

# Litchfield by the Sea Community Association, Inc.

Legal Description: Litchfield by the Sea Community Association, Inc.  
57 Retreat Beach Circle, Pawleys Island, SC 29585

Contact Information: Litchfield by the Sea Community Association, Inc.  
49 Wall Street  
Pawleys Island, SC 29585  
(843) 237-9551

The attached Amended Litchfield-By-The-Sea Policy for Collection of Assessments was approved for filing by the Board of Directors of the Litchfield by the Sea Community Association, Inc. on the 13 date of February, 2025

  
(Signature of its President)

Larry Ferguson, President of Litchfield By the Sea C.A. Inc.  
Printed Name

  
(Signature of its Secretary)

Cynthia Steen, Sec. of Litchfield By the Sea C.A., J  
Printed Name

GEORGETOWN COUNTY, SC  
Marlene McConnell  
Register of Deeds  
By: THERESA FREEMAN Clerk  
2025002150 AMENDMENT  
RECORDING FEES \$25.00  
STATE TAX \$0.00  
COUNTY TAX \$0.00  
03-11-2025 03:36 PM  
BK:RB 4797 PG:341-344

## Amended

### Policies and Procedures for the Collection of Assessments and Fees

In accordance with the Declaration of Covenants, and Restrictions for Litchfield-By-The-Sea Community Association, Inc. (the “Declaration”), as amended and supplemented and the Litchfield-By-The-Sea Bylaws (the “Bylaws”), hereinafter collectively known as the “Association Documents”, the Litchfield-By-The-Sea Community Association, Inc. (“the Association”) may levy assessments against the property of members of the Association for purposes of funding common expenses and reserves, as more particularly described in the Association Documents;

Pursuant to Article V of the Declaration and Articles IV and XIII of the Bylaws, the Board of the Association has approved the following procedure for the collection of past due assessments:

#### I. Remedies for Nonpayment of Assessments

A. When is an Assessment “Past Due”? An assessment is considered past due if it is not received within 30 days of the Due Date.

B. “Due Date” for Assessments. Unless otherwise noticed, the Due Date for a monthly assessment is the first of every month. The due date for a special assessment will be provided at the time the special assessment is levied.

C. Definition of “Received”. As referenced herein, the term “Received” is defined as the date during normal business hours that a payment is physically or electronically available for processing by the Association. For purposes of clarification and by way of example only, “Received” does not include the following: (1) the date the Owner submits the request for payment to the Association through a bill pay system; (2) a payment that is sent to the incorrect address; (3) a payment that fails to provide identifying information for posting; or (4) the date the Owner mails the payment to the Association. It is the Owner’s sole responsibility to ensure that mailed payments or payments processed electronically or through a bill pay system are Received by the Association prior to the Due Date to avoid the imposition of a late charge, interest, collection costs or the referral to collection counsel for further collection action. The Owner assumes the risk of any delay by third parties, even if at no fault of the Owner, for failure of the Association to Receive a payment by the Due Date.

D. Penalties. If any assessment or installment thereof becomes Past Due, a penalty of Fifty Dollars (\$50.00) shall be added to the assessment. (Example: If June’s assessment is not received by July 10<sup>th</sup>, a \$50.00 charge will be applied. If June and July’s assessments have not been paid by August 9<sup>th</sup>, another \$50.00 charge will be applied.)

E. Interest. If an assessment or installment thereof is not Received within thirty (30) days of the Due Date, interest shall accrue from the Due Date at one and one-half percent (1.5%) per month.

F. Collection Costs. The cost of collection incurred by the Association shall be assessed to the delinquent Owner’s account. Such amounts may include, but are not limited to, notices sent by the Association to the Owner, including postage. In addition, the Owner shall be assessed for any additional collection cost that are incurred by legal counsel, including but not limited to the preparation of demand letters, the filing of liens, Court filing fees, postage, copy expenses, courier services, and investigative services as required.

G. Reminder Notice. If payment is not Received by the Association within Thirty (30) days of the Due Date, a Reminder Notice **may** be sent, by regular mail or electronic mail, by the Association to the delinquent Owner demanding payment of the delinquent installment of the Assessment, penalties, interest, and collection costs incurred by the deadline provided in the Notice. There may also be administrative fees for the processing of delinquent accounts As the Association Documents of the Association do not require Reminder Notices to commence legal action, an Owner's failure to receive said notice shall not prohibit the ability of the account to be referred to legal counsel for collection action.

H. Right to Accelerate. If payment of an assessment is Past Due, the Association **may** declare the entire remaining amount of the annual assessment due and payable and may pursue collection of the remaining amount.

I. Returned Check Charge. If the Association receives a check from an Owner which fails to clear the Owner's personal banking account, the Association shall charge the Owner a returned check charge of \$50.00, or the maximum amount permitted by law, whichever is greater. If the Association receives from any Owner, in any fiscal year, one or more returned checks for payment of an assessment or installment thereof, all future payments may be required to be made by certified funds, money order or cashier's check for the remainder of the fiscal year.

J. Membership Rights. Once the Owner's account is more than sixty (60) days delinquent, the Board or Manager, as authorized by the Board, may elect to suspend the Owner's Membership Rights, as detailed below.

K. Referral to Legal Counsel. Whenever an Owner fails to pay an installment of an assessment within ninety (90) days of the due date, the Manager, without any further action of the Board, may automatically take the following action:

1. The ability of the Owner to pay his account online through the Owner Portal shall be terminated.
2. Suspend an Owner's automobile bar code so that access through the Association's gates would only be through obtaining a daily pass at the gate.
3. The account shall be referred to legal counsel for prompt action.
4. Once an account is referred to legal counsel, an administrative fee of \$75.00 will be added to the Owner account. After the account is referred, all contact with an Owner regarding the delinquent assessment account shall be handled through Association legal counsel. If the Owner contacts the Association regarding the delinquent account, the Owner will be referred to Association legal counsel.
5. Legal counsel is authorized, without further action of the Board, to take the following action: A demand letter shall be sent to the Owner; if the account remains delinquent after the deadline set forth in the demand letter, a Lien may be recorded against the Owner's Property.
6. The Board may choose to authorize legal counsel to bring an action at law against the owner or to foreclose the lien for unpaid association assessments.

7. Owner shall be responsible for the payment of all attorney's fees incurred by the Association as a result of action taken to collect Past Due assessments.

L. Method of Crediting Payments. Payment received from an Owner will be credited to the account in the following order of priority:

1. Charges for attorney's fees and collection costs.
2. Penalties, interest, and returned check charges.
3. Any and all installments of the Special assessments, oldest outstanding first.
4. Any and all installments of the monthly assessments, oldest outstanding first.
5. The quarterly installments of the Annual assessments, oldest outstanding first.

M. Cumulative Remedies. Association remedies are cumulative. Legal action to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien securing the Lot. Foreclosure action may be maintained notwithstanding the pendency of any suit to recover a money judgment. The exercise of any one or more remedies shall not be deemed to constitute an election of remedies.

## II. Suspension of Membership Rights

A. Voting. An Owner may not vote during any period in which such Owner shall be in default in the payment of any assessments levied by the Association, if such default has continued uncured for a period of ten (10) days after written notice thereof to such Owner.

B. Suspension of the Use of Common Properties. Once an account is delinquent for sixty (60) days, the responsible Owner shall no longer be a Member in good standing of the Association. Such Owner may not be entitled to the use of any common properties, restricted common properties and purchased common properties, including recreational facilities. Nothing herein shall be construed as prohibiting the Owner's use of any roads that are common area or denying Owner access to the Owner's property. Suspension of the use of common properties is subject to the following notice provisions:

1. Before any suspension, the Owner shall be given a reasonable opportunity to correct the delinquency by being notified of the pending suspension of use of Common Properties. This notice period shall not prohibit the collection action of legal counsel.
2. If the delinquency is not cured within the specified time set forth in the notice to Owner, the Association has the right to proceed with the suspension of use of Common Properties.

The Board directs that this Resolution shall be reasonably published or distributed to the Owners of the Association.