

## Jarvis Creek Club, POA Collections Procedures

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This is a general summary of collection procedures that will be acted upon by **the Jarvis Creek Club POA** regarding a delinquent owner's account. These procedures are allowed by your Declaration of Covenants and By-Laws, and by South Carolina Law:

- **Method of Payment:** Payments must be in the form of a personal check, certified check or money order and made payable to **the Jarvis Creek Club POA**. Other accepted forms of payment are: online bill pay, online debit and credit cards, please go to [www.imcresortservices.com](http://www.imcresortservices.com) and follow the "New - Online Payment" instructions in the middle of the main page. Post dated check and cash are not accepted.
- **Friendly Late Notice (1<sup>st</sup> letter):** After 30 days late, the owner receives a friendly late notice (with statement) indicating that a balance is due on their account and to please remit payment at their earliest convenience. The notice also states that if there is a discrepancy with their account balance to contact IMC's office immediately. A late interest charge of 1.5% of the balance due will be added to the account.
- **2<sup>nd</sup> Late Notice (2<sup>nd</sup> letter):** After 60 days late, the owner receives another late notice (with statement) indicating that the balance is now 60 days past due and to please remit payment at their earliest convenience. The notice also states that if there is a discrepancy with their account balance to contact IMC's office immediately. A late interest charge of 1.5% of the balance due will be added to the account.
- **3<sup>rd</sup> Late Notice and Final Letter:** After 90 days late, the owner receives a final 10 day late notice (with statement) indicating that the balance is now 90 days past due and if the account is not brought current within 10 days, then their account will be turned over to the association's attorney for collections proceedings. The notice states that if there is a discrepancy with their account balance to contact IMC's office immediately. A late interest charge of 1.5% of the balance due will be added to the account. Also, the notice states that all costs associated with collections will be the responsibility of the owner.
- After 15-months, the Owner's gate clicker will be deactivated if more than one year of assessments have not been paid, not including late fees.

- **Transfer to Collection Attorney/Lien on Property:** When an owner's account becomes 100 days delinquent the regime attorney is notified to begin the legal process for collection. A real estate lien for unpaid assessments will be placed against the owner's property.
- **Collection Agency:** Within this initial time frame the Board of Directors (Board) has the option to engage the services of a collection agency. The chosen agency will adhere to professional collection guidelines. The agency will report the owner's delinquent debt to the top 3 credit bureaus in the country and will send letters and make phone calls to the delinquent owner attempting to collect the debt.
- **Litigation:** Accounts that are 100 days past due, the Board has a choice of one of the following:
  1. **Pursue a money judgment on the owner** – a money judgment requires a verified/certified legal notice be sent to the owner outlining their delinquent debt to the regime. The owner has 30 days to respond. If the owner does not respond the attorney files legal documents with Beaufort County and requests a court date. The court will award the regime with a money judgment. This judgment is recorded and filed in the Beaufort County Property records. A money judgment is attached to the owner's credit for a period of 10 years in South Carolina. The delinquent owner cannot purchase any new real estate property until the judgment is satisfied and released.
  2. **Have a receiver appointed by the Beaufort County Court** – The regime attorney files a foreclosure suit with Beaufort County on behalf of the regime, and attaches a motion for the court to appoint a receiver. The delinquent owner is served with this notice and given a chance to respond. A court date is scheduled to have a receiver appointed. The court will direct the owner to pay reasonable fees to the regime through the receiver. During this process and if applicable, the regime will file the necessary documents with the delinquent owners mortgage company so they are noticed of the unpaid and overdue debt.
  3. **Regime foreclosure of the property** – The regime attorney files a foreclosure suit with Beaufort County on behalf of the regime.

The delinquent owner is served with this notice and given a chance to respond. If ignored, a court date is scheduled for the foreclosure and a sale date is set. During this process, the owners bank/mortgage company (if applicable) may or may not step in and take over the foreclosure.

- **Other Possibilities/Issues:**

- **Payment Plan** – At all times during the collections process, **the Jarvis Creek Club POA** is willing to enter into a payment plan. The Board has the authority & ability to waive any or all portions of late fees and fines on the owners account to achieve an agreement on a payment plan. However, the Board does not have the authority waive any fee on the owner's account that is a direct expense to the regime, i.e. regime fees, insurance billings, legal fees, administrative fees, etc.
- **Bank Foreclosure** – When the bank/mortgage company forecloses on the property they assume ownership. That bank/mortgage company is responsible for settling any liens on the property.
- **Bankruptcy** – The owner files for bankruptcy through the US Bankruptcy Court. Once filed, the regime must cease all collection efforts on the debt claimed by the owner in the bankruptcy. The regime will create a new account for any post-bankruptcy debt and the collection process for any new debt will begin as identified above. The bank/mortgage company can still foreclose on the property during this process.
- **Short Sale** – The owner has his/her bank/mortgage company approve this sale. This bank/mortgage company must agree to accept a lesser amount than the remaining unpaid loan principle. The regime's lien must be settled before a Short Sale can be completed and the Board can negotiate a final debt settlement payment.

At all times during the collections process, **the Jarvis Creek Club POA** encourages owners to engage in payment plans and to establish a recurring payment draft for future monthly regime fees. Our current bank, Alliance Association Bank, has multiple payment options for owners to consider.

If you have any questions regarding your account, how to make online payments, or how to set up monthly recurring draft payments – Please contact

Christine Phillips at (843) 785-4775, ext 102 or email her at [christine@imchhi.com](mailto:christine@imchhi.com).

**\*\*PLEASE NOTE:** If your account has already been sent to the association's collections attorney at the time of your inquiry – any & all inquiries regarding your delinquent account must be made directly through the association's attorney.