

**BATTERY SHORES PROPERTY OWNERS ASSOCIATION, INC**  
**DELINQUENT ACCOUNT POLICY AND PROCEDURES**

**Version 1.0**

**Approved January 21, 2011**

It is the policy of the Battery Shores Property Owners Association, Inc. (BSPOA) that all annual assessments, fines, fees and special assessments are payable on the Due Date(s) specified on the invoice submitted to the Member(s). We are an Association which requires each individual member to fulfill their financial obligations to the membership in a timely fashion. Such assessments, fees, fines and specific assessments are set by the Board of Directors as authorized in Governing Documents of the Association, specifically as defined in the Declaration of Covenants, Easements, Conditions and Restrictions for Battery Shores Property Owners Association, Inc. (Sections 5.5.a.viii and 6.1, 6.2, and 6.3 of the Declaration and Section 3.17 of the By-Laws).

If payments are not received by the specified Due Date, the account of that Member will be declared "Delinquent". Complete payment will include all interest, late and administrative fees. Payment of only the base amount will not remove the "Delinquent" status.

Members are urged to keep their financial accounts current and/or communicate with the Board of Directors of the BSPOA to seek alternative payment plans.

"Delinquent" Members shall forfeit the right of utilization of the "Common Property" as is authorized under Section 5.5.a.iv. of the Declaration and their right to vote on Association matters will be suspended.

Delinquent Accounts shall be subject to an interest charge at the rate of 10% per annum (.83% per month) as provided for under Section 6.5.a of the Declaration. In addition, the BSPOA will pursue any and all amounts available it under the Governing Documents and existing South Carolina statutes, including statutory penalties and fines, costs, charges, late fees, and reasonable attorney fees. Such action may include the filing of a "Notice of Lien for Delinquent Assessments" on your property in the Office of the Clerk of the Courts of Beaufort County, or turn your account over to an attorney for collection. Foreclosure upon the real property may be initiated for those delinquent accounts over eighteen (18) months and approved for foreclosure by a majority vote of the BSPOA Board of Directors as authorized in Section 6.8(b) of the Declaration.

If a billed statement amount is not received by the Due Date, the BSPOA Shores Board of Directors will transmit a Notification Letter (Attachment A) within 15 days to the property owner and request immediate payment and/or communication with the BSPOA Board of Directors. The BSPOA Board of Directors may also initiate e-mail and/or telephone contact with the property owner to facilitate collection/payment. Further, by law, the Association is required to make 'reasonable and diligent efforts' to ensure that the Association's records

contain the delinquent owner's current mailing address. The BSPOA Board of Directors will continually validate and verify each Member's address and it is the Member's responsibility to keep the BSPOA Board of Directors informed of critical contact information.

If the account is not paid in full within 30 days of the Due Date:

- 1 A late fee of \$14.50 will be applied to the Member's Account
- 2 Interest at the rate of 10% per annum will be added to the account from the Due Date
- 3 Administrative Costs of \$7.50 will be applied to the Member's Account
- 4 The Delinquent Member's right of use of BSPOA Common Property will be suspended
- 5 The Delinquent Member's right to vote on Association matters will be suspended

Each Member of the BSPOA Board of Directors will notify the other Board Members of any discussions with the Delinquent Member including discussions of payment plan arrangements. Note: Only a vote of the majority of the BSPOA Board of Directors may waive interests and late fee charges, or authorize an alternative payment plan.

When an account remains delinquent, a monthly statement will be sent to the Member with an annotation that the account is delinquent (Attachment B1, B2 and B3). Each month the account remains delinquent, additional interest at the rate of 10% per annum will be applied to the outstanding balance and a \$7.50 additional administrative fee.

If an account remains delinquent 120 days from the Due Date, the Attorney, based on information provided by the Treasurer of the BSPOA, will transmit a Final Demand/Warning letter (Attachment C) by certified mail (return receipt requested) noting the specific amount owed, interest accrued, late fees, accrued administrative fees applied, and legal fees, demanding payment within 15 days of the date of the letter. Included in this mailing will be a copy of the Notice and Certification of Lien with Exhibit A which will be filed with the Register of Deeds, if payment is not received.

If payment is not received by the date as set forth in Attachment C, the Board will deliver to the Member a copy of the final Notice and Certification of Lien (Attachment D) and complete the Certificate of Service (Attachment E).

The BSPOA Board of Directors, with its attorney will establish a follow up mechanism to automatically review all Claims of Lien and take appropriate actions where necessary.

If the lien is satisfied, the BSPOA Board of Directors with its attorney will transmit a Release of Claim of Lien (Attachment F) to the Member and such document will be recorded in the Office of the Register of Deeds for Beaufort County South Carolina.

An account that is continuously delinquent for 18 months and with a balance that exceeds \$700 may, upon approval of a majority vote of the BSPOA Board of Directors, be referred to the attorney for foreclosure. Additionally, a Foreclosure Letter (Attachment G) will be sent by first

class mail advising the property owner (Member) that the delinquent account has been designated for foreclosure in accordance with Covenants and that the BSPOA intends to collect all associated expenses, including court cost and reasonable attorney's fees (including costs and expenses incurred), as permitted by the Covenants.

ATTACHMENT A

**BATTERY SHORES PROPERTY OWNERS ASSOCIATION, INC.**

P. O. Box 6203  
Beaufort, S. C. 29903

(date = 15 days after due date but prior to 24 days after due date)

(Name)  
(Address)

SUBJECT: Notice to Avoid Potential Late Fees and Interest

Dear (Name):

Our records indicate that your (year) Annual Assessment which was due on \_\_\_ (date)\_\_\_ has not been received. As a courtesy, I am sending this reminder to please pay your Annual Assessment as soon as possible. An Administrative fee, Late fee and Interest will be added if payment is not received by (due date + 30 days) and interest will continue to be accrued monthly on any outstanding balances. If you have already sent your payment, please contact me.

If your account is not paid in full within 30 days from the Due Date:

- 1 Interest at the rate of 10% per annum as defined in Section 6.5(a) of the Declaration of Covenants, Easements, Conditions and Restrictions for Battery Shores Property Owners Association, Inc., hereafter referred to as "the Declaration".
- 2 An Administrative Fee of \$7.50 and a \$14.50 Late Fee (Total \$22.00)
- 3 You are advised that "Delinquent" property owners shall forfeit the right to utilize the Association's Common Property (your access key-card to the dock will be disabled). This enforcement action is defined in the Declaration in Section 5.5.
- 4 You are considered a Member who is not "In good standing" and your right to vote on Association matters is suspended consistent with enforcement actions defined in the Declaration in Section 5.5

You should also be aware in the Declaration for the Association in Section 6.8(a) Lien for Assessments, subsection a., it states in part "...the Association shall have a statutory lien against each Lot to secure payment of delinquent assessments, as well as interest, late charges, fines and costs of collection (including attorneys' fees)", and in Section 6.5(c) Personal Obligations for Assessments, it states in part "No Owner may exempt himself from liability for assessments by non-use of Common Area, abandonment of his or her Lot, or any other means."

We expect a full payment of \_\_\_\_\_ and/or contact with me to arrange for the Board to vote to establish an acceptable payment plan. You may reach me by e-mail through the Battery Shores website [www.BatteryShoresPOA.com](http://www.BatteryShoresPOA.com)) using the Contact the Board option or by phone at \_\_\_\_\_ between the hours of \_\_\_\_\_ EST Monday-Friday.

We appreciate your prompt attention to and resolution of this matter.

Sincerely,

(Name), Treasurer  
Board of Directors

ATTACHMENT B1

**BATTERY SHORES PROPERTY OWNERS ASSOCIATION, INC.**

P. O. Box 6203

Beaufort, S. C. 29903

(date =any date after 40 days delinquency established but prior to 46 days delinquent)

(Name)  
(Address)

SUBJECT: 30 DAY DELINQUENT ASSESSMENT LETTER

Dear (Name):

Our records indicate that you are now over 30 days in arrears in paying your assessment to the Battery Shores Property Owners Association, Inc. Your payment by the date entered below will restore your rights to use of the Association Common Property, return your status to a Member "In Good Standing" (this allows you to vote on Association matters), and will stop the continually accruing interest on your account. The amounts listed below should be paid by no later than 15 days from the date of this letter (\_\_\_\_\_).

The property subject to the assessment which is in arrears is located at:

(PROPERTY ADDRESS)

Beaufort, S.C. 29902

Our records on your account indicate the following:

Base Assessment Due _____	\$ _____
Payments received on account	\$ _____
Late Fee applied	\$ _____
Administrative fees applied	\$ _____
Interest through _____	\$ _____
Total Due	\$ _____

Your payment for \_\_\_\_\_ must be received or you must contact me by \_\_\_\_\_ to arrange for a formally documented Payment Plan which must be submitted to the Board for acceptance by vote. Upon approval by the Board you will need to provide a partial payment on your account of \_\_\_\_\_ toward your balance and sign a document which defines you intent to adhere to the payment plan. You may reach me by e-mail through the Battery Shores website ([www.BatteryShoresPOA.com](http://www.BatteryShoresPOA.com)) using the Contact the Board option or by phone at \_\_\_\_\_ between the hours of \_\_\_\_\_ EST Monday-Friday.

We appreciate your prompt attention to and resolution of this matter.

Sincerely,

(Name), Treasurer  
Board of Directors

ATTACHMENT B2

**BATTERY SHORES PROPERTY OWNERS ASSOCIATION, INC.**

P. O. Box 6203

Beaufort, S. C. 29903

(date = date greater than 70 days late butt less than 75 days late)

(Name)

(Address)

SUBJECT: 60 DAY DELINQUENT ASSESSMENT LETTER

Dear (Name):

Our records indicate that you are now over 60 days in arrears in paying your assessment to the Battery Shores Property Owners Association, Inc. Your payment by the date listed below will restore your rights to use of the Association Common Property, return your status to a Member "In Good Standing" (this allows you to vote on Association matters), and will stop the accrual of interest on your account. The amounts listed below should be submitted by no later than 15 days from the date of this letter (\_\_\_\_\_).

The property subject to the assessment which is in arrears is located at:

(PROPERTY ADDRESS)

Beaufort, S.C. 29902

Our records on your account indicate the following:

Base Assessment Due _____	\$ _____
Payments received on account	\$ _____
Late Fee applied	\$ _____
Administrative Fees applied	\$ _____
Interest through _____	\$ _____
Total Due	\$ _____

Your payment for \_\_\_\_\_ must be received or you must contact me by \_\_\_\_\_ to arrange for a formally documented payment plan and provide a partial payment on your account of \_\_\_\_\_ toward your balance when signing the payment plan. You may reach me by e-mail through the Battery Shores website ([www.BatteryShoresPOA.com](http://www.BatteryShoresPOA.com)) using the Contact the Board option or by phone at \_\_\_\_\_ between the hours of \_\_\_\_\_ EST Monday-Friday.

We appreciate your prompt attention to and resolution of this matter.

Sincerely,

(Name), Treasurer  
Board of Directors

ATTACHMENT B3 **BATTERY SHORES PROPERTY OWNERS ASSOCIATION, INC.**

P. O. Box 6203

Beaufort, S. C. 29903

(date = date greater than 100 days past due and less than 105 days past due)

(Name)  
(Address)

SUBJECT: 90 DAYS DELINQUENT ASSESSMENT LETTER

Dear (Name):

Our records indicate that you are now over 90 days in arrears in paying your assessment to the Battery Shores Property Owners Association, Inc.

This is the final letter you will receive prior to your account being forwarded over for collection. If payment is not received with 15 days from the date of this letter, we will have no choice but to surrender your account to our attorney for collection. Until payment is received, your right to utilize the Associations Common Property and vote on Association matters is suspended consistent with enforcement actions as defined in the Declaration in Section 5.5.

The property subject to the assessment which is in arrears is located at:

(PROPERTY ADDRESS)  
Beaufort, S.C. 29902

Our records on your account indicate the following:

Base Assessment Due _____	\$ _____
Payments received on account	\$ _____
Late Fee applied	\$ _____
Administrative Fees applied	\$ _____
Interest through _____	\$ _____
Total Due	\$ _____

You will be responsible for all costs of collection, including reasonable attorney fees, the sum of which will be added to your account.

To avoid these costs of collection, your payment of \_\_\_\_\_ must be received by \_\_\_\_\_ or you may contact me to arrange for a formally documented payment plan by no later than \_\_\_\_\_. You may reach me by e-mail through the Battery Shores website ([www.BatteryShoresPOA.com](http://www.BatteryShoresPOA.com)) using the Contact the Board option or by phone at \_\_\_\_\_ between the hours of \_\_\_\_\_.

We appreciate your prompt attention to and resolution of this matter.

Sincerely,

(Name), Treasurer  
Board of Directors

ATTACHMENT C

Homeowner Name  
Homeowner Address  
Beaufort, S.C. 29902

**Re: Battery Shores Property Owners Association, Inc. v. (Homeowner Legal Name)**  
**Our File: 10443.**

Dear:

This letter is written on behalf of my client, Battery Shores Property Owners Association, Inc., hereinafter, ("BSPOA"). This is the final letter in a series of letters you have received concerning your delinquent account with the BSPOA. Pursuant to Article VI, Section 6.4 of the Declaration of Covenants, Easements, Conditions and Restrictions for the Battery Shores Property Owner's Association, Inc. there is due and owing to date the sum of \_\_\_\_\_, together with interest thereon and attorney fees and costs. The delinquent sum needs to be paid to the BSPOA by \_\_\_\_\_.

In the event your assessment remains unpaid, the BSPOA will fill the attached Notice of Homeowners Association Lien. If your delinquency continues after the filing of notice of lien, my client, pursuant to the applicable Covenants and Restrictions, has the option of initiating a lawsuit to foreclose on the lien in question. Litigation is costly and expensive and the Association's Covenants and Restrictions allow, in addition to interest on the lien, the recovery of attorney's fees and costs to resolve this matter. It is the sincere hope of the BSPOA that a foreclosure suit will not be necessary. On behalf of the BSPOA, I look forward to your earliest response; I may be reached at the phone number and email above.

Sincerely,

Mikell, Weidner, Wegmann & Harper, LLC  
James J. Wegmann

[www.beaufortlaw.com](http://www.beaufortlaw.com)

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This letter is an attempt to collect a debt. Any information obtained will be used for that purpose. Unless within thirty (30) days of your receipt of this notice you notify us that you dispute the validity of this debt, it will be assumed to correct. If you notify this office within thirty (30) days that you dispute the validity of the debt, we will obtain verification of the debt or a copy of the judgment. If you request it within thirty (30) days, we will provide you with the name and address of the original creditor (if different from the current creditor).



ATTACHMENT D - Notice and Certification of Property Owners Association Lien w/Exhibit A

STATE OF SOUTH CAROLINA,	)	IN THE OFFICE OF THE
	)	REGISTER OF DEEDS FOR
COUNTY OF BEAUFORT	)	BEAUFORT COUNTY
	)	
BATTERY SHORES PROPERTY	)	
OWNERS ASSOCIATION, INC.	)	
	)	
Battery Shores Property Owners	)	
Association, Inc.	)	NOTICE AND CERTIFICATE
	)	OF
vs.	)	HOMEOWNERS ASSOCIATION
	)	LIEN
(Homeowner Names)	)	
_____	)	

TO: (Homeowner Name)

Serve: (Homeowner Address)

NOTICE IS HEREBY GIVEN that the Plaintiff herein, Battery Shores Property Owners Association, Inc., hereinafter referred to as (“BSPOA”), pursuant to Article VI, Section 6.4 of the Declaration of Covenants, Easements, Conditions and Restrictions for Battery Shores Property Owner’s Association, Inc., hereinafter (“the Covenants”) is due the sum of (\$xxx.xx), together with additional interests, late fees and administrative fees thereon, such attorneys’ fees as may be allowed, and the costs and disbursements of any action to foreclose this lien pursuant to Article VI, Section 6.8 of the Covenants. A statement of just and true account, is attached hereto as Exhibit “A”, of said indebtedness, with all other just credits given, being attached hereto and made a part hereof, together with additional interests and fees from [last day of accounting].

That said debt is due BSPOA for assessments levied against the described property pursuant to the Association’s applicable Covenants. Pursuant to Article VI, Section 6.8(a) of the Covenants, the lien on said property was perfected upon the recordation of the Declaration of

Covenants and the purpose of this Notice is merely recital in nature to provide notice to the interested parties that that assessments due and owing are in arrears and that pursuant to the applicable Covenants constitutes a lien on the property described herein. That by the service and filing of this notice and certificate, and pursuant to the provision of the applicable Covenants, BSPOA has and claims a lien to secure the payment of the debt so due, and the costs and attorney's fees of enforcing said lien upon the building or structures hereinabove mentioned and upon the follow described real estate, to wit:

[R120            ]

MIKELL, WEIDNER, WEGMANN & HARPER, LLC

By: \_\_\_\_\_  
James J. Wegmann, Esquire  
Attorney for Battery Shores Property Owners Association, Inc.  
6 Professional Village Circle  
Beaufort, SC 29907  
(843) 521-0004

Beaufort, South Carolina

This \_\_\_\_ day of \_\_\_\_ 20\_\_

Exhibit "A" to Notice and Certificate of Homeowner Association Lien  
**VERIFIED STATEMENT OF ACCOUNT**

CREDITOR: Battery Shores Property Owners Association, Inc.

DEBTOR: [Property Owner]

REAL PROPERTY: [DMP]

AMOUNT DUE: \$xxx.xx, plus additional interest and administrative fees, attorney's fees  
and costs

Personally appeared before me, the undersigned  
\_\_\_\_\_, as Treasurer of BSPOA who, after being duly sworn,  
sears and affirms the following to be true and correct:

1. That (s)he is the Treasurer of the BSPOA, Inc., and as such has personal knowledge of the facts set forth herein.
2. That property owners assessments for the year \_\_\_\_\_ are hereby in arrears and despite repeated notices requesting payment, the amount due as of [date] is \$xxx.xx, plus additional interest and administrative fees, attorney's fees, and costs.
3. That the foregoing is a true and accurate statement of the account representing all amounts currently due BSPOA, Inc. for property owner's assessments levied pursuant to the applicable Covenants and Restrictions of the Battery Shores Property Owners Association, Inc.

Battery Shores Property Owners Association, Inc.

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

Sworn to and subscribed before  
me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires:

ATTACHMENT E

**CERTIFICATE OF SERVICE**

This is to certify that the undersigned has this date served this Notice and Certificate of Homeowners Association Lien upon all parties to this cause by disposition a copy hereof, postage prepaid, in the United States Mail, certified return receipt requested, property addressed as follows:

(Full name(s) of Property Owner and mailing address)

This the \_\_\_\_\_ day of \_\_\_\_\_ YYYY

Lien Claimant:

\_\_\_\_\_

Owners

President  
Battery Shores Property

Association, Inc.  
P.O. Box 6203  
Beaufort, S.C. 29902

ATTACHMENT F - Release of Claim of Lien

STATE OF SOUTH CAROLINA, )  
 )  
COUNTY OF BEAUFORT )  
 )  
BATTERY SHORES PROPERTY )  
OWNERS ASSOCIATION, INC. )  
 )  
Battery Shores Property Owners )  
 )  
vs. )  
 )  
(Homeowner Names) )  
\_\_\_\_\_ )

IN THE OFFICE OF THE  
REGISTER OF DEEDS FOR  
BEAUFORT COUNTY

CANCELLATION  
OF  
HOMEOWNERS ASSOCIATION  
LIEN

TO: (Homeowner Name)

Serve: (Homeowner Address)

NOTICE IS HEREBY GIVEN that the Plaintiff herein, Battery Shores Property Owners Association, Inc., hereinafter referred to as (“BSPOA”), pursuant to Article VI, Section 6.4 of the Declaration of Covenants, Easements, Conditions and Restrictions for Battery Shores Property Owners Association, Inc., hereinafter (“the Covenants”) a Notice of Homeowner Association Lien at Book \_\_\_\_\_ at Page \_\_\_\_\_ for delinquent assessments levied against the following described real estate, to wit:

[Legal Description]

[R120 --- --- ---- 0000]

The Plaintiff, BSPOA, through its undersigned attorney, hereby cancels the Homeowner Association Lien, filed on the above described real property.

MIKELL, WEIDNER, WEGMANN & HARPER, LLC

By: \_\_\_\_\_

James J. Wegmann, Esquire  
Attorney for Battery Shores Property Owners Association, Inc.  
6 Professional Village Circle  
Beaufort, SC 29907  
(843) 521-0004

Beaufort, South Carolina

This \_\_\_ day of \_\_\_ 20\_\_

ATTACHMENT G

**FORECLOSURE LETTER**

(Date)

(Name)

(Address)

Dear (Name):

It is with regret that your Association Board of Directors must inform you, as a result of your delinquency in payment of annual assessments and accumulated interest and fees to the Association, we have initiated FORECLOSURE on your property.

The Declaration of Covenants, Easements, Conditions and Restrictions for Battery Shores Property Owners Association, Inc., the South Carolina State Statues, and the policies of the Board of Directors require that foreclosure proceedings be initiated by the Association to recover the charges due and all associated expenses, include court costs and reasonable attorney's fees (including costs and expenses incurred), as an additional assessment.

Further, pursuant to the Declaration of Covenants, Easements, Conditions and Restrictions of Battery Shores Property Owners Association, Inc., I would remind you that access and use of the any of the common properties or amenities of the community continue to be suspended.

Your Board will again encourage you to resolve this issue as soon as possible.

Thank you

President/Attorney for  
Battery Shores Property Owners Association, Inc.