
RESOLUTION OF STONEYBROOK WESTMASTER ASSOCIATION,
INC. TO STAGGER RESALE CAPITAL CONTRIBUTION WHERE
FIRST MORTGAGE LENDERS HAVE FAILED TO CONCLUDE THEIR
FORECLOSURE ACTIONS WITHIN TWELVE (12) MONTHS OF THE
HOMEOWNER'S DEFAULT (CLARIFICATION)

BACKGROUND

- A. The Declaration of Covenants, Conditions and Restrictions for Stoneybrook West (the "Declaration") was recorded in the Official Records of Orange County, Florida at O.R. Book 6063, Pages 2708, *et seq.*;
- B. The Declaration authorizes Stoneybrook West Master Association, Inc. (the "Association") to establish and collect a Resale Capital Contribution ("RCC") upon every conveyance of an ownership interest in a Lot, Living Unit, Tract or Parcel by a Member other than the Declarant or a Developer, and further authorizes the Board of Directors for the Association from time to time to evaluate and determine the amount of that RCC;
- C. The Board of Directors previously determined that -- in light of the changes enacted to Chapter 720, *Florida Statutes*, that could be construed to cap the liability to the Association of foreclosing first mortgage lenders to the lesser of 12 months' worth of assessments or 1% of the original mortgage debt, and the prevailing market environment wherein many first mortgage lenders were electing not to proceed promptly in foreclosing on mortgages in default -- it benefitted the interests of the Association and its members, and yet was fair to the interests of those first mortgage lenders which did proceed promptly in foreclosing on mortgages in default -- to increase the amount of the RCC to \$4,000.00 in those cases where the first mortgage lender had taken in excess of twelve (12) months from the date of the homeowner's default to conclude its foreclosure action against the affected property. By Resolution enacted and made effective July 14, 2008, the Board of Directors enacted that RCC increase for that limited category of foreclosed properties;
- D. It had come to the attention of the Board in April 2010 that, in rare cases, some homeowners in foreclosure have been keeping their Association accounts current notwithstanding the pendency of the mortgage foreclosure action; the Board applauds and appreciates that extraordinary effort and wishes to encourage other similarly situated homeowners to do likewise; hence, the Board of Directors wished to revisit and revise its July 2008 RCC Resolution;
- E. Accordingly, on April 26, 2010, the Board published by Resolution, as prescribed by Article V, Section 5.7 of the Declaration, its determination to stagger the amount of the RCC to be collected in those cases where the first mortgage lender has taken in excess of twelve (12) months from the date of the homeowner's default to conclude its foreclosure action against the affected property;

F. However, it was subsequently realized that the Board's April 26, 2010 Resolution was ambiguous and capable of conflicting interpretations; and

G. The Board wishes to clarify and affirm its intent as expressed in its April 26, 2010 Resolution;

NOW, THEREFORE, BE IT RESOLVED, effective as of the 26th day of April, 2010, by the Board as follows:

1. Whenever a first mortgage lender has taken in excess of twelve (12) months from the date of the homeowner's mortgage default to conclude its foreclosure action against the affected property, the RCC shall be assessed in a staggered manner, as follows:

a. in those cases where the homeowner has kept current on all Association account liabilities from the commencement of the foreclosure proceedings against the homeowner's property through the date of the homeowner's sale of the property to a third party purchaser in an arm's length transaction, the RCC shall be reduced to \$1,000.00;

b. in all other cases, the RCC shall remain \$4,000.00.

2. Notice of this Resale Capital Contribution Resolution shall be published on Association's web site, ~~the Association's community cable channel~~, and on the front door of the community's Town Center. *JM 0.5*

ATTEST: STONEYBROOK WEST MASTER ASSOCIATION, INC.

Secretary's signature _____

Print name _____

President's signature _____

Print name _____