

Resolution
(Annual)

The Board of Directors (the “Board of Directors”) of Union Square Homeowner’s Association, Inc. (“Association”)

ADOPTING A COLLECTION POLICY

Adopted October 11, 2017
(Date)

The following resolution has been adopted by the Association pursuant to the Association’s Declaration (the “Declaration”), at a regular meeting of the Board of Directors.

RECITALS

1. The Association is charged with certain responsibilities regarding the care, maintenance, and service of certain portions of common areas of the Association.
2. The Association must have the financial ability to discharge its responsibilities.
3. The Board of Directors is required to pursue collection of assessments and other charges from Owners. The term “Owner” as used in this resolution shall have the same meaning assigned to it, “Member” and/or “Parcel Owner” in the Declaration.
4. The Board of Directors desires to adopt a uniform, non-discriminating and systematic procedure to collect assessments and other charges of the Association.
5. The Association’s Articles of Incorporation and Bylaws, the Declaration and this Resolution as well as any amendments thereto are referred collectively herein as the “Association Documents”.

NOW, THEREFORE, BE IT RESOLVED that the ASSOCIATION does hereby adopt the following procedures and policies for the collection of assessments and other charges of the Association.

1. **Due Dates.** The annual assessment as determined by the Association and as allowed for in the Association Documents shall be due and payable in one payment due on the 1st day of January of each year. Assessments and other charges not received by the Association by the 5th day of the month in which they are due shall be considered past due and delinquent.
2. **Invoices.** The Association may, but shall not be required to, provide an invoice to an Owner. If the Association provides an Owner with an invoice, although invoices are not required, the invoice should be mailed or sent to the Owner prior to the due date of the

assessment or charge. Non-receipt of an invoice shall in no way relieve the Owner of the obligation to pay the amount due by the due date.

3. **Late Charges Imposed on Delinquent Installments.** If full payment of what is owed the Association is not received within 30 days of the original due date, the Association may, but shall not be required to impose a late charge on the outstanding or past due balance then due the Association.
4. **Return Check Charges.** In addition to any and all charges imposed under the Association Documents, the Association authorizes a fee, in addition to any bank charges, to be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. The returned check charge may be collected by the Association's management company (the "Management Company") shall be a "common expense" for each Owner who tenders payment by check or other instrument that is not honored by the bank upon which it is drawn.
5. **Application for payments made to the Association.** Payments received from an Owner will be credited first to legal fees, court costs, costs of collection, administrative fees, and any other costs incurred by the Association as a result of any violation by an Owner, his/her family, employees, agents or licensees, of the Association Documents, before being applied to the annual assessment.
6. **Collection Letters.**
 - a.) After an annual assessment or other charge due the Association becomes past due, the Association may, but shall not be required to, send a "Late Notice" to the Owner. The Association may simultaneously send a copy of this notice to the mortgagee of the Owner's lot.
 - b.) If full payment of what is owed the Association is not received within 30 days of the original due date, the Association may, but shall not be required to, send a "Warning Notice" to the Owner. The Association may charge a delinquency fee for sending this notice to the Owner that may be collected by the Management Company. Such charge will be assessed to the Owner. The Association may simultaneously send a copy of this notice to the mortgagee of the Owner's lot.
 - c.) If full payment of what is owed the Association is not received within 60 days of the original due date, the Association may, but shall not be required to, send a "Notice of Intention to File a Lien" to the Owner. The Association may charge a delinquency fee for sending this notice to the Owner that may be collected by the Management Company. Such charge will be assessed to the Owner. The Association may simultaneously send a copy of this notice to the mortgagee of the Owner's lot.

- d.) If full payment of what is owed the Association is not received within 90 days of the original due date, the Association may, but shall not be required to, send a "Notice of Intention to Refer Account to Attorney" to the Owner. The Association may simultaneously send a copy of the notice to the mortgagee of the Owner's lot.
7. **Use of Certified Mail.** In the event the Association shall send a notice to an Owner by certified mail, the cost of postage will be charged to the Owner.
 8. **Mailing Address.** The Association will send all notices to the address of the Owner's lot unless an alternate mailing address is provided to the Association in writing by the Owner.
 9. **Title Research.** In the event the Association finds it appropriate to research the ownership of a lot, the cost of the research will be charged to the Owner of said lot.
 10. **Liens.** The Association may file a lien against the lot of any Owner in accordance with the terms and provisions of the Association Documents. A copy of the lien may be mailed to the Owner and to the mortgagor of said property. The cost of preparing the lien, recording fees and postage shall be assessed against the Owner of said lot. Liens may be prepared and recorded by the Association, the Management Company or the Association's attorney.
 11. **Referral of Delinquent Accounts to Attorneys.** The Association may, but shall not be required to, refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred as directed by the Association. The Association may charge a fee for delivering its file on an account to the attorney. Such charge will be assessed to the Owner and may be collected by the Management Company.
 12. **Referral of Delinquent Accounts to Collection Agencies.** The Association may, but shall not be required to, refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the agency shall take all appropriate action to collect the accounts referred as directed by the Association. The Association may charge a fee for delivering its file on an account to a collections agency. Such charge will be assessed to the Owner and may be collected by the Management Company.
 13. **Attorney's Fees and Collection Agency Fees on Delinquent Accounts.** As an additional expense permitted under the Association Documents and governing law, the Association shall be entitled to recover its reasonable attorney's fees and collection fees incurred in the collection of assessments or other charges due the Association from a delinquent Owner. The reasonable attorney's fees and collection fees incurred by the Association shall be due and payable immediately when incurred, upon demand.

14. **Collection Procedures and Time Frame.** The following time frame shall be used as a guide in the collection of annual assessments and other charges.

Due date (date payment is due)	1st day of month
Past due date (date payment is late)	5th day of month
"Late Notice" mailed	6 to 10 days after the due date
"Warning Notice" mailed, fees imposed \$40.00	31-35 days after due date
"Notice of Intention to File Lien" mailed, fees imposed	61-65 days after due date
Lien Filed, fees imposed	76-90 days after the due date
"Notice of Intention to Refer Account to Attorney" mailed	91-95 days after due date
Account referred to attorney for legal action, fees imposed \$75.00	106-110 days after the due date

15. **Waiver of Provisions.** The Management Company may waive or modify any provision herein if deemed appropriate by the Management Company in its sole discretion.

16. **Effective Date.** All policies and procedures set forth in this Resolution shall be effective on November 1, 2017.

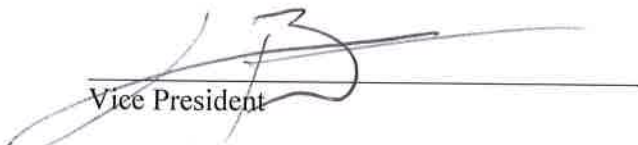
17. **Ongoing Evaluation.** Nothing in this Resolution shall require the Association to take specific actions other than to notify Owners of the adoption of these policies and procedures. The Association has the option and right to continue to evaluate each matter on a case-by-case basis.

18. **Prior Resolutions.** This resolution supersedes all prior collection policies and late charges approved or imposed by the Board of Directors.


IN WITNESS WHEREOF, the Board of Directors has executed this Resolution the 16th day of October, in the year 2017.



President



Vice President



Secretary