

**Brookside Estates HOA Resolution**  
**Assessment Delinquency Policy**

WHEREAS, pursuant to Article VI, section 1 of the Declaration of Restrictions. Covenants and Easements the Association is provided with certain basic responsibilities and procedures for the collection of such assessments: and

WHEREAS, pursuant to Article VI, sections 3 and 4. The Association has the responsibility for levying and collecting assessments as set forth in the Declaration; and

WHEREAS, pursuant to Article VI, section 4, it is the desire of the Board of Directors to establish standard monthly penalties with respect to delinquent assessments and that a uniform policy for the assessments be adopted.

NOW THEREFORE, be it hereby 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.** Yearly Association fees are due on the first day of March of each year, or such date as determined by the Board of Directors. An account is considered delinquent if any assessment installment is not received within ten (10) days after the date on which it is due. Once an account becomes delinquent, the Board of Directors shall have the right to declare all unpaid Assessments for the pertinent fiscal year immediately due and payable for that Lot.

2. **Late Charges.** Annual Assessments and Special Assessments not paid within thirty (30) days after the due date and each subsequent thirty (30) day period thereafter, shall bear a fine of \$25.00 per month (30 day period) and will continue to accrue until the entire delinquent balance is paid in full.

3. **Return Check Charge.** A charge equal to the Association's bank's NSF (non-sufficient fund) fee plus a processing fee of an equal amount shall 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. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of an owner's checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the owner's future payments, for a period of one year, be made by certified check or money order.

4. **Attorney Fees on Delinquent Accounts.** The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent owner.

**5. Collection Letters.** Upon determination that a unit Owner is delinquent, the Association shall provide written notice of such delinquency to the unit Owner identifying the following:

- a. The notice shall specify the fact that the payment is delinquent and that the entire balance of such annual or special assessment is payable in full.
- b. Payment not paid within ten (10) days of the due date, unit Owner will receive a First Notice reminding them of the missed payment. This notice shall be sent via U.S. Mail.
- c. Payment not paid within thirty (30) days of the due date, unit Owner will receive a Second Notice with all appropriate late penalties assessed for the missed payment. This notice shall be sent via Registered Mail with return receipt requested.
- d. If the entire delinquent balance is not paid within thirty (30) days of such notice or sixty (60) days from the date on which the assessment fell due; the matter will be turned over to legal counsel for collection; and
- e. The unit Owner shall then be responsible for all costs incurred by the Association in the collection of that delinquent balance (i.e., late penalties, reasonable legal fees, court filing fees, fines, and any other penalties).
- f. Fines, special assessments and any other such reasonable expenses charged to a unit Owner's account shall be collectable in the same manner as the annual assessment of the Association.

**6. Transfer to Legal Counsel.** If upon the expiration thirty (30) day period, or sixty (60) days after the assessment has fallen due, identified in paragraph 5(d) above, a delinquent balance remains on the unit Owner's account, then the account shall be forwarded to legal counsel to pursue the collection in full. All costs and legal fees incurred by the Association shall, pursuant to the terms of the Association's documents and the Pennsylvania Uniform Planned Community Act, be assessed against the delinquent unit owner.

**7. Method of Crediting Payments** - Payments received by the Association from delinquent Owners shall be credited in the following order of priority:

- (a) Any attorney's fees, court costs and other costs of collection;
- (b) Late charges;
- (c) Interest;
- (d) Charges assessed against an Owner resulting from a violation of the governing documents;
- (e) Any additional, individual or special assessments; and
- (f) Annual assessment or quarterly installments of the regular annual assessment.

8. Unit Owners' Rights to Account History. It shall be the right of any unit Owner to request in writing a copy of their account history showing all charges and assessments against their account, and the Association shall provide such documentation to the unit Owner within thirty (30) days of receipt of a written request for said account history.

9. Special Payment Arrangements - Notwithstanding the foregoing, the Board of Directors may enter into payment arrangements with delinquent Owners when, in the sole discretion of the Board, it has been determined that extenuating circumstances exist so as to warrant such special arrangement, and the Board receives reasonable assurances from the Owner that all amounts in arrears including delinquent assessments, late charges, interest, attorneys fees, lien fees, court costs, and other collection costs will be paid in accordance with the terms of such agreement.

These procedures and policies have been approved on this 27<sup>th</sup> day of July, 2007 and shall become effective on the 1<sup>st</sup> day of January, 2008.

BY:  
Board of Directors for Brookside Estates HOA

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**Signature on File**

**President**

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**Signature on File**

**Secretary**

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**Signature on File**

**Treasurer**