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This topic has 3 replies, 1 voice, and was last updated [3 months, 3 weeks ago](#) by  [Paul Prescott](#).

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	August 6, 2020 at 3:37 pm <span style="float: right;">#1406</span>
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Paul  
Prescott

*Moderator*

(160.238.139.18

9)

*The BIB POA Board received the following question regarding the charging of interest on past due balances.*

From: Ann McG <annmcgr@gmail.com> Tue, Jul 7, 3:18 PM

To: Paul Prescott <paulonbibhoaboard@gmail.com>

Hi Paul:

Just looking at the invoice you sent, the June late fee was more than the May late fee. Was that a mistake, or did you charge a late fee on the late fee?

Also, on the invoice they are called interest, not late fees. Our covenants allow for a late fee to be charged on the past due HOA fees, but not for a late fee on the late fee (which technically isn't late since it is a fee, and it's not a community maintenance fee. I think in Quickbooks when we ran them, it was called Finance Charge which is also incorrect/inaccurate.

I know it's kind of picky, but if you are considering things like collections and legal action against owners, it's good to have all your ducks in a row there.

The covenants say "The Purchaser agrees that a late fee of 1 % per month is due on any outstanding balance of Community Maintenance Fees."

Thanks for clarifying,  
Ann

August 6, 2020 at 3:38 pm

EDIT | MOVE | SPLIT | TRASH | SPAM | UNAPPROVE | REPLY #1407



Paul  
Prescott

Moderator

(160.238.139.18

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*The BIB POA Board referred the question to our attorney*

From: Jeremy Baczkiewicz <jeremy@suncoastlawfirm.com>

Date: Wed, Aug 5, 2020 at 9:53 PM

Subject: Re: HOA Late/Interest Charges

To: <bibhoaboard@gmail.com>

Good evening,

Thank you for reaching out to me regarding your property owners association. I have reviewed Florida's corporate records database (Sunbiz) and see that your association is formed as a Florida not for profit corporation for the sole purpose of administering the Better in Belize community. Florida Statutes Chapter 720 govern property associations that operate within the state of Florida and have no bearing on Florida corporations that operate in another state or in another country. Your situation is that of a Foreign not for profit corporation operating as a community association in Belize. Belize's Community association laws would apply. As such, Florida law does not apply to your question so I'm not able to answer your question as it applies to this situation

A simple reading of the language, absent of any statutory or case law guidance in Belize, would lead me to believe that a late fee would apply to any outstanding balance each month. If the entire amount is outstanding in January then

\$10 after month one. If they paid \$110 in month two then a \$9 fee would apply etc. The standard application applies payments to fees/interest first and then to outstanding principal. Now, I offer this as an attempt to resolve your community issue but not as any legal advice about how the laws would apply in Belize. I appreciate you reaching out to me and would encourage you to see if any applicable law would directly apply in Belize. If you ever have any issues in the State of Florida, please feel free to reach out in the future.

Thank you,

Jeremy D. Baczkiewicz JD, MBA  
Suncoast Law Firm  
18346 Holland House Loop  
Land O Lakes, FL 34638  
(813) 812-5298  
<http://www.suncoastlawfirm.com>

August 6, 2020 at 3:42 pm

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Paul

Prescott

Moderator

*Therefore, based on the advice of our attorney, the BIB POA will continue to apply the 1% monthly interest fee on the entire past due balance.*

(160.238.139.18  
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September 4, 2020 at 9:56 am

EDIT | MOVE | SPLIT | TRASH | SPAM | UNAPPROVE | REPLY #1427



Paul  
Prescott  
*Moderator*

(193.36.224.52  
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After consultation with Axela Technologies, the collection agency we are considering employing for the collection of past due HOA fees, we have recalculated the interest fees so that interest is only being charged on the actual past due HOA fees, and not also including past interest charges. This is to facilitate the possible integration with Axela's software and procedures. For most lot owners, this change will result in a credit of less than a few dollars; of course, any outstanding credit will be applied to next year's HOA fees.

The Board will shortly be sending out an email update discussing the potential employment of a collection agency for collection of past due HOA fees.

If anyone has any questions, please feel free to email the BIB HOA Board: [bibhoaboard@gmail.com](mailto:bibhoaboard@gmail.com)

Author

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Reply To: Interest fees on past due balaces

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Tags:

Notify me of follow-up replies via email

Subr

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Carmen, Cayo Belize CA