

# MYERS MILL HOMEOWNERS ASSOCIATION

ADMINISTRATIVE RESOLUTION NUMBER: 2016-05

SPONSOR: Arthur Rich, Vice President, Board of Directors

**Relating to the Association's enforcement of its rights and remedies in the event of any default in the timely payment of the Association's regular and special assessments.  
(Lien Foreclosure)**

Upon motion duly made, seconded and carried, the Board of Directors for Myers Mill Homeowners Association adopted the following Resolution, at its regular meeting held on 18 May 2016.

**WHEREAS**, Article IV, Section 11 of the By-Laws of Myers Mill Homeowners Association, Inc. ("By-Laws") assigns the Board of Directors ("Board") all powers and duties necessary for the administration of the affairs of the Myers Mill Homeowners Association ("Association") and states that the Board may shall have the power and authority to exercise all of the rights and powers of the Association; and;

**WHEREAS**, Article IV, Section 11(e) of the By-Laws provides that the Board may exercise any other power necessary and proper for the governance and operation of the Association; and,

**WHEREAS**, Article IV, Section 12(f) provides that the Board may foreclose any unpaid assessments to and liens and liens resulting therefrom against any Lot for which assessments are not paid within 30 days after due date and to bring action against the Member personally obligated to pay the same, as the Board may elect; and,

**WHEREAS**, Article IV, Section 12 (g) of the By-Laws provides that the Board may employ attorneys and accountants to represent the Association when deemed necessary; and,

**WHEREAS**, Article IV, Section 12 (k) of the By-Laws provides that the Board may exercise any other powers necessary and proper for the governance and operation of the Association; and,

**WHEREAS**, Article IV, Section 12 (l) of the By-Laws provides that the Board shall have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of South Carolina by law may now or hereafter have or exercise; and,

**WHEREAS**, the Board has determined that it is in the best interest of the Association and the Association's members to pursue collections of assessments held in arrears.

**NOW, THEREFORE, BE IT RESOLVED** that the Association hereby adopts the following policies and practices relating to the enforcement of its rights and remedies in the

event of any default in the timely payment of the Association's regular and special assessments to be effective the first day of May 2016:

1. Assessments, late charges, interest collection costs and any attorneys' fees are the personal obligation of the owner of the property at the time the assessment or other sums are levied.
2. Regular monthly assessments are due and payable on the first day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. However, it is the owner of record's responsibility to pay each assessment in full every month regardless of whether a statement is received. All other assessments, including special assessments, are due and payable on the date specified by the Board in the notice imposing such assessment.
3. Any payments made shall be first applied to collection expenses, including attorneys', trustee or small claims fees, assessments owed, and, only then to past due assessments owed, late charges, interest and unless the owner and that Association enter into an agreement providing for payments to be applied in a different manner.
4. When any regular or special assessment remains unpaid thirty days past its due date, said assessment shall be subject to a late charge not exceeding eight (8%) percent per annum.
5. In accordance with South Carolina Code, the Board of Directors shall impose interest on all sums, including the delinquent assessment, reasonable costs of collection, and late charges, at eight (8%) per annum, commencing 30 days after the assessment becomes due, unless the declaration specifies a rate of a lesser amount.
6. When any assessment remains unpaid thirty-one (31) days past its due date, the Association, through its Management Company, shall mail a Pre-Lien Notification to the owner by certified and first class mail, to the owner's mailing address of record advising you of the delinquent status of the account, impending collection action. The owner will be charged a fee for the pre-lien notification, which shall be charged to the delinquent member's account.
7. Within fifteen (15) days from the date of the postmark of the Pre-Lien Notification, a delinquent owner may submit a written request to the Association to meet with the Board to discuss a payment plan for the amount set forth in the Pre-Lien Notification letter. The Board shall meet with the delinquent homeowner in executive session within forty-five (45) days of the date of the postmark of the written request. Each request is handled on a case-by-case basis. The Board is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the owner's delinquent assessments. If the Board authorized a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved, additional late fees from the homeowner will not accrue while the owner remains current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved.



8. If an owner fails to pay the amounts set forth in the Pre-Lien notification the Board shall decide, by majority vote in an open meeting, whether to record a Notice of Delinquent Assessment (Lien) for the amount of any delinquent assessments, late charges, interest and/or costs of collection. This lien shall be recorded in the office of the County Recorder and mailed to the delinquent member. A fee not exceeding \$100.00 for lien processing work, and a fee not exceeding \$150.00 for preparation and mailing said Notice of Delinquent Assessment by the Agent, Trustee or Attorney employed by the Association, shall be charged to the delinquent member's account. The lien may be enforced in any manner permitted by law, including without limitation, a small claims judgment, judicial or non-judicial foreclosure. Owners are responsible for any charge associated with the release of the Association's Lien upon full reinstatement of the delinquent member's account.

9. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent owner(s) by identifying the matter in the minutes by only the parcel number of the owner's property. Prior to initiating any foreclosure sale on a recorded lien, the Association may, but is not required to, offer delinquent homeowners the option of participating in Alternative Dispute Resolution ("ADR").

10. After thirty (30) days from recording the Notice of Delinquent Assessment, the Association may turn the members account over to the Association's Attorney or Trustee to enforce the lien by proceeding with judicial or non-judicial foreclosure sale when either (a) the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments and specified late charges and fees or (b) the assessments are delinquent for more that twelve (12) months. However, if the amount of the delinquent regular or special assessments is less than One Thousand, Eight Hundred Dollars (\$1,800.00) or less than twelve (12) months, the Board may decide to take a small claims court action. The Association is authorized to charge the owner reasonable costs of collection for any action utilized.

11. "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION"

12. An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed on their account pursuant to South Carolina Corporations Code Section 33-31-1602. If it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interest, and costs of collection associated with collection of those assessments.

13. Owners have the right to provide a secondary address for mailing for purposes of collection to the Association. The owner's request shall be in writing and shall be mailed to the Association in a way that shall indicate that the Association has received it. An owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the Association shall only be required to send notices to the indicated secondary address from the point the Association receives the request.

14. Prior to recordation of the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association. The mailing address for overnight payments of assessments is Dorchester Real Estate Service, 217 N Parler Ave, St. George, SC 29477; unless the account has been turned over to the association's trustee or attorney, then the homeowner would need to call said party for the full amount owed and their correct mailing address.

15. The foregoing policies and practices shall remain in full force and effect until such time as they may be changed, modified, or amended in their entirety, by a duly adopted Resolution of the Board of Directors of Myers Mill Homeowners Association. This policy is subject to change upon thirty (30) day written notice.

**Myers Mill Homeowners Association, Inc.**


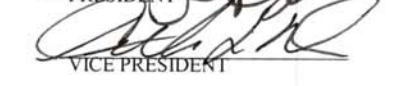
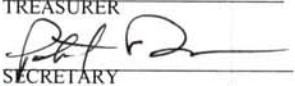
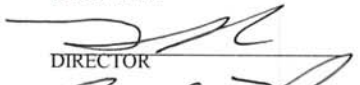
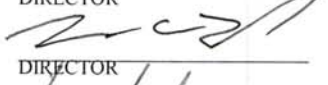

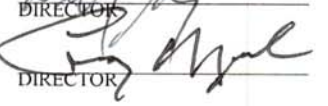
RESOLUTION ACTION RECORD

Resolution Type: Foreclosure Process No. 2016-05

Pertaining to: Foreclosure

Duly adopted at a meeting of the Board of Directors held: 18 May 2016

Motion by: Tracy Stephens Seconded by: Gary Margolis

|   | VOTE |    |         |        |
|---|------|----|---------|--------|
|   | YES  | NO | ABSTAIN | ABSENT |
| <br>PRESIDENT      | ✓    |    |         |        |
| <br>VICE PRESIDENT | ✓    |    |         |        |
| TREASURER<br>_____  |      |    |         |        |
| <br>SECRETARY      | ✓    |    |         |        |
| <br>DIRECTOR       | ✓    |    |         |        |
| <br>DIRECTOR      | ✓    |    |         |        |
| <br>DIRECTOR     | ✓    |    |         |        |
| <br>DIRECTOR     | ✓    |    |         |        |
| DIRECTOR<br>_____   |      |    |         |        |

ATTEST:

  
SECRETARY

DATE 5/18/16

FILE:  
Book of Minutes -  
Book of Resolutions:

|                | Book No. | Page No. |
|----------------|----------|----------|
| Policy         | _____    | _____    |
| Administrative | _____    | _____    |
| Special        | _____    | _____    |
| General        | _____    | _____    |

Resolution Effective Date: \_\_\_\_\_