

West Molokai Association

Collection Policy Adopted August 10, 2007

- 1) The due date for payments shall be July 1 for each fiscal year.
- 2) A late fee of \$15.00 will be charged for payments received after July 1.
- 3) For accounts that are two months late, a reminder letter, along with a copy of the Collection Policy will be sent via certified mail stating the amount past due and requesting payment within 30 days.
- 4) If the account is still not brought current by the end of the 30 day period, a final notice will be sent demanding payment in full within 10 days, or the matter will be referred for collection. All collection, and/or legal fees and costs, including title report charges, will be assessed to the delinquent owner's account. The DCRs also state that an interest fee of ten per cent (10%) per annum may be charged as an additional penalty.
- 5) If no payment is made by the end of the 10 day deadline, the matter shall be referred to legal counsel. A letter will then be sent by legal counsel giving the owner another 30 days to bring the account current, including all pertinent fees, or a lien will be placed on the property which may be foreclosed upon. (The 30 day notice is necessary to comply fully with debt collection laws). A title report will be ordered at that time to ensure that notice is given to the proper parties.
- 6) If that deadline is not met, under most circumstances legal counsel will file the lien and send a copy to the owner giving him or her 5 days to contact the law firm.
- 7) In cases where the delinquency is large, or where the delinquent owner has indicated that they have no intention of paying, the Board will consider foreclosure.