

SOUTHPARK OWNER'S ASSOCIATION, INC.

DELINQUENCY POLICY

Effective March 1, 2005

Duly adopted by the Board of Directors, February 8, 2005

- A. All assessment invoices shall be mailed before or on March 1.
- B. All assessment payments are due within thirty (30) days of the first day of March and are considered delinquent if not paid by the 30th day of March.
- C. If the assessment is not paid by the 30th of April, the delinquent Owner may be charged a late fee in the amount of the prime rate plus 3% of the delinquent amount.
- D. If the assessment is not paid by the 30th day of April, a demand notice, which shall include a statement of the Owner's account, shall be sent to the delinquent Owner regarding the recordation of a Statement of Assessment of Lien if payment is not made.
- E. If nothing has been paid within 30 days of such demand notice of a Statement of Assessment of Lien, all the aforementioned amounts, plus a recording charge of \$160.00, shall be listed on a Statement of Assessment of Lien which shall be recorded at the Clerk's Office of Arapahoe or Douglas County, whichever is applicable for the subject property.
- F. If nothing is paid within 30 days from the recording of the Statement of Assessment of Lien, the Association may commence legal proceedings against the Owner. The proceedings may be for a personal judgement, foreclosure or both.

Any attorney fees expended or any other costs related to the collection effort which are associated with the delinquency issue shall be added to the delinquent amount.

The management company shall make reasonable efforts to contact the delinquent Owner prior to taking the action as described in paragraph D herein to discuss the delinquency. Any attempted contact, including notice letters, shall use phone numbers or addresses in the Association's files. It is up to the Owner to assure the Association's files contain correct information.

If an Owner objects to the late charges or wants to establish a payment plan, a letter must be submitted to the Association in order for the issue to be discussed at a Board meeting. Only the Board of Directors can make a decision to waive late charges or accept payment plans and all decisions are made at Board meetings.

If an Owner wants to discuss the delinquency in person at a Board meeting, please notify the management company in order that the topic can be added to the meeting agenda. The discussion will be done in private (during an Executive Session) so only the Board, the management company and the Owner are present.