

Rent Payment and Late Fee Policy

This is the Cornerstone policy on rent payments and late fees, and includes direction on the following: late payments, posting notices for non-payment, how late fees are applied, when applied, how late fees can be waived, and how payment plans can be established.

This policy applies to all Cornerstone Personnel, and for all Cornerstone tenants. Tenants under a non-Cornerstone lease will follow the lease terms for Rent Payment and Late Fees per their lease.

Rent Payment.

Rent is due on the 1st day of the month.

Cornerstone provides a grace period for payment until the 5th day of the month.

Any funds not received prior to 5:00 pm on the 5th of the month are considered late.

Method of Payment.

Tenants have multiple methods to pay rent. Rent can be paid online, through the tenant's account (link in Buildium and on our website). Rent can be paid in person, at the Cornerstone office, during normal business hours. Rent can be mailed to the Cornerstone office; postmark must be before the 5th day of the month to avoid late fees (late fees will be applied, and then removed once payment is received).

There is no dropbox for rent payment.

Late Fee(s).

A late fee (equal to 10% of the unpaid balance) is applied on the 6th day of the month.

A daily late fee of \$5 is applied each day, beginning on the 7th day of the month, until the overdue unpaid balance is paid in full.

Legal Notice.

Legal notices for non-payment will be posted for all overdue accounts on the 8th day of the month (or next business day, if the 8th day is a weekend or holiday).

Waiver of Late Fees.

Each tenant, under a Cornerstone lease, may request, in writing, a waiver of late fees one time during a 12-month lease period. The request must be filled out in writing by the tenant; the Property Manager can approve the waiver; the Property Manager will credit the fees in Buildium and annotate "One-time late fee waiver"

Waiving late fees for one tenant without doing the same for ALL tenants would be interpreted as violating the Federal Fair Housing Act of 1968 and violates our established company policy of zero-tolerance on rent payment compliance. Deviating from an established company policy regarding late fees would be interpreted as showing favoritism, which is directly prohibited by the Federal Fair Housing Act.

REFERENCE LINKS:

1) Wikipedia: https://en.wikipedia.org/wiki/Fair_Housing_Act

2) US Department of Justice: <https://www.justice.gov/crt/fair-housing-act-2>

Processing legal notices.

If tenant does not pay in full, or sign a payment plan, legal notices will be forwarded to the lawyer for processing no later than the 12th of the month.

Payment Plan.

Tenant can submit a written payment plan through their PM, for approval. Payment plans must be in writing, and must be approved by the PM and uploaded in the tenant's file in Buildium. If approved, the payment plan will stop the legal notice from being processed to the lawyer, but does not stop late fees from accruing. If the tenant does not meet the requirements of the payment plan, the legal notice will be submitted to the lawyer for processing.

Exceptions.

Exceptions can be approved by the Managing Broker only, on a case-by-case basis. Tenants are permitted to mail rent payments; payments postmarked prior to the 6th day of the month will be accepted as "on-time" payments.

Did our software screw up? If so, we'll remove the late fees.

Did a tenant pay rent on the 6th of the month, because they forgot? Sorry, we do not waive late fees.