**M2 Accounts Receivable Policy**

* Accounts are billed the 20th of the current month for next month
* Billing statements are generated and mailed out to each resident no later than the 25th of the month.
* 1st day of the month rent is due
* For most sites the grace period is 5 days with the base late fee billed on the 6th day at 9 AM. If a resident receives a monthly discount, we don’t issue a concession each month, instead that discount is recorded as a *loss to lease*. The discounted amount is only given if they pay on time, if they fail to pay by their grace period, the discounted amount is added as a secondary late fee billed along with the base late fee. This is an automated process and I can explain in more detail if needed.
* 6th of the month, late statements are generated and delivered to the resident’s door
* Managers make daily contact until the resident pays in full
* Depending on the state, we generate a 5, 7 or 10 day notice to pay or quit.
* All unpaid accounts are turned over for eviction on or before the 15th of the month at 12 Noon.
* Managers continue to make daily contact to find out about payment or the resident’s intent, that includes calls, emails, door-to-door visits and the like.
* If the resident vacates and does not pay, we add the attorney fees and court costs to their final account statement and track it on the off-ledger report, but it’s not posted to their ledger in Yardi.
* If they pay after being placed for eviction, we add the attorney fees and court costs to their ledger in Yardi.
* All daily efforts to collect our funds are recorded in a single spreadsheet each day and submitted at month-end for review. We also audit this form during the quarterly review.