

March 29, 2023
Heritage Greens Paired Homes Homeowners' Association
Hudson, WI

Dear Homeowner,

Determining a fiscally sound budget is always a difficult process. As a Board, we take the financial responsibility you have entrusted to us very seriously and are attempting to make financial decisions in the best interests of all.

After reviewing the proposed 2023-2024 budget, the Heritage Greens Paired Homes Homeowners' Association Board of Directors wishes to inform you that there will be **an increase in assessments** due to ongoing increases with the cost of doing business and upcoming items that must be considered to maintain the property values. **Effective May 1, 2023, your monthly assessment will be \$242.00.**

Association assessments are due and payable on or before the first day of each month and are considered delinquent thereafter. Assessments not received by the 25th of each month are automatically assessed late fees. Please review the Association's Late Fee and Collection Policy for more information.

For questions or concerns, please contact Client Services by email at info@citiesmanagement.com or by phone at (612) 381-8600.

As a Board, we will continue to strive to make decisions that serve the best interest of maintaining and enhancing the value of our homes. We appreciate your continued support, and, as always, your comments are welcome.

Regards,

The Heritage Greens Paired Homes Homeowners' Association Board of Directors
c/o Cities Management

Attention Residents. Upon the sale of property in your community, Cities Management typically charges two settlement fees in exchange for services that it performs in connection with the sale: a processing fee and a transfer fee. The processing fee reimburses Cities Management for information that it provides to title agents, buyers, and sellers upon request prior to settlement, including the current balance of any fees and/or assessments due to the Association, general fee/assessment information (amount, frequency, due date, and identification of any late fees and/or special assessments), information regarding utilities, and disclosure of any pending litigation involving the association. Additional information may also be provided upon request, such as the Association's governing documents, its budget and annual financial report, its insurance information, and other general information relating to the Association. The amount of the processing fee varies depending upon the information requested and the turnaround time for the order. The transfer fee reimburses Cities Management for services that it provides after the settlement, including closing the seller's account, updating its records to reflect new ownership, preparing, and providing a welcome package for the new owner, and providing keys, passcodes, and/or other devices for access to common areas, where applicable.

Heritage Greens Paired Homes Homeowners' Association, Inc				
	Account	Description	2022 Budget	2023 Budget
Operating Accounts				
Income Accounts				
Assessment Income				
	40-4410-000	Assessment	\$147,720.00	\$172,920.00
	40-4490-000	Replacement Fund Assessment	-\$36,000.00	-\$30,800.00
Other Income				
New				
Income Accounts Total			\$111,720.00	\$142,120.00
Expense Accounts				
Homeowner Chargeback Expenses				
Repairs & Maintenance				
	62-6140-000	General Maintenance	\$4,500.00	\$4,500.00
	62-6200-000	Irrigation System	\$8,500.00	\$6,560.00
	62-6210-000	Grounds/Landscaping	\$1,250.00	\$500.00
	62-6223-000	Lawn and Snow Contract	\$34,500.00	\$53,760.00
	62-6225-000	Snow Maintenance	\$500.00	\$800.00
	62-6300-000	Property Tax	\$21.00	\$21.00
	62-6350-000	Electricity	\$663.00	\$750.00
	62-6385-000	Water - Irrigation	\$10,000.00	\$15,000.00
Administrative				
	72-7060-000	Professional Accounting Fees	\$650.00	\$500.00
	72-7130-000	Gen. Admin. Expense	\$2,300.43	\$2,800.00
	72-7160-000	Legal Fees - General File	\$0.00	\$900.00
	72-7185-000	Insurance Expense	\$15,611.00	\$22,026.62
	72-7200-000	Management Fees	\$6,824.57	\$7,602.38
	72-7225-000	Master Assessment	\$26,400.00	\$26,400.00
New				
Expense Accounts Total			\$111,720.00	\$142,120.00
Operating Accounts Net			\$0.00	\$0.00
Reserve Accounts				
Income Accounts				
Replacement Fund Income				
	41-4400-000	Assessments	\$36,000.00	\$30,800.00
Other Income				
	51-5710-000	Investment Income	\$0.00	\$0.00
New				
Income Accounts Total			\$36,000.00	\$30,800.00
Expense Accounts				
Replacement Fund Expenditures				
	63-6265-000	RF Seal Coating	\$0.00	\$0.00
New				
Expense Accounts Total			\$0.00	\$0.00
Reserve Accounts Net			\$36,000.00	\$30,800.00

**RESOLUTION OF THE BOARD OF DIRECTORS OF
Heritage Greens Paired Homes Homeowners' Association, Inc (the "Association")**

WHEREAS, Association is a residential community organized under Wisconsin Statutes Chapter 181 and operates pursuant to its governing documents, including its Declaration, Bylaws, Rules and Regulations (the "**Governing Documents**") and Wisconsin law;

WHEREAS, Association acts by and through its Board of Directors (the "**Board**"), who are authorized and empowered to enforce the covenants, conditions, restrictions and regulations contained within the Governing Documents; and

WHEREAS, the Governing Documents and Wisconsin Law specifically authorize and empower the Association and its Board to levy and collect assessments from the members of the Association; and

WHEREAS, in order to ensure that all assessments levied by the Association are paid timely, which is necessary for funding the operations and administration of the common interest community, the Board believes it to be in the best interest of the Association to adopt a uniform collection policy to facilitate the collection of past due assessments and ensure all homeowners are held to the same standards and obligations.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors acting on behalf of the Association hereby adopts the following written resolutions, as the Association's Collection Policy, effective as of the date signed below:

1. Association annual assessments are payable in monthly installments on or before the 1st of each month and considered delinquent thereafter. Special assessments or any other assessments are due when provided in the notice, or within thirty (30) days if no due date is specified.

2. Annual assessment installments not received by the twenty-fifth (25th) day of the month, including late fees, fines, attorneys' fees, or any other type of assessment allowed under the Association's Governing Documents, will incur a late fee in the amount of fifteen percent (15%) of the amount past due, or any other amount as approved by the Board, consistent with the Association Governing Documents. Any assessment or installment of an assessment that is not fully paid by its due date shall be delinquent.

3. All payments made to an account are applied to the oldest amounts owed and late fees will continue to accrue each month until the account is paid in full and there are no delinquent payments.

4. The Association may levy a reasonable fee, as allowed by Wisconsin law, for any check returned to the Association marked "not sufficient funds" or the equivalent.

5. Accounts more than thirty (30) days delinquent will be sent a notice from the Association's management company.

6. In the event of default of more than thirty (30) days in the payment of any Assessment or installment thereof, if permitted by the Association's governing documents, the Association may accelerate and declare due all delinquent assessments or installments thereof.

7. If required by the Association's Governing Documents, notice of the delinquency and Association lien rights will be provided to the homeowner and/or a statement of lien. If not required by the Governing Documents, this step will be considered optional, and undertaken at the discretion of the Board.

8. Accounts more than ninety (90) days delinquent will be turned over to an attorney for collections and a thirty-day demand letter.

9. Accounts more than one-hundred twenty (120) days delinquent, will be reviewed for the best collection options and upon the advice of the attorney, the Association may avail itself of any remedies allowed pursuant to its Governing Documents or Wisconsin law for collection of past due assessments. This includes, but is not limited, to recording a lien or suing the delinquent homeowner. The Association may also initiate a judicial foreclosure action by serving a summons and complaint.

10. Once a foreclosure has been initiated, the Association may refuse partial payments and require payment be made in full, as allowed by Wisconsin law.

11. Notwithstanding anything herein to the contrary, the Association reserves the right to immediately refer an account to collections in cases where: (1) the owner files for bankruptcy, or (2) the property is involved in a pending foreclosure action.

12. If an owner requests a payment plan and the Board of Directors approves it, then unless otherwise agreed in writing between the owner and the Board, late fees will continue to accrue until the account is paid in full and any legal fees or management company charges related to monitoring the payment plan will continue to be assessed back to the delinquent owner's unit. If as part of a payment plan late fees are waived, then in the event an owner defaults on a payment plan, then the Board of Directors may retroactively assess any late fees that would have normally occurred on the past-due balance during the plan and assess future late fees on the past-due balance as long as the account remains delinquent.

13. All costs incurred by the Association related to collection of past due assessments, including but not limited to, obtaining title work or recording costs, returned (NSF) fees, delinquent notice letters, legal processing fees, payment plan letters, determining equity in the Unit and advising the Association on collection strategies, and any related administrative fees charged by the Association's management company related to collection accounts, and attorneys' fees incurred by the Association, shall be assessed back to the responsible Unit and be added to the lien amount as allowed the Declaration and/or Wisconsin law.


14. This Collection Policy is in addition to and does not detract from the rights of the Association to collect assessments under its Governing Documents and Wisconsin law. In no

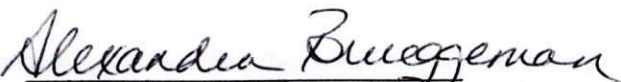
event shall this Collection Policy be construed as a waiver or limitation of any rights or remedies of the Association.


15. In the event of that any provision in this Collection Policy conflicts with the Governing Documents or applicable Wisconsin law, then the Governing Documents and/or applicable Wisconsin law shall control.

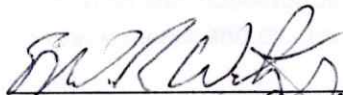
The foregoing resolutions deemed the "Collection Policy" are hereby approved by the Board of Directors in accordance with the Association's Governing Documents and Wisconsin law, effective as of November 1st, 2022.

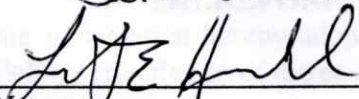
BOARD OF DIRECTORS:


Name: ALAN DOERER


Name: ALEXANDRA BRUEGGEMAN


Name: Sara Wenzel


Name: MARK R. WATSON


Name: LAYTON E. HANDAHL