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Bozeman, MT 59717-5298

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Page 1 of 3 10/29/2014 02:49:27 PM Fee \$21.00
Charlotte Mills - Gallatin County, MT MISC

SOUTH MEADOW HOMEOWNERS' ASSOCIATION DELINQUENCY POLICY

This Delinquency Policy, dated this 8th day of October 2013, supersedes and replaces any prior delinquency policy adopted by the Board of Directors for the South Meadow Condominium, Inc. (assumed business name of South Meadow Homeowners' Association).

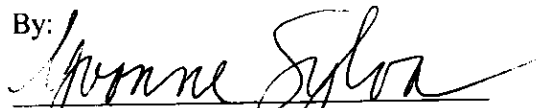
The Bylaws of the South Meadow Condominium, Inc. ("BYLAWS") were recorded by the Gallatin County Clerk and Recorder's Office on May 21, 2002 as Document No. 2069742. Pursuant to Article VIII of the Bylaws, the Board of Directors ("BOARD") has the power to levy assessments as allowed by the Declaration, these Bylaws and the State of Montana, and to provide for the collection, expenditure and accounting of said assessments. Pursuant to this power, the Board herein establishes the following method for paying assessments:

1. **Assessments.** The South Meadow Homeowners' Association ("HOA") assessments are approved and levied at the annual meeting and are due within ten (10) days of the due date. Notice of each owner's assessments shall be mailed to said owner at the address of record or hand delivered personally to the owner following the annual meeting. (Delivery may be by email only if requested by the owner.) The HOA operates on a calendar year, so the assessments commence the first day of January of the year following the annual meeting. All assessments which are not paid within thirty (30) days from the date they are due and payable become delinquent and are subject to interest and penalty charges.
2. **Interest.** If an assessment is delinquent, the Unit Owner is obligated to pay interest at the then current legal rate of interest per annum on the amount of the assessment from the due date thereof, together with all expenses, including attorney fees incurred, together with such interest and late charges as are provided in the Bylaws of the Association. Interest shall be compounded monthly. Interest at the same rate may also accrue on any other charges applied to the owner's account, as described below.
3. **Demand Letter.** If an assessment becomes more than three (3) months delinquent, a Demand Letter will be provided to the owner via U.S. mail (certified letter, return receipt requested) to the owner's last known address. The Demand Letter will forth the amount owed by the owner. If a Demand Letter is sent, the owner will incur an \$80.00 charge, to be applied to the owner's account.
4. **Additional delinquent assessments.** If additional assessments become delinquent while any part of the original delinquent assessment, interest, charges, and other related costs remain outstanding, no new Demand Letter is required to enforce payment, and the

additional delinquent assessments plus interest will automatically become part of the amount owed by the owner.

5. **Notice of Lien.** If the assessment, additional delinquent assessments, interest, charges, and any other related costs are not paid in full within thirty (30) days of the date of the Demand Letter, the HOA may file a Notice of Lien with the Gallatin County Clerk and Recorder. If a lien is filed, the owner will incur a \$150.00 charge, to be applied to the owner's account. The HOA has the right to inform any other lien holder of the owner's delinquency.
6. **Continuing Lien.** If a Notice of Lien is filed, the lien shall be continuing so as to include any additional delinquent assessments, interest, charges, costs, and attorney fees. The HOA is not required to release any lien until the owner pays the entire amount owed to the HOA. The HOA has the right to file updated liens to ensure that third parties are apprised of the current amount owed by the owner. The owner shall incur an additional charge of \$40.00 for each updated lien filed with the Gallatin County Clerk and Recorder.
7. **Further Action.** If the amount owed is not paid in full within 30 days of the Notice of Lien, the Association may:
 - Bring legal action against the owner personally obligated to pay, and/or
 - Foreclose the lien against the Unit, and/or
 - Any other action not prohibited by the By-Laws, Declaration, or Montana law.
8. **Costs.** If the South Meadow Homeowners' Association is required to take any of the above steps against an owner to enforce payment of assessments, interest, charges, or other related costs, the owner shall be obligated to pay any other costs incurred to collect the amount owed, including, but not limited to, all collection costs, court costs, and reasonable attorney's fees and costs.
9. **No waiver.** No owner may waive or otherwise escape liability for the assessments by abandonment of his or her Unit. All owners shall remain personally liable for all assessments, interest, charges, or other related costs owed to the HOA until fully paid, unless the owner's liability is extinguished by law.
10. **Successive Owners.** All successive owners of a Unit shall be responsible for paying any assessments, interest, charges, or other related costs owed on a Unit. All successive owners have the duty and responsibility to contact the HOA to learn if any assessments, interest, charges, or other related costs are owed on the Unit.
11. **Conflicts.** If any provision of this Delinquency Policy shall be in conflict with the Bylaws, the Bylaws shall control. The invalidity or un-enforceability of any provision of this Delinquency Policy shall not affect the validity or enforceability of any other provision.

Adopted at the Annual Meeting of the Owners held on October 8, 2013, by an affirmative vote of at least 75 percent of the aggregate voting interest of South Meadow Condominium, Inc. (assumed business name of South Meadow Homeowners' Association).

By: 
Yvonne Sylva, Chairperson and Director
South Meadow Condominium, Inc.

STATE OF MONTANA)

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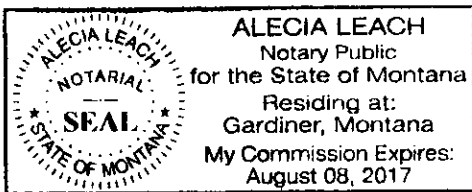
COUNTY OF GALLATIN)

This undersigned, Yvonne Sylva, after first being duly sworn, does hereby certify that she is the Chairperson and Director for the South Meadow Condominium, Inc., and the foregoing Delinquency Policy and statements made therein are true and correct. She further certifies that she is authorized to execute this Amendment on the Association's behalf.

Yvonne Sylva

Yvonne Sylva, Chairperson and Director
South Meadow Condominium, Inc.

Subscribed and sworn to me Alecia Leach before
this 14 day of October, 2013, by Yvonne Sylva, known to me
to be the person described herein.



Alecia Leach
Notary Public for the State of Montana