

Brookwood Homeowners' Association, Inc.
Delinquent Assessment Collection Policy and Resolution

Article IV, Section 1 of the By-Laws of the Brookwood Homeowners' Association, Inc. grants power to the Brookwood Board of Directors to conduct Association business, and Article VII, Section 7.1 of the Brookwood Declaration, Covenants and Restrictions recorded February 22, 2000 as Instrument No. 100013379, Records of Ada County, Idaho, grants the authority to the Brookwood Board of Directors to levy assessments against owners. And, because the Association's economic well-being relies on the timely payment of all assessments and other allowable charges, and because it is the Board's fiduciary duty to use its best efforts to collect funds owed to the Association, it is determined that these collection procedures shall be followed:

1. AMOUNTS PAYABLE TO THE ASSOCIATION include, but are not limited to, regular assessments, annual assessments, special assessments, rules enforcement fees, repairs to the common area that are an owner's responsibility, legal fees and other costs associated with collection of funds on behalf of the Association.

2. PAYMENT SCHEDULE. The regular assessment is payable in full on the first day of each quarter (January, April, July, and October) for homeowner association fees, and the first day of April for the annual irrigation assessments. Any fees or assessments not received or postmarked by the last day of the month owing will be considered past due.

3. INTEREST CHARGES. Any balance older than 30 days will incur an interest charge of 18% per annum until paid.

4. PROCESS FOR DELINQUENCY NOTIFICATION. For any balances exceeding thirty (30) past due, the following notification process applies:

- **FIRST NOTICE.** First Notice of Past Due Charges including detail of assessments, interest, and other charges that apply, will be sent to an owner whose balance is thirty (30) days past due.
- **SECOND NOTICE.** Second Notice of Past Due Charges including detail of assessments, interest, and other charges that apply will be sent by First Class Mail to an owner whose balance is sixty (60) days past due.
- **10 DAY DEMAND.** 10 Day Demand for Payment including detail of assessments, interest, and other charges that apply will be sent by First Class Mail to an owner whose balance is seventy five (75) days past due. This Notice will recite intent to file a lien and turn the matter over to an attorney for collection enforcement if balance is not paid within 15 days. Attorney actions can include but are not limited to filing a lien against the owner's property, a personal judgment against the owner, and property foreclosure.

6. LEGAL SERVICES. If a delinquent account is referred to an attorney for collection, the owner shall be charged for any and all reasonable attorney fees and related costs.

7. OTHER CHARGES. The Association may charge the owner for: Fees charged by Property Manager to collect funds payable to the Association,

- Owner bankruptcy,
- Foreclosure action or deed in lieu of foreclosure,
- Notification, filing and satisfying liens,
- Enforcement of the Association's Rules, Bylaws, Declaration or Policies,
- Costs of litigation
- Repairs to the Association's common areas that result from the acts of owners, their tenants or guests.

8. DEBT COLLECTION OPTIONS. In order to collect a debt owed to the homeowner association by a member, the following options may be invoked to satisfy that debt:

- Garnishment of member's wages
- Suspension of amenity privileges (pool and/or community center, etc.)
- Suspension of voting rights
- Collection of rents being generated by member's homeowner association home.
- Foreclosure of member's homeowner association home
- If payment plan is submitted by homeowner and approved by the board and a payment is missed in accordance with said approved payment plan then account may be turned over to collections without any further communication to homeowner by board.

Dated this 12th day of May, 2009, and Recorded in the Brookwood Corporate Book of Minutes, May 12, 2009

President – Brookwood Board of Directors