

COLLECTION POLICY

Eufaula Housing Authority

The Collection Policy represents the procedures to be followed by the Eufaula Housing Authority (EHA) regarding collections and is divided into two sections. Section I outlines procedures concerning rent collection and Section II states procedures to be followed concerning all other charges. These sections are identified below.

SECTION I - Rental Charges

- Rent is due and payable on or before the 1st day of the month.
- In the event that rent is not paid by the close of business on the 10th day of the month, a late payment charge of \$25.00 will be added to the tenant's account as part of charges owed.
- Additionally, on the 11th day of the month or the next business day (if the eleventh falls on a weekend or holiday) EHA shall automatically begin the lease termination process by issuing a **14 day Notice of Lease Termination**.
- The **14 day Notice of Lease Termination** will be combined with the demand for possession. This Notice will state specific grounds for termination, what must be done to cure the deficiency and shall inform the tenant of their rights, including the opportunity for a grievance hearing. In addition, the 7-day cure period required by Alabama State Law will run concurrently with the 14 day Notice of Lease Termination.
- If rent is not paid by the end of the effective lease termination date, which shall coincide with the last business day of the month (by 12:00 noon) and further always be a date at or beyond the 14 day period required by law, then the eviction process will be pursued to the final eviction of the tenant.
- Personal checks are accepted for rent payments. However, should a personal check be returned at the fault of the resident (for example, insufficient funds), the Authority will no longer accept payments in the form of a personal check. In addition to the \$25 late charge, a returned check charge will be added (up to the maximum amount allowed by law). Payments must still be made before the end of the month as listed above. Should the Authority not receive notification of the returned check until after the end of the month, the resident will have until the close of the next business day to pay all charges due.

SECTION II - Charges Other Than Rent

A. Charges For the Repair of Damages (Maintenance)

- Maintenance charges for the repair of damages will be posted immediately but at least by the 20th day (or closest business day to that date) of each month. These maintenance charges are due and payable by the 10th day of the following month to correspond with the tenant's rent payments. Tenants will be notified by letter from the EHA. Note: If the charges are not posted by the 20th day of the month, the charges will be due and payable by the 10th day of the second month to correspond with the rent payment.
- Charges for the repair of damages become delinquent on the 11th day of the month or the next business day (if the eleventh falls on a weekend or holiday).
- In the event that these charges have not been paid by the 10th of the month and no repayment agreement has been entered into, EHA shall automatically begin the eviction process by issuing a **14 day Notice of Lease Termination**. If these charges have not been paid by the end of the effective lease termination date, which shall coincide with the last business day of the month (by 12:00 noon) and further always be a date at or beyond the 14 day period required by law, then the eviction process will be pursued to the final eviction of the tenant.

B. Charges For the Repair of Damages (Maintenance) With a Repayment Agreement

- Maintenance charges for the repair of damages will be posted immediately but at least by the 20th day (or closest business day to that date) of each month. These maintenance charges are due and payable by the 10th day of the following month to correspond with the tenant's rent payments. Tenants will be notified by letter from the EHA. Note: If the charges are not posted by the 20th day of the month, the charges will be due and payable by the 10th day of the second month to correspond with the rent payment.
- If a repayment agreement is entered into between the tenant and EHA prior to the 10th of the month after proper notification, and at any time the tenant fails to pay by the agreed upon due date, EHA shall automatically begin the eviction process by issuing a **14 day Notice of Lease Termination** and the eviction process will be pursued to the final eviction of the tenant.
- If the tenant remains on the premises beyond the effective lease termination date, payment will be accepted for these charges but only after the tenant signs a statement acknowledging the inevitable eviction and the necessity that they move.

Tenant Signature

Date

EHA Representative Signature

Date

DIVISION II - LANDLORD REMEDIES

24 35-9A-421. Noncompliance with Rental Agreement; Failure to Pay Rent.

25 (a) Except as provided in this chapter, if there is a material noncompliance by
26 the tenant with the rental agreement or a noncompliance with Section 35-9A-301
27 materially affecting health and safety, the landlord may deliver a written notice to
28 terminate the lease to the tenant specifying the acts and omissions constituting the
29 breach and that the rental agreement will terminate upon a date not less than 14
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1 days after receipt of the notice. If the breach is not remedied within the 14 days after
2 receipt of the notice to terminate the lease, the rental agreement shall terminate on
3 the date provided in the notice to terminate the lease unless the tenant adequately
4 remedies the breach before the date specified in the notice, in which case the rental
5 agreement shall not terminate.

6 (b) If rent is unpaid when due and the tenant fails to pay rent within 7 days
7 after receipt of written notice to terminate the lease for nonpayment and if the rent is
8 not paid within the 7-day period, the landlord may terminate the rental agreement
9 at the expiration of the 7-day period. If a noncompliance of rental agreement occurs
10 under both subsection (a) and this subsection, the 7-day notice period to terminate
11 the lease for nonpayment of rent in this subsection shall govern.

12 (c) Except as provided in this chapter, a landlord may recover actual damages
13 and obtain injunctive relief for noncompliance by the tenant with the rental
14 agreement or Section 35-9A-301. If the tenant's noncompliance is willful, the
15 landlord may recover reasonable attorney's fees.

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17 Alabama Comment

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19 Section (a) has been modified. A material breach in a term of the lease other
20 than nonpayment of rent, notice to the tenant the lease will be terminated in 14 days
21 unless the breach is remedied.

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23 Subsection (b) shortens the notice period to terminate the lease for
24 nonpayment of rent from 14 days to 7 days. The 7 days is after receipt of written
25 notice to terminate. Where there is both a violation of the term of the lease and the
26 rent is unpaid, the 7-day notice predominates.