BROOKHAVEN HOMEOWNERS ASSOCIATION, INC.
DELINQUENCY POLICY RESOLUTION

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

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.

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, with the due date being the 1st day of January. Collections 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 or P.O. Box of the Association's property management company. Payments should be made payable to Brookhaven HOA.

3. An "Overdue Notice" shall be mailed to owners with a delinquent balance on or shortly after such 30 days.

4. Any payment or installment not received within 60 days after the 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.

5. An "Intent to Lien Notice" shall be mailed by first class on or shortly after 90 days delinquent of the due date. This Final Notice shall advise the owner that unless payment in full is received within 30 days of such notice, the owner shall be advised of possible legal and/or lien action in the event of failure to respond with payment. An "Intent to Lien Notice" will incur additional fees on the owner account. The amount subject to change without prior notice.

6. If an owner is still delinquent 60 days after the due date of the Intent to Lien Notice, a "Notice of Lien" will be mailed by first class. The Lien Notice shall advise the owner that the

Lien has been placed on their home and possible legal action in the event of failure to respond with payment in full. An additional fee will be incurred by the owner for the preparation and filing of the lien notice. The amount subject to change without prior notice.

7. If an owner is still delinquent 30 days after the date of the Lien Notice the matter may be referred to the Association's attorney at which time the owner will be responsible for all attorneys' fees, expenses, and court cost. All of the Association's collection cost and expenses incurred including a collection cost/administration fee to its management company, will be added to the account and shall be deemed to be a part of the indebtedness owed to the Association. The collection cost is to pay for Management's additional time and expenses related to handling the delinquent account and communication with the Associations' attorney.

8. If, an account is turned over the Association's attorney with instructions to pursue the collections, all communications by the delinquent owner must be directed to the attorney.

9. Any payments received at any time for less than the full amount then shall not be accepted as full payment.

10. 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's management company (3) late fee charges, (4) charges incurred by the Association for "non-sufficient funds or "stopped payment" checks, then (5) outstanding assessments.