



RHOA FEE PAYMENT POLICY

THE METHOD USED TO APPLY LATE CHARGES HAS CHANGED.
READ THIS PRESENTATION TO LEARN WHAT'S NEW.

Effective September 1, 2021 for Crest Homeowners
Effective October 1, 2021 for The Palms and Coolshade Homeowners

GENERAL RULES HAVE NOT CHANGED

- Maintenance fees are due on the 1st day of the month
- Fees paid on or before the 7th day of the month are considered on time
- Any fee paid after the 7th day of the month is considered late and late charges will be applied

LATE CHARGES – the old method

- Historically, the RHOA charge of JA\$1,500 *per month* has been applied manually by our office team for late maintenance fees and breach fines.
- This resulted in;
 - High manual workload (increased manpower cost)
 - Frequent errors on homeowner's invoices (very annoying)

LATE CHARGES – the **NEW** method

- The late charge will be applied automatically by the RHOA's Sage accounting system (reduced human input = less errors)
- The **minimum late charge** will be 10% of the fee or breach fine
- The late charge applied to your invoice will be the **greater of:**
 - The minimum late charge, or
 - The value of 120% annualized interest rate, applied daily (approximately 0.03287% per day) i.e. the daily charge times the number of days

LATE CHARGES – the new method

- **Minimum Late Charge (examples):**

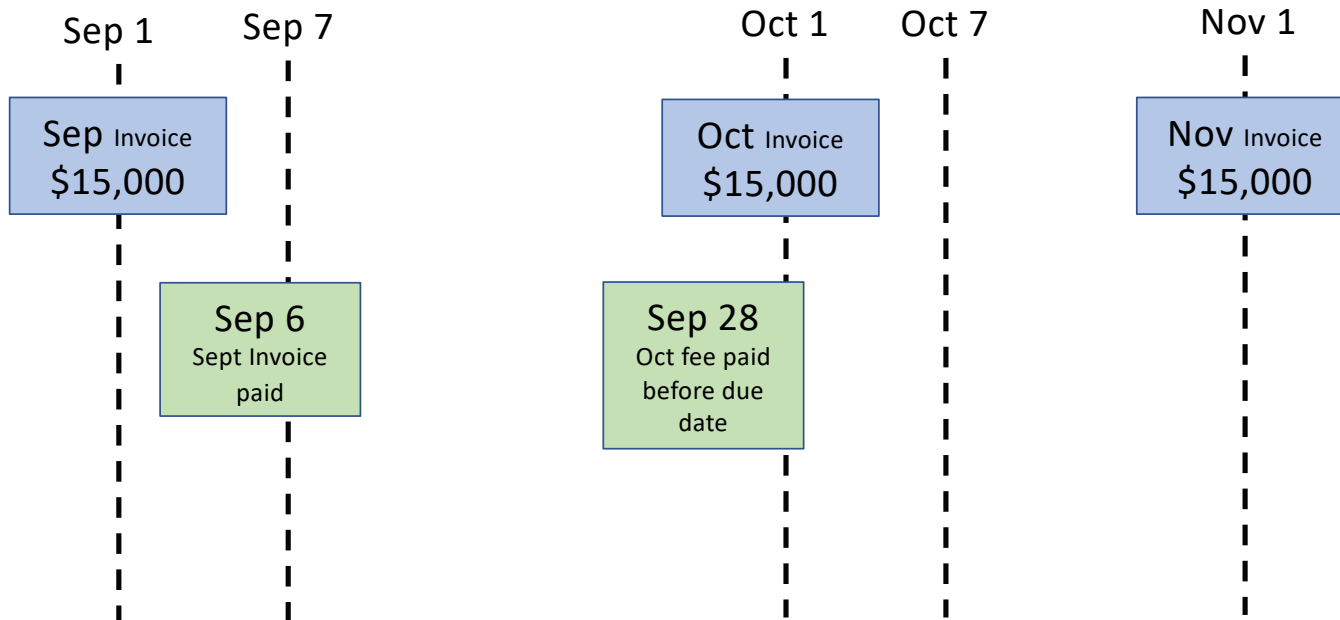
- The minimum late charge for the \$15,000 maintenance fee is: \$1,500 (no dollar value change)
- The minimum late charge for a \$5,000 landscaping breach fine is: \$500 (was \$1,500)

- **Interest charges**

- Calculation starts on the 1st of the month
- The minimum late charge will apply until the total of the daily interest rate charges is greater than the minimum charge (approx. 30 days). The late maintenance fees, the daily interest rate charge is ***approximately*** \$49.50.

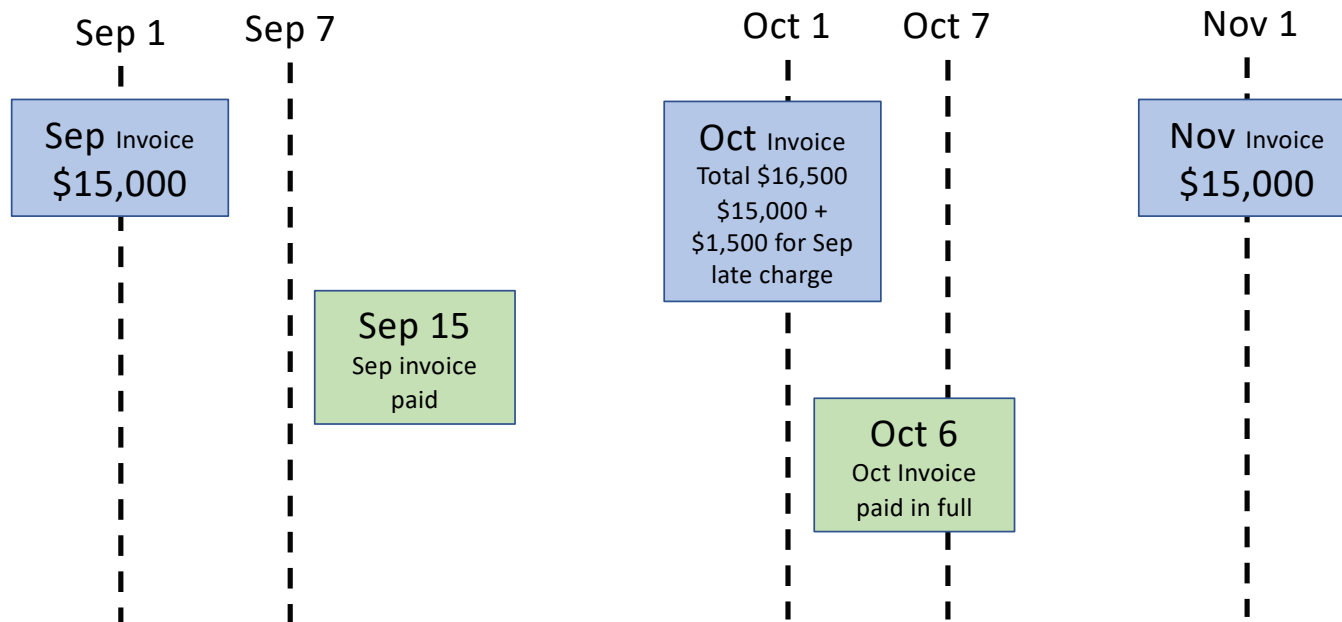
LATE CHARGES – new method example 1

ON TIME PAYMENT – NO LATE CHARGES



LATE CHARGES – new method example 2

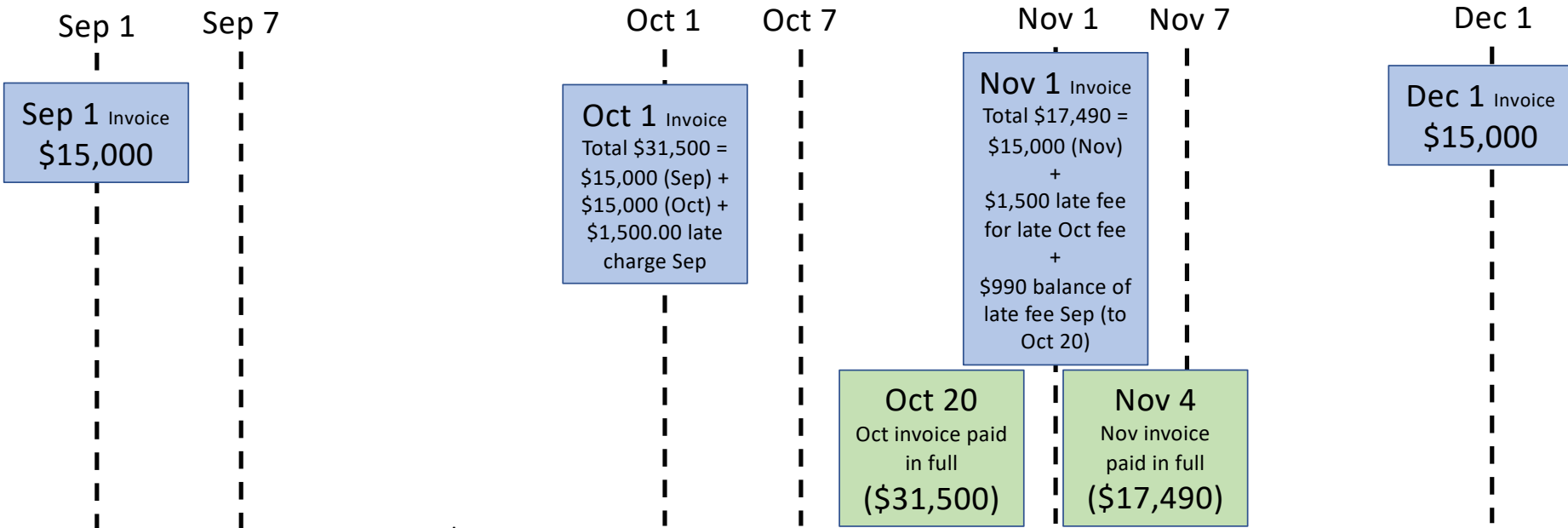
SEPT FEE PAID 15 DAYS LATE. OCT FEE PLUS LATE LATE CHARGE PAID OCT 6



September fee paid 15 days late: Late charge is greater of \$1,500 or 15 x \$49.50 (\$742.50)

LATE CHARGES – new method example 3

SEPT FEE NOT PAID UNTIL OCT 20. OCT FEE PLUS OCT FEE AND LATE PAID NOV 20



December invoice will show \$31,500 paid

October fee was fee paid 50 days late: Late charge is greater of \$1,500 or $50 \times \$49.50 = \$2,475$. As \$1,500 was included in the Nov invoice and paid, the remaining \$975 due will be invoiced in December



Should you have any questions, please
contact the RHOA Office