

**RESOLUTION OF THE BOARD OF DIRECTORS
BRIGHTON WOODS HOMES ASSOCIATION**

(Procedures Relative to Assessments, Collection of Routine and Special Assessments as well as Delinquent Payments)

WHEREAS, Article 6, Sections 1-9 (Page 10-12) of the Declaration of Covenants, Conditions and Restrictions of Brighton Woods creates an assessment obligation for the owners of homes in the Brighton Woods Association ("Association"), which is a continuing lien on the home and a personal obligation of the owner; and

WHEREAS, there is a need to establish orderly procedures for the billing and collection of said assessments; and

WHEREAS, Article 4, Section 1 & 2 and Article 6, Section 1-9 (Page 10-12) of the Declaration of Covenants, Conditions and Restrictions of Brighton Woods grants the Board of Directors the authority to enforce payment of assessments by means of, *inter alia*, foreclosing the lien against any home for which assessments are not paid or filing a lawsuit; and

WHEREAS, the Board of Directors desires to establish these procedures in conformity with the Declaration, the Bylaws, and as otherwise provided by law;

NOW, THEREFORE, LET IT BE RESOLVED THAT the Board of Directors, on behalf of the Association, duly adopts the following collection procedures:

1. ASSESSMENTS: Each owner's monthly assessment is due on or before the first day of each month. Notices, documents and all correspondence relating to assessments shall be mailed to the address which appears on the books of the Association. It is each owner's responsibility to inform the Association's managing agent of any address change.
2. DELINQUENCY: An owner's account is delinquent if an assessment is not received after 30 days of its due date.
3. LATE FEES AND INTEREST: A delinquent account which is not paid by the 30th day of its due date, the account will be assessed a late charge not to exceed 5 percent of the delinquency. A delinquent account shall bear interest on the unpaid balance if not paid in full by the 30th day of its due date, at the rate of 18 percent interest per annum. In addition, a \$35 returned check charge and any related bank charges will be assessed against the account of the unit owner responsible for payment if the payment is returned for insufficient funds.
4. LATE NOTICES: If full payment of an assessment is not received by the Association's managing agent by the due date, the managing agent will send a delinquency notice to the owner by first class mail requesting immediate payment, advising the owner advising that interest has begun to accrue on the unpaid balance at the rate of 18 percent interest per annum. A delinquent account which is not paid by the 30th day of its due date, the account will be assessed a late charge not to exceed 5 percent of the delinquency. The failure to follow these procedures will not stop the delinquency process.
5. INTENT TO CREATE LIEN: If an account is delinquent after 120 days, the Association may record a "Notice of Lien" against the home in county land records. The Managing Agent Fee for preparing notices is \$175.00 or as amended from time to time in addition to the managing agent's fee will be applied the owner's account.

The Notice of Lien will inform the public of the amount of the outstanding balance, including all past due assessments, late fees, interest, costs of collection and reasonable attorney fees. The Notice of Lien will conform with applicable laws.

6. DEBT COLLECTION OPTIONS: In order to collect a debt owed to the Association by a member, the following options may be used until the debt is satisfied:

- Legal action described below.
- Suspension of voting rights. (**Brighton Woods DCCR's Article 4 & 6 Section R & 6**)
- Accelerate all remaining Assessment installments so that unpaid Assessments and other Delinquencies shall be immediately due and payable (**Brighton Woods DCCR's Article 6 Section 6**)

7. LEGAL ACTION: If an account remains delinquent, the Association may retain an attorney to proceed with further legal action, including, but not limited to, foreclosing on the owner's property, or filing a lawsuit, or both, against the owner to collect the owner's past due assessments, late fees, interest, costs of collection, and attorney fees.

8. PAYMENTS CREDITED: Payments received from an owner will be credited to the outstanding balance in the following order:

- a. Court costs, attorney fees, and other costs of collection.
- b. Fines, late fees, or accrued interest, as applicable.
- c. Special assessments.
- d. Annual assessments.

Once an account becomes delinquent, payment from the delinquent owner may be required to be made by certified or cashier's check or by money order.

9. PARTIAL PAYMENTS: In the event an owner attempts to make a payment of less than all monies due and owing the Association after collection proceedings have commenced, the Association's attorney or designated collection agent will send a letter by first class mail to the owner advising the owner that his or her account remains delinquent as to all remaining monies owed to the Association. The Association's retention of the partial payment does not constitute a waiver of the Board's authority to foreclose on the owner's property to take action against the owner to collect the outstanding balance.

Failure by the Association to follow any of the procedures set forth in this Resolution shall not excuse any owner from their obligation to pay all assessments, interest, charges and collection costs, including attorney fees, due in a timely manner, nor does such failure constitute a waiver of the Association's right to collect all assessments, costs, charges and interest due the Association.

This policy is effective beginning April 1, 2018. This policy replaces and supersedes all prior policies and procedures for delinquent payments.

Adopted by the Board of Directors this 21st day of February, 2018.

Mary F. Stec
Print – President

Mary F. Stec
Signature – President

Sandra Sooter
Print – VP or Secretary

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Signature – VP or Secretary