



ASSOCIATION RESOLUTION REGARDING COLLECTION OF ASSESSMENTS

WHEREAS: The Savannah Owners Association incorporated on June 2, 2004 and recorded with the State of Colorado under 20041198893. Bound by Federal Laws, State Statutes and the Declaration of Covenants recorded in the Clerk and Recorder of Arapahoe County on July 27, 2004 under reception number B4133216.

WHEREAS: The Association has the obligation to adopt a Resolution regarding Board Members Conflict of Interest by June 1, 2008 in compliance with Senate Bill 100.

WHEREAS: The Association is empowered by the Declaration of Covenants Section 19 Paragraph i to promulgate reasonable Rules and Resolutions as it deems necessary to effectuate the intent and to enforce the duties and obligations set forth in the governing documents.

WHEREAS: The Association desires to comply with Senate Bill 100 and operate with transparency and with due care in the best interest of the Association.

COMES NOW: A Policy to Address the Collection of Assessments for the Savannah Owners Association.

The annual assessment, as adopted through the approval of the annual budget by the Board of Directors and ratified by the membership is due and payable in monthly installments as provided in the Declaration of Covenants, Conditions and Restrictions. The monthly installment is due on the first of each month. Assessments not paid to the Association by the 10th of the month are considered past due.

Past due homeowner accounts will be subject to a late fee of fifteen dollars (\$15.00) each month the account remains delinquent.

Returned checks are subject to fees as provide by the contract with the managing agent to off set bank fees and defray the cost of the correspondence required to inform the homeowner of the returned check. The account will also be subject to the Late Fees and the balance of the Assessment collection action described herein

After the 10 day grace period has expired, a late fee will be assessed and a Reminder Notice will be mailed to the owner of the home notifying them of the late.

If the account remains delinquent for another month, or total of forty (40) days another late fee will be assessed and a Notice of Delinquency will be mailed to the owner notifying them of the status of their account.

If the account remains delinquent for another month, or total of seventy (70) days, another late fee will be assessed and an Intent to File Lien or Ten Day Demand Letter will be mailed to the owner warning them the Association may accelerate the assessments causing the annual assessment to come due in its entirety. Further that if the Association does not hear from the owner within ten (10) days, a lien will be placed on the home and the account will be forwarded to the Association Attorney for collection action.

If the Association has not been contacted by the owner, the managing agent will send the file to the Association's attorney for immediate action. Additional assessment collection expenses permitted under the Declaration and the Colorado Common Interest Ownership Act shall be due and payable immediately when incurred upon demand.

The Board may, but shall not be required to refer delinquent accounts to its attorneys for collection action. Once an account is referred to the Attorney, the Association cannot

communicate with the owner directly on matters related to their account. All correspondence must be handled through the Association's collection attorney.

Payments shall be applied with the following priority:

Attorney Fees

Non-Sufficient Funds Fees

Interest

Late Fees

Violation Fines

Special Assessments

Reimbursement Assessments

Monthly Assessments

The Board may grant a waiver of any provision herein upon written request by an owner documenting personal hardship. In addition, the Board is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures as contained herein, as the Board shall determine appropriate.

This policy shall be applicable to all members of the Association and will remain in effect until such time it is amended, rescinded or repealed through a vote of the Board at a meeting duly called for such purpose.

The policy is hereby adopted by majority vote of the Board on _____ and will become effective on June 1, 2006.

Signed, _____ President

_____ Secretary