SPERLONGA™ Data & Analytics

Introducing an **automated solution** that can **reduce delinquencies,** improve association **cash flow,** and **positively impact owner's credit**

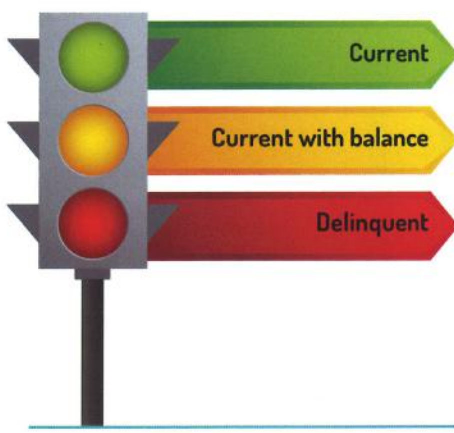
Homeowners Associations can finally stop asking owners who pay on time to subsidize those who don't.

- Improve Cash Flow
- Reduce Delinquencies
- Build Reserves
- Improve access for Association Loans
- Limit Legal Fee's, Bad Debt, Collections Cost

Protect the Association and their property in several ways including:

- Protect Property Values
- Limit Assessment Increases
- Minimize Special Assessments
- Improve Homeowner Credit Scores

A **streamlined** approach to **improve cash flow**



Reported to the bureau as current when paid on time

Reported as current but with a balance if payment is made prior to 30 days past the due date

Reported as delinquent if payment is made 31 days or more after the due date

Sperlonga's technology and credit reporting guidelines are flexible and we are able to customize the account status reporting to each HOA's unique delinquency policy. This gives associations and homeowners peace of mind by knowing how late payments will be handled for reporting.

Michael May
Sales Director – Mid-Atlantic/Northeast
Direct: 336-287-3547
m.may@sperlongadata.com

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SPERLONGA GETS RESULTS:

IMPROVED CASH FLOW & DELINQUENT BALANCE REDUCTIONS FOR COMMUNITY ASSOCIATIONS

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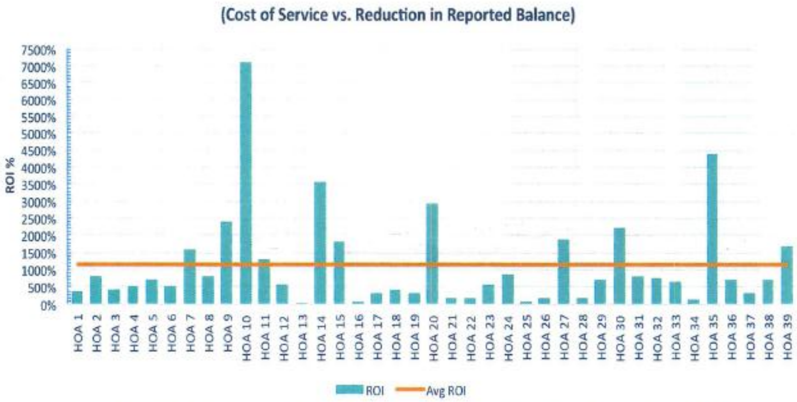
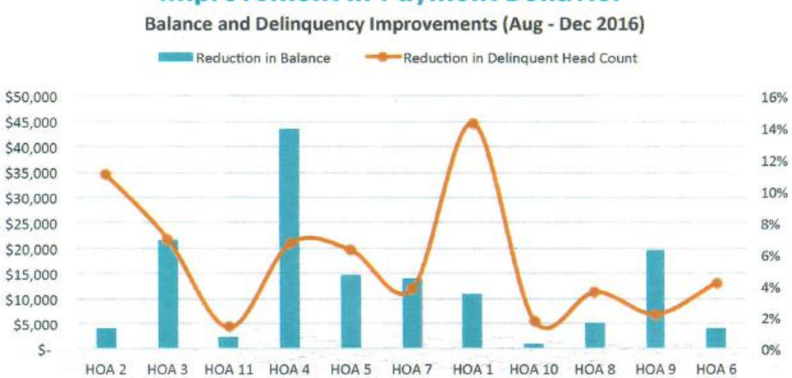
Homeowner Association Return on Investment



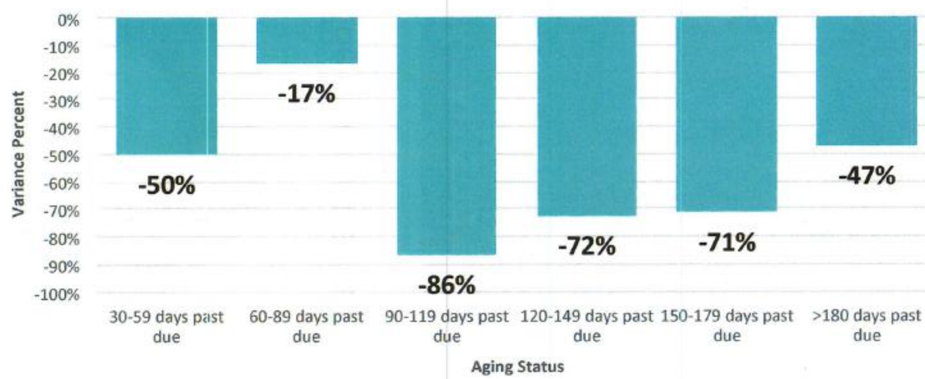
Random sample of HOAs and their return on investment (reduction in balance vs.the cost of our service). Average ROI: 1128%

Improvement in Payment Behavior



Example of dramatic reductions in delinquency rates and delinquent account balances over just the first 5 months since associations managed by this firm adopted Sperlonga's assessment payment reporting service.

Improvement in Account Aging



Reduction of owners in accounts receivable by time frame segment across Sperlonga's entire portfolio of customers.

Sperlonga's technology finally allows homeowners access to the same mechanism used by mortgage lenders, credit card companies and auto loan lenders for decades - and it is having a tremendous impact for associations nationwide! This reporting has been the gold standard in cash flow management for the largest industries in the world, and is quickly becoming the gold standard in financial management for associations and management companies across the United States.

MILES APART:

Fair Credit Reporting Act (FCRA) & Fair Debt Collections Practices Act (FDCPA)

Which Regulation Impacts HOA Assessment Payment Credit Reporting?

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Commingling FCRA with FDCPA is like trying to combine federal regulations on **how to fly a plane** & **how to invent a new drug**.

Simply because the two laws have the words "Fair" and "Act" in common does not mean they go together. *These two regulations cover entirely different business practices and industries.*

Flying a plane is regulated by the **Federal Aviation Administration** (FAA). Every pilot must file a flight plan in order to fly a plane.

Formulating a drug is regulated by the **Federal Drug Administration** (FDA). Every new drug must complete a series of trials.

WHICH ONE OF THESE REGULATIONS HAS AN IMPACT ON HOA ASSESSMENT PAYMENT CREDIT REPORTING FOR ASSOCIATIONS?

FULL IMPACT: FAIR CREDIT REPORTING ACT (FCRA)	NO IMPACT: FAIR DEBT COLLECTIONS PRACTICES ACT (FDCPA)
Regulates the reporting of consumer debt to credit bureaus	Regulates practices that are used to collect a debt such as methods, treatment, and times of outreach to consumers
Can report assessment payment history without being considered a collection agency	Cannot call a consumer before 8am or after 9pm
Can report both current and delinquent payments to a credit bureau	Cannot call a consumer at their place of employment
Can make a mistake reporting data to a credit bureau	Cannot contact a consumer known to be represented by an attorney
Furnishers are not liable for inaccurate reporting under FCRA	Consumers can sue a collection agency
Reporting delinquent debt is not considered abusive	Cannot abuse, annoy, or harass a consumer when making contact
Can increase a consumers credit score	Cannot contact consumer after they have provided written notice to no longer contact them