Pamela Halse Association Management Services, LLC P.O. Box 5298 Bozeman, MT 59717-5298

DELINQUENCY POLICY & VIOLATION POLICY OF THE COMMUNITY DECLARATION FOR BAXTER MEADOWS MASTER COMMUNITY

This Delinquency Policy is an addendum to File No. 2202825 filed with the Gallatin County Clerk & Recorder on September 22, 2005, and is pursuant to the Declaration of Covenants, Conditions and Restrictions for Baxter Meadows Homeowners' Association ("Covenants"), recorded in the real property records of the County Clerk of Gallatin County, Montana on September 22, 2005, Document No. 2202825.

The following policy is in place to set forth the late fees and appropriate actions for late and nonpayment of Baxter Meadows Master Community association dues and Lightnex (Vivid) base service fees.

- Assessments. The Baxter Meadows Master Community association assessments are billed monthly. Payments are due on the first of every month and delinquent after the 30th.
- Delinquent Interest. If the assessment amount is not paid by the 1st of the following month interest will accrue at the rate of 12% per annum on the unpaid balance.
- 3. Unpaid Assessments. When a homeowner is five months delinquent in assessments a Demand Letter will be sent, the cost of which will be a charge of \$80.00 applied to the delinquent homeowner's account. If assessments are not paid in full within 30 days of the date of the Demand Letter, the association will file a Notice of Lien in Gallatin County records and will send a copy of the Notice to the delinquent owner, the cost of which will be a charge of \$150 applied to the delinquent homeowner's account. If applicable, the Association will also provide a notice of delinquency to the owner's first mortgagee.
- 4. Further Action. If the assessment remains unpaid and delinquent, the Association will decide, on a case-by-case basis, which of the following remedies to pursue:
 - . Bring an action at law against the owner personally obligated to pay
 - · Foreclose the association lien against the Lot

In the event any of the foregoing actions are taken by the Association, the owner shall be obligated to pay the Association, in addition to the assessment due, late fees and any interest thereon, all collection fees, attorney's fees and necessary costs incurred by the Association in enforcing its rights and taking such action. No owner may waive or otherwise escape liability for the assessments by abandonment of his Lot.

ADOPTED: July 10, 2006



This Violation Policy is an addendum to File No. 2202825 filed with the Gallatin County Clerk & Recorder on September 22, 2005, and is pursuant to the Declaration of Covenants, Conditions and Restrictions for Baxter Meadows Homeowners' Association ("Covenants"), recorded in the real property records of the County Clerk of Gallatin County, Montana on September 22, 2005, Document No. 2202825.

The following policy is in place to determine whether a violation exists and if a violation is determined to exist, to cause remedy of the violation.

- Determination of Violation. Association Management Services, LLC, and/or any
 member of the Baxter Meadows Master Community Board of Directors or Design
 Review Board will make the final determination of whether a violation of the Protective
 Covenants (CC&Rs) exists.
- Curing the Violation. If it is determined that a violation does exist, the Homeowner will be sent a First Violation Notice describing the violation, the applicable CC&Rs regulation that is being violated, and a requirement that the violation be cured within a reasonable time period.
- 7. Uncured Violations. If the violation has not been cured within the time period specified in the First Violation Notice a Second Violation Notice will be issued. If the violation remains uncured the homeowner will receive a Third Violation Notice instructing the homeowner of their right to a hearing. Such Notice shall be served personally, if possible, or mailed certified mail, return receipt requested to the last known address of the party or entity and a copy posted at a conspicuous place on the property. A written request for the hearing, which is properly signed and dated by the homeowner must be postmarked within fourteen (14) days after the Third Violation Notice is mailed. Failure of the homeowner to request a hearing in writing within the required time period shall constitute a waiver of the right to a hearing. Such notice shall be deemed delivered if postmarked and mailed to:

Baxter Meadows Master Community Association c/o Association Management Services P.O. Box 5298 Bozeman, MT 59717-5298

- 4. Hearing. The Board of Directors will conduct the hearing at which, any or all of the following sanctions may be imposed:
 - a. Fine not to exceed \$500.
 - Cure of the violation, all costs of which will be charged back to the owner. If not paid, the owner's property will be liened for the amount owed.
 - Injunctive relief against the continuance of such violation through the court system; all costs will be charged to the owner.

A decision regarding the violation may be made upon conclusion of the hearing or it may be postponed no later than ten (10) days from the date of the hearing. A summary of the decision shall be included in the records of the Association and mailed to all parties involved.

If the homeowner does not cure the violation after the **Third Violation Notice** and does not request a hearing, the Board has the authority and discretion to impose any or all of the sanctions above.



Adopted July 10, 2006

Baxter Meadows Master Community Association,

Inc.

BOARD OF TRUSTEES

ASSOCIATION MANAGEMENT SERVICES,

LLC, a Montana limited liability company

Its: Community Manager

ACKNOWLEDGEMENT

STATE OF MONTANA

SS.

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COUNTY OF GALLATIN

This instrument was acknowledged before me on <u>OCTORER 1, 2007</u>, by Pamela Halse, the Manager of Association Management Services, LLC, a Montana limited liability corporation, as Community Manager of Baxter Meadows Master Community Association, Inc.

> Notary Public And My Commission Expires on: Augrost 31, 2011

Residing BOZENAN, MT

SEAL

Angie Fiskum Angue Fiskum
Notary Public
for the State of Montana
Residing at:
Bozeman, Montana
My Commission Expires:
August 31, 2011

