

STONE BRIDGE CREEK HOMEOWNERS ASSOCIATION

DELINQUENCY AND COLLECTION POLICY

Effective Date: May 14th, 2026

The following Delinquency and Collection Policy (“Policy”) is adopted by the Board of Directors (“Board”) of the Stone Bridge Creek Homeowners Association (“Association”) pursuant to the authority granted under the Association’s Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, and applicable Nebraska law.

This Policy establishes the procedures for the collection of annual assessments, special assessments, fines, administrative charges, interest, and other amounts owed to the Association.

1. ASSESSMENT OBLIGATION

All homeowners are obligated to timely pay all annual assessments, special assessments, fines, fees, charges, interest, and other amounts lawfully levied by the Association pursuant to the governing documents.

Assessments shall be due on January 1 of each calendar year unless otherwise established by the Board.

Failure to receive an invoice, statement, coupon, email notification, or other billing communication shall not relieve a homeowner of the obligation to timely pay all amounts due to the Association.

2. PAYMENT RESPONSIBILITY

Each homeowner is responsible for maintaining current mailing addresses, email addresses, phone numbers, and other contact information with the Association and/or the Association’s Managing Agent.

Payments shall be made payable to the Association or its designated Managing Agent and submitted in accordance with the payment instructions provided by the Association.

Partial payments may be applied in the order determined by the Association, including but not limited to:

1. Attorney fees and legal costs
2. Interest
3. Administrative collection fees
4. Fines
5. Past due assessments
6. Current assessments

Acceptance of a partial payment shall not waive the Association’s right to continue collection efforts or pursue legal remedies.

3. DELINQUENCY

Any assessment or charge not paid by the established due date shall be considered delinquent.

The Association may pursue collection remedies authorized under the governing documents and Nebraska law, including but not limited to:

- Administrative collection fees
- Late charges
- Interest
- Suspension of privileges where authorized
- Lien filing
- Legal action
- Referral to legal counsel or collections

4. COLLECTION NOTICE PROCEDURES

The following collection procedures may be utilized by the Association and/or its Managing Agent:

Timeline	Collection Action	Administrative Fee
January 1	Annual Assessment Due	None
30 Days Past Due	Courtesy Reminder Notice	None
60 Days Past Due	First Delinquency Notice	Up to \$20
90 Days Past Due	Second Delinquency Notice	Up to \$20
120 Days Past Due	Final Demand / Pre-Lien Notice	Up to \$20
After 120 Days Past Due	Board Review for Legal Enforcement or Lien Filing	Additional legal costs may apply

Administrative collection/contact fees shall not exceed Sixty Dollars (\$60.00) per delinquency cycle prior to legal referral.

The Association reserves the right to accelerate, delay, waive, or modify collection actions based upon the circumstances of a particular account.

All formal delinquency and collection notices shall be mailed via Certified Mail whenever reasonably practicable.

5. DELIVERY OF NOTICES

Due to ongoing concerns regarding inconsistent electronic notice delivery, all delinquency notices, collection notices, pre-lien notices, and other formal collection correspondence shall be mailed via Certified Mail to the homeowner's address of record whenever reasonably practicable.

The Association may additionally provide copies by regular mail, email, portal notification, or other electronic means as a courtesy.

Failure of electronic delivery shall not invalidate mailed notices or collection activity.

6. ADMINISTRATIVE COLLECTION FEES

The Association may assess reasonable administrative collection and contact fees associated with delinquent accounts, including costs associated with notice preparation, certified mailing, postage, administrative processing, and account management.

Administrative collection fees may include:

- Certified mail costs
- Postage expenses
- Administrative processing fees
- Returned payment fees
- Account research and processing costs

Administrative collection fees are separate from covenant-authorized late charges and interest.

Unless otherwise determined by the Board, administrative collection/contact fees shall not exceed:

- \$20 per collection notice

- \$60 total administrative collection fees per delinquency cycle prior to legal referral

The Board reserves the right to modify administrative fee schedules by future resolution.

7. LATE CHARGES

Late charges may be assessed in accordance with the Association's governing documents.

Pursuant to the Restrictive Covenants, late charges shall not exceed twenty-five percent (25%) of the delinquent assessment or Fifty Dollars (\$50.00), whichever is greater.

Late charges may be assessed no more frequently than once every thirty (30) days on a continuing delinquent balance unless otherwise authorized by law or approved by formal Board action.

8. INTEREST

Pursuant to the Association's Restrictive Covenants, interest shall accrue on unpaid assessments and charges at the rate of sixteen percent (16%) per annum commencing thirty (30) days after the assessment becomes due.

Interest shall continue to accrue until all outstanding balances are paid in full.

9. LIENS AND LEGAL ENFORCEMENT

The Association may file liens and pursue legal enforcement remedies for unpaid balances as authorized by the governing documents and Nebraska law.

Prior to filing a lien or initiating legal action, the matter shall be presented to the Board for review and approval by majority vote of the directors present at a meeting where quorum exists, unless emergency legal action is required to preserve the Association's rights.

The homeowner shall be responsible for all attorney fees, court costs, filing fees, interest, and additional collection costs incurred by the Association in the collection process to the extent authorized by the governing documents or applicable law.

10. PAYMENT PLANS

The Board or Managing Agent may, but shall not be obligated to, approve written payment arrangements for delinquent accounts.

Any approved payment arrangement shall:

- Be in writing
- Specify payment terms and deadlines
- Require ongoing current assessments to remain current
- Provide that default under the arrangement reinstates the Association's collection remedies

Acceptance of a payment plan shall not waive the Association's right to pursue future enforcement for subsequent delinquencies.

11. NO WAIVER

Failure of the Association to enforce any provision of this Policy or the governing documents shall not constitute a waiver of the right to enforce the same in the future.

12. GOVERNING DOCUMENTS AND CONFLICTS

In the event of any conflict between this Policy and the Association's governing documents, the recorded Declaration of Restrictive Covenants shall control.

This Policy supplements the governing documents and does not replace or amend recorded covenant provisions.

13. BOARD AUTHORITY

The Board reserves the right to amend, revise, suspend, or repeal this Policy at any time consistent with the governing documents and applicable law.

Approved by the Stone Bridge Creek Homeowners Association Board of Directors on this
14th day of May, 2026.