

# Cornwallis Hills Property Owners Association Collection Policy & Procedure: Annual Assessment

**Effective Date:** January 1, 2025

## **POLICY PURPOSE**

Inform property owners of the Association's collection process regarding the annual assessment.

## **DEFINITIONS**

CHPOA – Cornwallis Hills Property Owners' Association.

CHPOA BOD – Cornwallis Hills Property Owners' Association Board of Directors.

CHPOA FC - Cornwallis Hills Property Owners' Association Finance Committee.

NCPCA - North Carolina Planned Community Act.

## **GOVERNING DOCUMENTS**

CHPOA Articles of Incorporation, CHPOA Covenants, CHPOA By-Laws, NCPCA, NC General Statutes.

## **ADMINISTRATION & EVALUATION**

Collections will be administered by the property manager and evaluated by the CHPOA FC with oversight by the CHPOA BOD.

## **PROCEDURE**

1. Property owners will receive a notice of payment due for the annual assessment in December.
2. This assessment, also known as "dues", has a due date of February 1st.
3. A grace period is provided and expires on March 1st of the current assessment year.
4. Payments can be made online through "Cheddar Up", mailed, or delivered to the CHPOA Property Manager at 407 Patriot Place, Hillsborough, NC 27278.
5. Payments received after March 1st of the current assessment year, will be considered delinquent.
6. The delinquent assessment will be subject to the following process.
  - 6.1. A simple annual interest rate of 18% or 1.5% monthly will be charged to any principal balance beginning March 1 of the current assessment year and continuing monthly until the principal balance is paid in full.
  - 6.2. On or about April 1st, a billing statement will be sent to owners of delinquent accounts informing them of the "Request for Modification of Payment Terms for Assessments" document which can be accessed from the CHPOA website or requested from the Property Manager. The statement will also include a requirement that this document must be submitted to the Property Manager by April 15 of the current assessment year.
  - 6.3. In May, if payment terms are not approved, and/or monies are still owed CHPOA, Subject to CHPOA board approval, a "Claim of Lien" will be filed with the Orange County Clerk of Court for all monies owed the CHPOA.
  - 6.4. In July, subject to Board approval, the CHPOA attorney will be notified of the unpaid balance and will be asked to initiate foreclosure proceedings against the property.

**Revision History:** 02/03/2011, 06/29/2014, 05/09/2019, 06/22/2024

**Approval:** CHPOA BOD on 08/07/2024