

RESOLUTION ON DELINQUENT ASSESSMENT COLLECTION PROCEDURE

Policy Resolution of Drakeshire Condominium Association located in West Bloomfield, Michigan. A resolution pertaining to the procedure for the collection of delinquent assessments.

WHEREAS, the Association, through its duly elected Board of Directors, has a responsibility for collection of co-owner assessments.

WHEREAS, the following collection procedure is established by the Board of Directors.

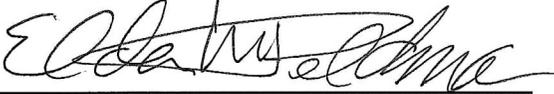
1. The assessment for each unit is an annual charge and is deemed payable in four equal quarterly installments. This annual assessment shall be due and payable quarterly January 1st, April 1st, July 1st and October 1st of every year and is considered delinquent and in default if not paid by the 10th of the month due.
2. Delinquent assessments will cause a late charge in the amount of \$100 to be automatically levied for each month the delinquent assessment is not fully paid, plus seven (7%) percent interest per annum.
3. **FIRST MONTH:** Notice of the delinquency, the late charge levied, and any other costs charged to the co-owner's account shall be sent to the co-owner by the Association, or its designated agent, by the 25th day of the month in which the delinquency occurs.
4. **FOURTH MONTH:** If full payment of the delinquent assessment(s), late charge(s), legal fees, and any costs are not received by the 10th day of the fourth month, unless other satisfactory arrangements have been made with the Board of Directors and/or its designated agent, the following steps will be taken:
 - a. The Board of Directors may elect to take the following action: All unpaid installments of the annual and additional assessments for the pertinent fiscal year could be immediately deemed due and payable and all unpaid installments and/or portion of any special assessment levied against the unit could be immediately due and payable.
 - b. The matter will be turned over to the Association's attorney for handling and an "Intent to Lien" will be sent to the delinquent co-owner advising that failure to pay the delinquency in full will result in the Association filing a lien against the unit property.
5. **SIXTH MONTH:** If full payment of the delinquent assessment(s), late charge(s) and any costs are not received by the 10th day of the sixth month, unless other satisfactory arrangements have been made with the Board of Directors and/or its designated agent, the following steps will be taken:

The matter will already be at the Association's attorney for handling, a lien will be filed and notice of same will be sent to the delinquent co-owner and the unit mortgage lender will be notified of the delinquency, if applicable.
6. **EIGHTH MONTH:** If the delinquency or any part thereof continues past the 10th day of the eighth month, the Association may institute a lawsuit for the foreclosure of the lien and/or money damages for unpaid assessments and/or any other claims that the Association, through its legal counsel, may deem appropriate.
7. Should any co-owner be in a delinquent status (assessment, late charges, or any costs have not been paid by due dates defined above) for six months in any twelve month period the following steps will be taken:
 - a. The Board of Directors may elect to take the following action: All unpaid installments of the annual and additional assessments for the pertinent fiscal year could be immediately deemed due and payable and all unpaid installments and/or portion of any special assessment levied against the unit could be immediately due and payable.
 - b. The matter will be turned over to the Association's attorney for handling and an "Intent to Lien" will be sent to the delinquent co-owner advising that failure to pay the delinquency in full will result in the Association filing a lien against the unit property.
 - c. If the delinquency is not resolved in full within sixty days, a lien will be filed and notice of same will be sent to the delinquent co-owner and the unit mortgage lender will be notified of the delinquency, if applicable.
 - d. Association may institute a lawsuit for the foreclosure of the lien and/or money damages for unpaid assessments and/or any other claims that the Association, through its legal counsel, may deem appropriate.

8. The expenses incurred in collecting the delinquency, including without limitation, late charges, interest, costs of collection and enforcement, including actual attorney's fees (not limited to the statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the co-owner in default and shall be secured by the lien on the co-owner's unit.
9. Failure to meet any of the time periods set forth herein shall not be deemed a waiver of the right of the Association to enforce or pursue its Delinquency Procedure.

THEREFORE, be it declared that this resolution was approved by the Drakeshire Condominium Association on November 14, 2025 and will become effective January 1, 2026.

Witness:


Secretary of the Association


President of the Association