

**Glastonbury Landowners Association, Inc.**  
**Collection Procedure**  
**Adopted December 5, 2016**

**1. Assessment Notice**

Each Landowner shall be sent a statement with the annual assessment and any outstanding amounts due on or around January 15 of each year. [Covenant 11.03]

**2. Payment of Assessments, Interest, and Penalties**

The GLA assessment, account interest and penalties are determined in accordance with the Covenants and Montana law.

**3. Delinquent Accounts**

- a. At the end of December, a delinquent accounts report will be generated.
- b. The GLA will immediately place a lien on any properties with assessments due that are put up for sale or are in the process of foreclosure.
- c. Properties sold with assessments owing may be turned over to an attorney for collection after notifying new landowners.
- d. **Current Year Delinquent – Interest Charged:** Those who have not paid the *current* year's assessment or quarterly payments by the due dates will be charged the monthly interest. Landowners who are delinquent will see these charges on their next statement and on subsequent statements if the delinquency continues. The Treasurer will send the delinquency report to the Board. Landowners in arrears may also receive collection phone calls from the Board or Finance Committee members.
- e. **One Year Delinquent – Placement of Liens:** Landowners who have not paid the *previous* year's assessments will be sent a 30-day Lien Warning letter with a detailed statement.
  - 1) Landowners have 30 days to contact the Treasurer about paying or entering into a payment agreement or a lien is filed.
  - 2) Landowners who do not pay all past assessments and fees or enter into a payment plan within 20 days will receive a final 10-day Lien Warning letter.
  - 3) If there is no response or an inadequate response to the Lien Warning letter, a lien will be filed and recorded with Park County within one week of the 30-day period passing. The Landowner will be assessed a Lien Fee of \$50.
  - 4) A copy of the lien will be mailed to the landowner and any mortgage holder.
- f. **Over Two Years Delinquent** – At any time in the collection process, landowners may contact the Treasurer to initiate settlement of delinquent accounts. Any settlement would be by Board vote in a public meeting.
  - 1) Landowners with assessments in arrears over two years will be sent a Delinquency Letter requiring payment and notice that legal proceedings will begin to collect the debt.
  - 2) The GLA will update the lien, and send a copy to the landowner and any mortgage company. The Landowner will be assessed another Lien Fee of \$50.
  - 3) If no payment or payment plan is forthcoming as a result of the Delinquency Letter, a Demand Letter from a GLA attorney will be sent to the Landowner. Landowner will be charged the attorney fees.

- 4) If no payment or payment plan is forthcoming as a result of the Demand Letter, the GLA may sue for judgment to collect all assessments, interest, penalties, lien fees, attorney fees and collection fees.
- 5) If the GLA wins the judgment, the GLA will list the judgment amount with credit and/or business rating agencies.
- 6) If there is no mortgage on the property or the mortgage was taken out after the property was purchased, the GLA will foreclose within two years of winning the judgment if practicable.
- 7) If there is a mortgage, foreclosure judgment and the Board deems a foreclosure of no benefit to the GLA, other collection possibilities will be explored.

#### **4. Payment Plan Agreements**

When a payment plan is approved by the Board, it freezes current interest if the monthly payments are made. It does NOT waive any past interest or dues. A payment plan is used to get accounts caught up within two years.