

**UNANIMOUS CONSENT TO ACTION BY THE BOARD OF DIRECTORS OF  
SHANGRI-LA ESTATES HOMEOWNERS ASSOCIATION  
C/O PREFERRED COMMUNITIES  
P.O. BOX 5720, MESA, ARIZONA 85211  
(480) 649-2017 FAX (480) 649-0902**

The undersigned, constituting all of the members of the Board of Directors of Shangri-La Estates Homeowners Association, Inc., an Arizona non-profit corporation, here by take the following action in writing at a duly called meeting of the members.

WHEREAS, Article 3 of the Declaration of Covenants, Conditions and Restrictions for Shangri-La Estates Homeowners Association provides the Board of Directors with the authority to set forth collection policies. The board has adopted the rules below pertaining to the collection of Assessments.

*The purpose* of this rule is to ensure the timely and fair collection of Assessments to ensure the Association has the funds necessary to provide for the management, maintenance, and care of the areas of association responsibility.

*The scope* and intent of this resolution is to apply uniformly to all members of the Association.

The actions of this policy regarding collection of assessments owed the community are as follows:

- a) 15 days after the monthly assessment due date, a late notice is sent to the homeowner and a late fee assessed,
- b) 45 days after the monthly assessment due date, a final notice is sent to the homeowner and a final notice fee is assessed as outlined in the Association's contract with the management company,
- c) 60 days after the monthly assessment due date, an "Intent to Lien" notice is sent to the homeowner and an "Intent to Lien" notice fee is assessed to the homeowner's account as outlined in the Association's contract with the management company,
- d) 75 days after the monthly assessment due date, a lien is recorded with the Maricopa County Recorder, a copy is sent to the homeowner and a Lien recording fee is assessed to the homeowner's account as outlined in the Association's contract with the management company,
- e) 90 days after the monthly assessment due date, "Intent to pursue legal action" notice of the total amount due plus an "Intent to pursue legal action" notice fee is assessed to the homeowner's account as outlined in the Association's contract with the management Company,
- f) 105 days after the monthly assessment due date, Summons and Complaint are filed with the Justice Court and the homeowner is "served notice" of the lawsuit by a document server. The homeowner's account will be charged with the legal document preparer fee, court fee, and process server fee. The amount of the

Legal Document Preparer fee is outlined in the Association's contract with the management company;

- g) Further actions will be taken as necessary, including, but not limited to, default judgment, summary judgment, garnishment of wages, or foreclosure pursuant to Arizona Revised Statutes and Declaration of Covenants, Conditions and Restrictions for Shangri-La Estates Homeowners Association.

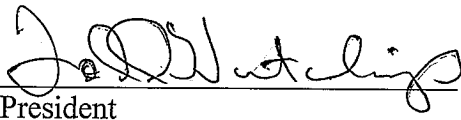
RESOLVED, that the Shangri-La Estates Homeowners Association Board of Directors and Preferred Communities shall afford homeowners the opportunity to request a hearing as provided by the Association documents to contest any late fee or fine assessed; and

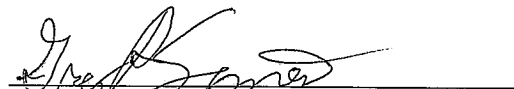
RESOLVED, that the Shangri-La Estates Homeowners Association Board of Directors and Preferred Communities shall afford homeowners the opportunity to initiate a time-payment plan in order to reduce or eliminate their outstanding debt to the Association, specified in writing and mutually agreed to by the homeowner and Shangri-La Estates Homeowners Association Board of Directors; and

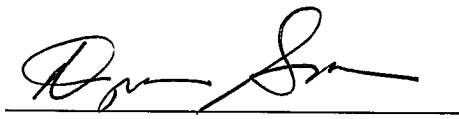
RESOLVED, that any subsequent default, cessation or refusal to make timely and consistent payments on such time-payment plan shall constitute default on the part of the homeowner and shall result in initiation of legal collection procedures; and

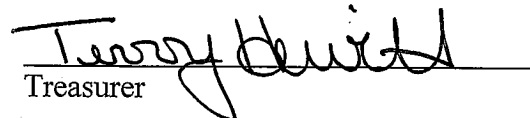
RESOLVED, that the board shall retain the right to amend or repeal this resolution.

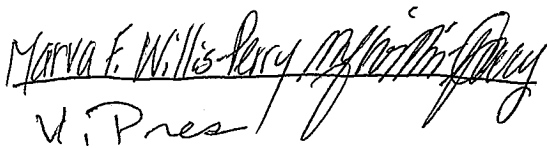
IN WITNESS WHEREOF, the undersigned have executed this consent as of this 13<sup>th</sup> day of MARCH, 2008.

  
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President

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Treasurer

  
\_\_\_\_\_  
V. Pres