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RECORDER, SALT LAKE COUNTY, UTAH
STEVEN BINGHAM
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SLC UT 84106
BY: ZJM, DEPUTY - WI 8 P.

**SILVER MAPLE ESTATES CONDOMINIUM
HOME OWNERS ASSOCIATION**

Resolution of the Management Committee

WHEREAS, "Declaration" is the *Declaration of Covenants, Conditions and Restrictions* of Silver Maple Estates Condominium. "Association" is entity comprised of all Unit Owners of Silver Maple Estates Condominium. "The Act" is Utah's *Condominium Ownership Act*, as may be amended from time to time. "Bylaws" of Silver Maple Estates Condominium. "Management Committee" is the Management Committee of the Association vested with the powers and duties necessary to administer the affairs and business of the Association;

WHEREAS, "assessment," as used in this Resolution, includes all amounts validly assessed against a Unit Owner ("Owner") pursuant to the Declaration, the Association's Bylaws, Rules and Regulations, and any Management Committee Resolution, including, but not limited to expenses of operation, enforcement costs, costs of repair, insurance premiums, interest, attorney fees and all collection costs;

WHEREAS, "fines," as used in the Resolution, includes all amounts properly levied against an Owner for violations of the Act, the Articles of Incorporation, the Declaration, the Bylaws or the Rules and Regulations of the Association;

WHEREAS, Title 57-8-34 of the Act and Paragraph 5 of the Declaration provides that all Unit Owners, tenants of such owners, or any other person who may in any manner use the property or any part thereof, shall be subject to the terms of the Act, the Declaration and Bylaws of the Association and shall be bound by all agreements, decisions and determinations lawfully made by the Association;

WHEREAS, the Recitals to the Declaration and Article I, Section 2 of the Bylaws states that Owners must comply with the Declaration, Bylaws, and Administrative Rules and Regulations and are bound by the terms thereof;

WHEREAS, Article II, Section 16 of the Bylaws states that the Management Committee shall have the right and authority to adopt reasonable rules and regulations as may be necessary or desirable to aid the Committee in carrying out any of its functions or to insure that the project is maintained and used in a manner consistent with the interests of the Unit Owners;

WHEREAS, The Act and Article IV, Sections 4, 5, 6, 7 and 8 of the Bylaws authorizes the Management Committee to enforce provisions of the Declaration, Bylaws and Rules and Regulations, including action to collect unpaid assessments and fines;

WHEREAS, Article II, Section 6 of the Bylaws provides for interest on past due assessments at the rate permitted by law from the due date until paid;

WHEREAS, Title 57-8-20 of the Act and Article II, Section 6 of the Bylaws, provides that all unpaid or delinquent assessments, including all late fees, applicable interest, costs of collection action and reasonable attorney fees are the personal obligation of the Owners and may become a lien against the unit pursuant to the terms of the Act;

WHEREAS, Title 57-8-20 of the Act and Article II, Sections 6, 7 and 9 of the Bylaws, authorizes the Management Committee, on behalf of the Association, to bring suit to foreclose the lien against the unit and/or to bring an action to obtain a money judgment against an Owner for damages and/or for unpaid assessment;

WHEREAS, Article II, Section 6 of the Bylaws provides that Owners shall be obligated to pay reasonable fees and costs including, but not limited to, attorney fees incurred in connection with efforts to collect delinquent and unpaid assessment and to enforce the provisions of the Declaration, Bylaws, Rules and Regulations or the Act;

WHEREAS, Title 57-8-37 of the Act and Article II, Sections 2(e), 6 and 16 of the Bylaws provides that the Management Committee has the authority to impose appropriate fines upon Owners who fail to comply with the Act, the Declaration, the Articles of Incorporation, the Bylaws and Rules and Regulations of the Association including interest, costs of collection and attorney fees;

WHEREAS, Pursuant to Article V, Section 5 of the Bylaws, the Management Committee shall impose assessments against the unit owners at least annually and shall take prompt action to collection from a unit owner any assessment which remains unpaid for more than thirty (30) days from the due date of its payment;

WHEREAS, fines are due and payable as specified by the Management Committee and as outlined herein;

WHEREAS, from time to time Owners become delinquent in the payments of their assessments and fines and fail to respond to the demands from the Management Committee to bring their accounts current and it is imperative such payments are timely made and received;

WHEREAS, the Management Committee deems it in the Association's best interest to adopt a uniform and systematic procedure for the collection of unpaid assessments and fines in a timely manner, and further believes it to be in the Association's best interest to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of common expense revenue and to encourage compliance with the covenants, conditions and rules of the Association.

NOW, BE IT RESOLVED, that the following steps be adopted to provide for the uniform and systematic procedure for the collection of unpaid assessment:

1. If any common expense remains unpaid by an Owner for more than thirty (30) days from the due date for its payment, the Committee or its agent shall send a notice to the Owner indicating the amount due, including notice of the late fees, and make demand for immediate payment thereof. This "demand letter" shall also indicate that if the account is not paid in full within fifteen (15) days, further collection action will be instituted, including the filing of a lien, and that all collection costs incurred on behalf of the delinquent account, including attorney fees, shall be the responsibility of the delinquent Owner. The demand for payment shall include all collection costs to date. *See Exhibit "A" as a sample letter attached hereto.*

2. If any assessment remains unpaid by the Owner for more than seventy-five (75) days from the due date for its payment, then the Committee shall turn over collection to the Association's attorney ("Attorney"), who shall proceed as provided herein.

3. Attorney shall send a written demand for payment and any notice as required by the federal Fair Debt Collection Practices Act, if applicable. If not already done so by the Management Committee or any agent thereof, attorney shall prepare and record a lien against the delinquent unit. Attorney shall notify the Owner within twenty (20) days of recording that the lien has been recorded. The lien shall include all collection costs to date, including the costs of preparing and recording the lien, and for the cost of preparing the notice of the lien required by law.

4. If any assessment remains unpaid by the Owner thirty (30) days after the date of Attorney's demand letter, Attorney shall file suit for a money judgment, unless the Committee, after recommendation by Attorney, determines that lien foreclosure is advisable under the circumstances. In such cases, the attorney may file suit for a money judgment, for foreclosure, or for both a money judgment and foreclosure, as permitted by applicable law.

5. If the Association is successful in obtaining a money judgment, Attorney shall collect on the judgment in this order, unless the attorney determines other actions or another order of collection is appropriate under the circumstances:

- (A) file and send a ten (10) day demand to pay judgment;
- (B) garnish accounts, wages and/or rents;
- (C) levy against any personal and real property; and
- (D) levy against the Unit.

Additional steps may be necessary to determine the availability and location of the judgment debtor's assets. If the Association is successful in a lawsuit to foreclose on the lien, Attorney shall proceed as necessary to complete the foreclosure unless otherwise directed by the Committee.

NOW, BE IT RESOLVED, that consistent with Title 57-8-37 of the Act, the following steps be adopted to provide for the uniform and systematic procedure for the collection of unpaid fines:

1. If the Management Committee determines that the Declaration, Bylaws or Rules and Regulations of the Association have been violated, then the Management Committee or its agent, shall give notice to the unit Owner of the violations and inform the Owner that a fine will be imposed if the violation is not cured within the time period provided in the Declaration, Bylaws, Association Rule or other Committee decision. However, such time to cure shall be at least 48 hours from notification. See Exhibit "B" as a sample letter attached hereto.

2. The Management Committee shall provide to any unit Owner who is assessed a fine an informal hearing so that said Owner may protest or dispute the fine. It is the Owners responsibility to request and schedule the hearing with the Committee. The hearing shall be held within 30 days from the date the fine is assessed and shall be conducted in accordance with the standards provided in the Declaration, Bylaws of Rules of the Association.

3. No interest or late fees may accrue until after the hearing has been conducted and a final decision has been rendered.

4. Any fine assessed by the Association shall:

(A) Be levied only for violations of a rule or regulation which is specifically listed in the Declaration, Bylaws or Association Rules;

(B) Be in the amount specifically provided for in the Declaration, Bylaws or Association rules for that specific type of violations, not to exceed \$500; and

(C) Accrue interest and late fees as provided for in the Declaration, Bylaws or Association Rules.

(D) Pursuant to Utah's Condominium Ownership Act, cumulative fines for a continuing violation may not exceed \$500 per month.

5. Any fine that remains unpaid thirty (30) days from the date of the hearing, or thirty (30) days from any date mutually agreed upon by the Owner and the Committee for payment, shall be turned over to attorney for collection.

6. Attorney shall send a written demand for payment and any notice as required by the federal Fair Debt Collection Practices Act, if applicable. The letter shall indicate that if the balance is not paid in full or payment arrangements satisfactory to the Association are not made,

further collection action will be instituted and that pursuant to the Declaration, Bylaws and/or the Act, the Association is entitled to recover from the Owner its attorney fees and costs incurred in connection with the collection of the fine. The demand for payment shall include attorney fees and all collection costs to date.

7. If any fine remains unpaid by the Owner thirty (30) days after the date of Attorney's initial demand letter, Attorney shall file suit for a money judgment, unless the Committee, after recommendation by Attorney, determines that lien foreclosure (or other course of action) is advisable under the circumstances.

8. If the Association is successful in obtaining a money judgment, Attorney shall collect on the judgment in this order, unless the attorney determines other actions or another order of collection is appropriate under the circumstances:

- (1) file and send a ten (10) day demand to pay judgment;
- (2) garnish accounts, wages and/or rents;
- (3) levy against any personal and real property; and
- (4) levy against the Unit.

Additional steps may be necessary to determine the availability and location of the judgment debtor's assets. If the Association is successful in a lawsuit to foreclose on the lien, Attorney shall proceed as necessary to complete the foreclosure unless otherwise directed by the Committee.

9. If any fine remains unpaid by an Owner for more than one hundred eighty (180) days from either: (a) that date the hearing was held and a final decision has been rendered by the Committee, or (b) the time to request an informal hearing as provided herein has expired without the unit owner making such a request, then the Committee or its agent (as directed by the Committee) shall prepare and record a lien against the Owner's unit. The Committee, or its agent, shall mail or otherwise notify the Owner within twenty (20) days of recording that the lien has been recorded. The lien shall include all collection costs to date, including attorney fees and the cost of preparing and recording the lien, and for the cost of preparing the notice of the lien required by law.

NOW, BE IT FURTHER RESOLVED, that all legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Owner and shall be collected as an assessment as provided in the Bylaws, the Declaration, and/or the Utah Condominium Ownership Act.

NOW BE IT FURTHER RESOLVED, that all contacts and/or contracts with the delinquent Owner shall be through Attorney. Neither the Committee nor any of its agents shall discuss the collection of the account directly with the Owner after it has been turned over to Attorney, unless one of the attorneys is present or has consented to the contact and/or contract.

NOW, BE IT FURTHER RESOLVED, that Attorney shall have the discretion to enter into an installment payment plan with a delinquent Owner in appropriate circumstances. In all cases in which a law suit has been filed, any such plan must be secured by a Stipulated Judgment. Any payment plan providing for a down payment of less than the greater of one-third (1/3) of the delinquent balance or twice the current monthly assessment, or a duration in excess of twelve (12) months shall require approval of the Committee president.

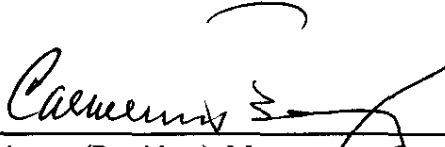
NOW, BE IT FURTHER RESOLVED, that Attorney, in its initial demand notice, shall communicate to Owner that the account has been turned over to it for collection, and that all payments are to be made to Attorney until the account has been brought current. Attorney shall deposit all payments in its trust account. All amounts collected shall be disbursed by Attorney according to the provisions of the Association and Attorney representation agreement.

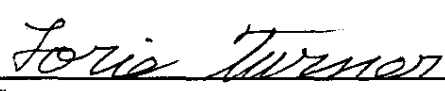
NOW, BE IT FURTHER RESOLVED, that nothing in this Resolution precludes the Committee from taking further action in the collection of unpaid assessments permitted by the Association's governing documents or applicable law, including, but not limited to, adopting or enforcing rules regarding the termination of utility services paid for out of assessments of the association and access to and use of recreational and service facilities available to owners and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such benefits or services until the correction of any violation covered by such rule has occurred.

NOW, BE IT FURTHER RESOLVED, that the Committee is directed to consult with Attorney and turn over for collection immediately any outstanding account where the Owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against the unit.

NOW, BE IT FURTHER RESOLVED, that a copy of this resolution shall be sent to all Owners at their last known address.


ATTEST:



Chairman (President), Management Committee


Secretary

Date: 3/28/05

STATE OF UTAH
COUNTY OF: Salt Lake
ON THE 28th DAY OF March, 05
PERSONALLY APPEARED BEFORE ME
Lorie Turner SIGNER(S) OF THE ABOVE
INSTRUMENT, WHO DULY ACKNOWLEDGED TO ME THAT
HE/SHE/THEY EXECUTED THE SAME


NOTARY PUBLIC


NOTARY PUBLIC
BEN CASTRO
8390 N Silvercreek Rd
Park City, UT 84098
My Commission Expires
October 29, 2007
STATE OF UTAH

STATE OF UTAH
COUNTY OF: Salt Lake
ON THE 28th DAY OF March, 05
PERSONALLY APPEARED BEFORE ME
Carmen Tsoung SIGNER(S) OF THE ABOVE
INSTRUMENT, WHO DULY ACKNOWLEDGED TO ME THAT
HE/SHE/THEY EXECUTED THE SAME



NOTARY PUBLIC

EXHIBIT "A"

**SAMPLE DEMAND LETTER TO BE SENT BY THE MANAGEMENT COMMITTEE
BEFORE THE ACCOUNT IS TURNED OVER TO AN ATTORNEY**

[Date]

John Doe
1150 East 2110 South
SLC, UT 84106

RE: NOTICE OF UNPAID Assessment

Dear Mr. Doe:

The records of the ABC Condominiums Owners Association show that your assessment account is now past due. Our records reflect the following:

Principal Maintenance Charge Due:	\$ _____
Costs and Fees Included:	\$ _____
Accrued Late Charges:	\$ _____
Accrued Interest:	\$ _____
Total Due:	\$ _____

Demand is hereby made for immediate payment of the balance in full. If payment in full is not received in 15 days, a lien will be recorded to protect the Association. The cost of preparing and recording the lien will be added to your account. If you have any questions, please contact the undersigned.

Your prompt payment of the balance due is appreciated. **If you fail to pay as requested, this matter will be referred to Legal Counsel in thirty days in accordance with the policies of the Association. All attorney's fees incurred in the collection of your balance will be added to your account.**

Sincerely,

Jane Smith
Management Committee

EXHIBIT "B"

**SAMPLE DEMAND LETTER TO BE SENT BY THE MANAGEMENT COMMITTEE
BEFORE THE ACCOUNT IS TURNED OVER TO AN ATTORNEY**

[Date]

John Doe
1150 East 2110 South
SLC, UT 84106

RE: NOTICE OF UNPAID FINE

Dear Mr. Doe:

The records of the ABC Home Owners Association shows that a fine is now past due. Our records reflect the following:

Principal Fine Due:	\$ _____
Accrued Late Charges:	\$ _____
Accrued Interest:	\$ _____
Total Due:	\$ _____

Demand is hereby made for immediate payment of the balance in full. If you have any questions, please contact the undersigned.

The charges indicated above are fines for _____. The fines were assessed at the rate of \$____ per day/per occurrence (as applicable) from (date) to (date). If you wish to explain why these charges are not applicable to you or your activities, please contact the Committee to schedule a hearing on the matter within 30 days of receipt of this letter.

Your prompt payment of the balance due is appreciated. **If you fail to pay as requested, this matter will be referred to Legal Counsel in thirty days or after your hearing with the Committee in accordance with the policies of the Association. All attorney's fees incurred in the collection of your balance will be added to your account.**

Sincerely,

Jane Smith
Management Committee