

RESOLUTION OF THE BOARD OF DIRECTORS OF  
MILL CREEK RUN PROPERTY OWNERS ASSOCIATION

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

WHEREAS, the Mill Creek Property Owners Association Declaration of Covenants, Conditions and Restrictions creates an assessment obligation for the owners of Units in Mill Creek Property Owners Association (hereinafter the "Association"), which is a continuing lien on the unit and a personal obligation of the owner; and,

WHEREAS, Article V, Section 8 of the Association Declaration grants the Board of Directors the authority to enforce payment of assessments by means of foreclosing the lien against any unit for which assessments are not paid or bringing an action at law against the owner personally obligated to pay the same; and,

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

1. ASSESSMENTS: For convenience, each owner's annual assessment may be payable in 12 equal installments is due on the 10th 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 president or treasurer of any address change.

2. DELINQUENCY: An owner's account is delinquent if a monthly assessment is not paid in full before the 10th day of each month.

3. LATE FEES AND INTEREST: Any fee or charge account not paid within 30 days of the due date shall bear interest on the unpaid balance from the due date, until paid, at the rate of 18 percent per annum. In addition, a \$50 returned check charge and any related bank charges will be assessed.

4. LATE NOTICES: If full payment of the monthly fee is not received by the Association's managing agent within 15 days after the due date, the managing agent will send a delinquency notice to the owner by first class mail requesting immediate payment, advising the owner that interest has begun to accrue on the unpaid balance at the rate of eighteen percent per annum and that a lien may be recorded against the owner's home and a lawsuit may be filed against the owner.

5. INTENT TO CREATE LIEN: If an account is delinquent for more than 90 days, the Association may cause to be recorded a lien against the affected property.

The lien will inform the public of the amount of the outstanding balance, including all past due assessments, interest, costs of collection and reasonable attorney's fees. The notice of lien will conform with the requirements of all applicable laws.

6. LEGAL ACTION: If an account remains delinquent at 90 days, 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 in order to collect the owner's past due assessments, interest, costs of collection and attorney's fees.

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

- a. Court costs, attorney's 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 more than 90 days delinquent, payment from the delinquent owner will not be accepted unless it is made by certified or cashier's check, money order or ACH withdrawal.

8. 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 or to take action against the owner to collect the outstanding balance.

9. SUSPENSION OF SERVICES: If an account is delinquent more than one month, the Association may elect to suspend the owner's right to use the clubhouse, swimming pool and common ground of the Association and any other non-life threatening services provided by the Association.

10. PRIOR COLLECTION PROCEDURES AND EFFECTIVE DATE. This resolution becomes effective 30 days after its adoption by the Board of Directors. All prior rules and regulations relating to delinquencies are rescinded and shall have no further effect.

Adopted this 26 day of February, 2012.

LeAnn Carl  
Board President

LeAnn Carl  
(Printed Name)

Susan Clark  
Secretary

Susan Clark  
(Printed Name)