

SUNCADIA RESIDENTIAL OWNERS ASSOCIATION
Resolution #103c
AMENDED COLLECTION PROCEDURES FOR PAST DUE ACCOUNTS

WHEREAS, Article 3, Section 3.1 of Suncadia Residential Owners Association (“Association”) Bylaws grants the general power to conduct the business and affairs of the Association to the Board of Directors; and

WHEREAS, the Board deems it to be in the best interests of the Association to adopt a uniform procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interest of the Association to refer these accounts promptly for collection so as to minimize the Association’s loss of assessment revenue.

THEREFORE, be it resolved that the Board of Directors hereby amends existing Resolution 103a, and adopts the following policy as a guide to collect all past due accounts regarding homeowner assessments within the Association. The following Collection Procedure will go into effect as of February 12, 2012 and supersedes Resolution 103b.

Interest and Late Fees:

All assessments shall be due on the first day of each quarter (Jan 1, April 1, July1, October 1). Any assessment not received within 25 days of its due date shall be considered delinquent. Accounts that are delinquent shall be charged a late fee of \$30.00 and past due balances shall be charged interest at the rate of 12% per annum from the date of delinquency.

Courtesy Notice:

The Association shall send a courtesy notice after an account becomes delinquent to remind the Owner of the amount due and stating that the Association will waive all late fees and interest if the total past due amount is paid within 15 days of the date of the notice. Failure to provide such notice shall not preclude the Association from proceeding with delivery of the First Notice and further collections efforts as described immediately below, but the Association will waive all late fees and interest if such notice is not given so long as the Owner pays all past due amounts within 15 days after first being notified of such delinquency, whether through delivery of the First Notice or otherwise. Owners, who are delinquent more than once, will not have the late fees or interest waived on any subsequent delinquency after the first delinquency.

First Notice:

The Association shall send notification of intent to record a Notice of Claim of Lien to all Owners of accounts that remain delinquent after sixty days from the due date. The notification shall provide past due balances, including all late fees and interest, and notify the Owner that a claim of lien shall be recorded if the balance due is not received within 15 days. A \$25.00 charge shall be levied against the account for costs incurred in providing this notification.

Claim of Lien:

If the account is not paid in full within 15 days of the date of the First Notice, a Notice of Claim of Lien will be recorded against the Unit having the delinquent account in the real property records of Kittitas County and a copy thereof will be forwarded to any holder of the

first mortgage against the Unit. The lien shall include all past due assessments, late fees, interest and charges related to collection attempts. A charge of \$100.00 plus the expense of filing the notice of claim of lien shall be levied against the account and shall be included in the lien amount.

Second Notice:

The Association shall send notification of intent to submit the account to collections to all owners of accounts that remain delinquent after ninety days from the due date. The notification shall provide past due balances, including all late fees and interest, and notify the Owner of the legal remedies available for securing payment of assessments. The notification shall also state that the account shall be submitted for collection if the balance due is not received within 15 days and the Owner shall be liable for payment of charges and all other expenses related to collection attempts. A \$25.00 charge shall be levied against the account for costs incurred in providing this notification.

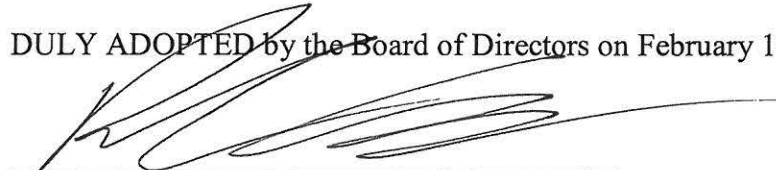
Collection:

Full payment for all past due assessments, fees, interest and other charges is required to clear an account. However, the Association's management company, operating under general collection guidelines established by the Board, may negotiate and approve payment plans, waive all or a portion of fees, interest and other charges, or accept partial payment on a case by case basis.

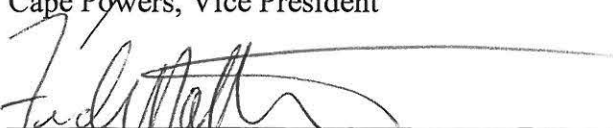
Once an account is cleared, the Association will file a notice of satisfaction of lien with Kittitas County with no additional charge to the Owner.

The Board shall approve the submittal of delinquent accounts to collections. These approvals can be made by Board unanimous consent outside of a regular meeting. However, for accounts that have been foreclosed on or ownership transferred, the Board authorizes Management to proceed with collections process without prior approval.

DULY ADOPTED by the Board of Directors on February 14, 2012:



Paul Eisenberg, President

Cape Powers, Vice President

Fred Mattison, Secretary