



Assessment Payments and Collection

January 1, 2022

The Springhurst Community Association Board of Directors has established rules for enforcement of the Declaration of Covenants, Conditions and Restrictions (DCCRs). These rules are approved by the board to facilitate efficient operation of the Association and to act with uniformity in enforcement activities.

The DCCRs allow Interest to be charged for late payment of assessments. The amount of interest may be changed from time to time, based on the highest rate allowed by Kentucky law and with the approval of the SCA Board.

1. The SCA Board of Directors will approve the budget and set amounts for the common area and pool and clubhouse assessments for the coming year at the regular meeting of the board in November of each year. The amount of the assessments will be communicated to homeowners by letter or newsletter.
2. Homeowners will be billed for the entire amount of their annual assessment on January 1 each year. The invoice will include an explanation that at least half (50%) of the annual assessment must be paid before February 1, and that the balance is due by April 1. Homeowners shall receive the benefit of paying in two payments ONLY IF the first payment of at least 50% is received by February 1.
3. In the event that payment for half of the total assessment amount is not received by February 1, payment is considered late. Interest on the full amount of the assessment will begin accruing to the homeowner's account on February 1.
4. Delinquent accounts (those on which at least 50% of the assessment was not paid by February 1) will be charged interest on the assessment at the highest rate allowed by Kentucky law. New statements, including the interest, will be mailed during the last two weeks of February. This statement will give warning that the delinquent account will be turned over to an attorney for collection if they remain unpaid on April 1.
5. Accounts will continue to accrue interest on the assessment until the balance is paid in full. The balance will include unpaid interest and any legal fees incurred for collection.

6. The list of delinquent payers will be turned over to the association's attorney for legal letters to be sent to all homeowners who have not paid by April 1. All legal costs are added to the homeowner accounts. Past due balances are subject to a minimum of \$70 in legal fees.

7. The Finance Committee will review the status of payments on a regular basis. At any time there is a past due balance, and the property is empty or listed for sale, the Finance Committee may authorize the association attorney to file a lien on that property.

8. The Finance Committee will review all accounts still owing in May of each year and make decisions on those properties where liens are necessary to be placed due to non-payment. The committee will forward the list of properties with a written request for liens to be filed to the association's attorney. The attorney's letter will give the homeowner a ten-day notice to pay in full before lien will be filed. All legal costs are the responsibility of the property owner and will be added to the owner's account balance. The Finance Committee will report lien actions to the SCA Board.

9. An example of the timeline, payment schedule, and possible fees is shown below.

January 1: Annual amounts billed as determined by SCA Board.

February 1: At least 50% of assessment due. If not paid interest begins accruing.

February 28: Statements mailed. If first payment was made by February 1, balance of an assessment is due by April 1. If no payment is made, interest added to balance due.

March 1: If first payment was made by February 1, balance of assessment is due by April 1.

April 1: If payment is not received in full, account turned over to attorney for legal letter. Attorney letter gives homeowner 10-30 days to pay before filing lien.

May 1: Account not paid in full. Lien filed. Liens are reported to SCA Board.

10. In rare and extreme case where a property owner fails to respond to all other collection efforts, the Board of Directors may authorize its attorney to file an action of foreclosure against the non-paying owner or pursue suit for a personal judgment and collection against a nonpaying homeowner. The Board of Directors must approve any litigation against a homeowner.

11. Homeowners of Ivybridge and Springhurst Gardens pay an additional assessment, to be deposited and used exclusively for repair and replacement of private roads in those villages. That separate amount is due in full along with the first half of payments as noted above.