

HAWTHORNE RIDGE HOMEOWNERS ASSOCIATION, INC.

DELINQUENCY POLICY RESOLUTION

WHEREAS, the Hawthorne Ridge Homeowners Association, Inc. ("Association") is responsible for the maintenance, improvement, repair, and operation of the common areas within Hawthorne Ridge Subdivision in Hendricks County, Indiana known as Hawthorne Ridge Homeowners Association, Inc., including, but not limited to, the payment of insurance thereon, the cost of labor, equipment, material furnished with respect to the common areas, and

WHEREAS, by purchasing a home within the Hawthorne Ridge Subdivision, each owner covenanted and agreed to pay assessments to the Association for their pro rata share of the Association's common expenses; and

WHEREAS, there is a need to establish, clarify and ratify orderly procedures for the collection of assessments which remain unpaid past their due date since delinquent assessments pose a serious financial and administrative burden on the Association.

NOW, THEREFORE, BE IT RESOLVED that the duly elected Directors of the Association have adopted the following procedures, rules and regulations for the collection of assessments:

1. Assessments are due and payable to Hawthorne Ridge Homeowners Association, Inc. in advance for each fiscal year annually, with the due date being the 1st day in April of each year thereafter. Collections shall be handled by the Board of Directors.
2. To be deemed timely, payments must be received (not just postmarked) by the due date at the Association's P.O. Box: Hawthorne Ridge Homeowners Association, Inc., P.O. Box 881, Plainfield, IN 46168.
3. Any payment or installment not received within thirty (30) days after the applicable due date shall result in a late-charge of \$25.00 being added to the delinquent owner's account for which the owner is responsible, which shall be deemed a part of the indebtedness to the Association.
4. A "Final Notice" shall be mailed to owners with a delinquent balance on or around April 30th which shall include the late charge, giving the owner 30 days to pay the delinquent assessment and late charge. This "Final Notice" shall advise the owner that unless payment in full is received within 30 days of such notice, the matter may be referred to the Association's attorney at which time the owner will be responsible for all attorney fees, expenses, and court costs. All of the Association's collection costs and expenses incurred will be added to the account and shall be deemed to be a part of the indebtedness owed to the Association.
5. If an owner is still delinquent 30 days after the date of the "Final Notice", interest at the rate of twelve percent (12%) per annum shall be added to the delinquent assessment and late charge and the matter may be resolved thru Small Claims Court or turned over to the Association's attorney with instructions to pursue the collection thereof in the manner recommended by the Association's attorney. Thereafter, for matters turned over to the Association's attorney, all communications by the delinquent owner must be directed to the attorney.
6. Any payments received at any time for less than the full amount then due shall not be accepted as full payment.
7. Payments received will be applied in the following order: (1) attorney fees, court cost and expenses incurred by the Association, (2) collection costs of the Association, (3) late charges, (4) charges incurred by the Association for "bounced" or "stopped payment" checks, then (5) outstanding assessments.

This policy adopted by the Board of Directors on _____, 2015, to be effective with the 2016 fiscal year.