outlined in the Declaration. Delinquent Payments will be subject to interest charges at the rate of twelve percent (12%) per annum and shall continue to accrue interest until the account is paid in full. Additionally, any Owner who becomes delinquent in the payment of any amount due to the Association shall pay to the Association a one (1) time late charge of the greater of either (a) $75.00 or (b) five percent (5%) of each installment due to the Association which is delinquent. In addition to interest charges and late fees, the Owner will be subject to all collection costs incurred by the Association to collect the Delinquent Payment, including, but not limited to, collection service fees and costs and reasonable attorneys’ fees.

**LOSS OF PRIVILEGES**

If any Assessment or Personal Charge is not paid on or before the due date, the Association may suspend the right of such Owner to participate in any vote and may assess monetary penalties until the Delinquent Payments owed to the Association have been paid in full, subject to the procedures outlined in the Declaration.

**COLLECTION POLICY**

The following is a schedule to be followed when an Owner is delinquent in paying his Assessments or Personal Charges:

*10 Days Delinquent: 1st Written Notice Regarding Delinquency*

Owners who fail to pay their Assessments or Personal Charges within ten (10) days of the due date will be subject to the following:

1. Interest charges will be assessed against the delinquent amount, accruing from the due date.

2. A one (1) time late charge of the greater of either (a) $75.00 or (b) five percent (5%) of each installment due to the Association, which is delinquent.

3. Collection costs incurred by the Association to collect the Delinquent Payment, including, but not limited to, collection service fees and costs and reasonable attorneys’ fees.

4. A delinquency notice will be mailed to delinquent Owners advising that payment is past due and interest charges and a late fee have been assessed. The notice will further inform them that the Association may suspend their right to participate in any vote until the delinquent payments have been paid in full.

*30 Days Delinquent: 2nd Written Notice and Possible Legal Proceedings*

Owners who fail to pay their Assessments or Personal Charges within thirty (30) days of the due date will be subject to the following:

1 - In addition to those steps taken for the ten (10) day delinquency, a thirty (30) day delinquency notice will be mailed to delinquent Owners advising them that if payment in full is not received within sixty (60) days of the due date, the matter will be referred to legal counsel for collection and lien foreclosure, as applicable.

2. The Association suspends Owner’s rights to participate in any vote until the delinquent payments have been paid in full.

*60 Days Delinquent: 3rd Written Notice and Intention to File Lien and Suspension*

Owners who fail to pay their Assessments or Personal Charges within sixty (60) days of the due date will be subject to each of the following:

1. In addition to those steps taken for the thirty (30) day delinquency, a sixty (60) day delinquency notice will be mailed to delinquent Owners advising them that the Association has retained legal counsel. Notice will be given of the Association’s intent to file and record a notice of default and claim of lien, as applicable.

2. Notification to a national credit bureau may be utilized.

3. The Association will suspend owner and owner guests’ rights to use the recreational facilities and rights to participate in any vote until the delinquent assessments have been paid in full. During the suspension, electronic FOBS that provides access to the common areas will be deactivated. Upon receipt of full payment, these rights will be reinstated and FOBS will be reactivated.

Suspension is not applicable limited common areas i.e. parking spaces.

*90 Days Delinquent: File Lien/Pursue Foreclosure*

Owners who fail to pay their Assessments or Personal Charges within ninety (90) days of the due date will be subject to each of the following:

1. Legal counsel will notify the delinquent Owner of the Association’s intent to pursue foreclosure of its lien for unpaid Assessments.

2. Notification to a national credit bureau will be utilized.

3. The Association will suspend owner and owner guests’ rights to use the recreational facilities and rights to participate in any vote until the delinquent assessments have been paid in full. During the suspension, electronic FOBS that provides access to the common areas will be deactivated. Upon receipt of full payment, these rights will be reinstated and FOBS will be reactivated.