

**AVON TRAILS HOMEOWNERS' ASSOCIATION, INC.
DELINQUENCY POLICY RESOLUTION**

WHEREAS, the Avon Trails Homeowners Association, Inc. ("Association") is responsible for the maintenance, improvement, repair, and operation of the residential community in Hendricks County Indiana known as Avon Trails, 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 community, 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 clarify and ratify orderly procedures now and previously in effect 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 in advance for each fiscal year annually the 1st day of January. Collection of assessments shall be handled by the Association's property management company.
2. To be deemed timely, payments must be received (not just postmarked) by the due date at the office, the P.O. Box of the Association's property management company, or the payment processor's location as indicated on the annual invoice/bill mailed to the owner.
3. A "Reminder Notice" shall be mailed to owners who have not paid on or after the 31st day of January.
4. Any payment or installment not received by February 1st shall result in a late charge, presently \$35 or as determined by the Board of Directors, 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.
5. In addition to the late charge, the Avon Trails property management company may also assess late fees, administrative/late fees to compensate for the time spent in sending reminder letters to the delinquent owner.
6. A "10 Day Demand Letter" shall be mailed by first class mail on or shortly after 30 days of the date of the Reminder Notice. This 10 Day Demand Letter shall advise the owner that unless payment in full is received within 10 days of such notice, legal action may be taken. At which time the owner will be responsible for all attorney's fees, expenses, and court costs. All the Association's collection costs and expenses incurred, including a collection cost/administration fee to its property management company, will be added to the account and shall be deemed to be a part of the indebtedness owed to the Association. The property manager's collection cost is to pay for the manager's additional time and expenses related to handling the delinquent account and dealing with the Association's attorney.
7. If an owner is still delinquent 10 days after the date of the 10 Day Demand Letter, the matter may be turned over to the Association's attorney with instructions to pursue the collection thereof in the manner recommended by the Association's attorney or a lien may be recorded by the Association or by its attorney. Thereafter, all communications by the delinquent owner must be directed to the attorney.
8. Any payment received at any time for less than the full amount then due shall not be accepted as full payment.
9. Payments received will be applied in the following order: (1) attorney's fees, court costs and expenses incurred by the Association, (2) collection costs of the Association's property management company, (3) late charges, (4) charges incurred by the Association for "bounced" or "stopped payment" checks, then (5) outstanding assessments.

AVON TRAILS HOMEOWNERS' ASSOCIATION, INC.

Board of Directors

Action by Unanimous Written Consent

November 16, 2021

The undersigned, being all the Directors of the Avon Trails Homeowners' Association Inc. ("Association"), hereby take the following corporate action by unanimous written consent, in lieu of a special meeting for such purpose.

RESOLVED THAT, the Association hereby adopts and / or affirms the Delinquency Policy Resolution, a copy of which is attached hereto as Exhibit A and incorporated herein by reference.

Dated November 16, 2021

P. Ruivo

Director Signature

Jay Tinder

Director Signature

[Signature]

Director Signature