

RESOLUTION #1990-2

A Resolution Pertaining to the Procedure For Collecting Delinquent Accounts

WHEREAS, Article III of the By-Laws for the Stockbridge at Tanglewood Condominium provides that the Board of Directors shall manage the affairs of the condominium; and

WHEREAS, Article VI of the By-Laws provides that the Board of Directors is responsible for the collection and enforcement of assessments for the condominium; and

WHEREAS, in order to properly manage and enforce assessments for the condominium, it is necessary for the Board of Directors to set forth its policy regarding the collection of overdue accounts;

BE IT RESOLVED, that the following procedure be implemented when a unit owner's account becomes delinquent:

First, when a unit owner has not paid the condominium dues with a payment envelope which has been cancelled by the post office by the 15th of the month in which they are due; the financial management company will send a late notice to the owner with notation that the account is late and failure to remit the amount due immediately, will result in the account being turned to the legal counsel for collections. The owner will be advised that this action will result in additional legal fees and possible acceleration of the account. At this time, a \$15 administration fee will be added to the account.

Second, when a unit owner has not paid the condominium dues within 45 days; the financial management company will send a second late notice to the unit owner with the new past due amount and the same notation as above. Additionally, a copy of the late notice is sent to the condominium's legal counsel. Upon receipt, legal counsel shall prepare and send a demand letter to the unit owner. A copy of the demand letter shall be given to the financial management company accompanied by a designation of the legal charge for the service provided. The financial management company shall, immediately upon receipt, post the legal charges to the unit owner's account.

Third, when a unit owner has not paid the condominium dues within 75 days; the financial management company shall accelerate the condominium dues to cover the amount due through the end of the current fiscal year and will send a third late notice to the unit owner with the new past due amount and the same notation as above. Additionally, a copy of the late notice is sent to the condominium's legal counsel. Upon receipt, legal counsel shall process a lien against the delinquent property owner. A copy of the lien shall be given to the financial management company accompanied by a designation of the legal charge for the service provided. The financial management company shall, immediately upon receipt, post the legal charges to the unit owner's account.

A Resolution Pertaining to the Procedure for collecting Delinquent Accounts (Cont'd)

If the lien remains unpaid for more than 90 days, legal counsel shall commence a District Court action to obtain a judgment for the full amount owed. Once a judgment is obtained, counsel is authorized to pursue any legal avenues available, including garnishment and attachment, to recover the judgment. Should these remedies prove ineffective, counsel shall commence a foreclosure action against the property to recover any amounts due to the condominium.

Lastly, until the time when the unit owner pays the amount due in full, the additional charges added to the account shall include the monthly administrative fee for each month the account remains unpaid. Any and all additional legal charges identified by legal counsel shall be posted to the unit owner's account. The unit owner shall receive a bill each month with the latest updated charges. A copy of each month's statement which is mailed to the unit owner shall also be mailed to the legal counsel.

Adopted by the Board of Directors of Stockbridge at Tanglewood on this the 16th day of December 1990.

John Lucian

John Lucian, President
Stockbridge at Tanglewood, Council of Co-Owners