

**Resolution
of the
Eagleridge Estates Homeowners Association of Pueblo Inc.
Regarding Policy and Procedure for Payment and Collection of Assessments**

Subject: The following procedures have been adopted by the Board of Directors of the **Eagleridge Estates Homeowners Association Inc.** ("Association") pursuant to C.R.S. 38-33.3-209.5 (Responsible Governance Policies) and 38-33.3-316 (Lien for Assessments) of the Colorado Common Interest Ownership Act (CCIOA).

Purpose: To establish a uniform and systematic procedure for collecting assessments and other charges of the Association, thus ensuring the financial well-being of the Association.

Collection Policy: All members are obligated by the Declaration of Covenants, Conditions and Restrictions for the Eagleridge Estates Homeowners Association ("Declarations") to pay all dues and assessments in a timely manner. Failure to do so jeopardizes the Association's ability to pay its bills. Failure of members to pay assessments in a timely manner is also unfair to those Members who do pay in a timely basis. Accordingly, the Association, acting through the Board of Directors must take steps to ensure timely payment of assessments.

NOW, THEREFORE, IT IS RESOLVED that the Association hereby adopts the following procedures and policy for collection of assessments and other charges of the Association.

1. **Due Dates:** The Annual Assessments, as determined by the Association and as allowed for in the Declarations, shall be paid in one annual installment due on the 1st day of February. Special Assessments, Supplemental Assessments or other charges may be assessed, or made from time to time, by the Association, in accordance with the Declarations, and are due and payable as specified in the Resolution authorizing such Assessments or charges. All Assessments, or other charges, not paid to the Association when due shall be considered past due. All Assessments, or other charges, not paid to the Association when due shall be considered to be delinquent thirty (30) days after the due date.

2. **Late Fees and Interest:** The Association shall impose a late fee of twenty dollars (\$20.00) on any Assessment, or other charge, not paid within thirty (30) days of the due date. Additionally, any Assessment, or other charge, not paid within thirty (30) days after the due date shall bear interest, from the due date, at the rate of twelve percent (12%) per annum. All such fees and interest shall be due and payable immediately, in the same manner provided for payment of Assessments.

3. **Return Check Charge:** A twenty-five dollar (\$25.00) fee shall be charged against an Owner in the event that any check or other instrument attributable to, or payable for, the benefit of such Owner is not honored by the bank for any reason, whatsoever, including but not limited to, insufficient funds. Such amount shall be in addition to any charges made by the bank because of the dishonored check. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable Colorado Law. If two, or more, of an Owner's checks are returned unpaid by the bank within any twelve (12) month period, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check, or money order.

4. **Legal Fees on Delinquent Accounts:** The Association shall be entitled to recover its reasonable legal fees and collection costs incurred in the collection of assessments, or other charges, due the Association from a delinquent Owner.

5. **Notice of Delinquency:** After any Assessment, or installment, thereof, owed to the Association becomes thirty (30) days past due, the Association shall cause a Notice of Delinquency to be sent to the Owner who is delinquent in payment. The notice shall specify: 1) the fact the Assessment is delinquent; 2) the action required to cure the delinquency; 3) a date, not less than ten (10) days from the date the notice is mailed, by which a delinquency must be cured; 4) that a failure to cure the delinquency, or to enter into an Installment Payment Plan, on or before such date, may result in a lawsuit filed against the owner, the filing of a lien for the Assessments and charges against the Owner's property, and the filing of a lawsuit for the foreclosure of the lien.

6. **Cure Date:** The delinquency must be cured **on or before thirty (30) days after the date on the Notice of Delinquency.**

7. **Payment Plan:** If the Owner does not cure the delinquency on or before thirty (30) days after the date on the Notice of Delinquency, pursuant to Section 38-33.3-316.3 (CCIOA), a Delinquent Owner has the option of entering into a written Installment Payment Plan acceptable to the Association, on or before thirty (30) days after the date on the Notice of Delinquency. The Installment Payment Plan permits the Owner to pay off the Delinquency amount, including a reasonable Administrative Fee, in equal installments over a period of at least six (6) months, in addition the Owner must remain current with Regular, Special or Supplemental Assessments, as they come due over the period of the Installment Payment Plan.

The Association is not obligated to negotiate an Installment Payment Plan if: 1) the Owner has previously entered into a payment plan and has failed to comply with the terms of that payment plan; 2) the Owner does not occupy the unit and the Owner acquired the unit as a result of a default of a security interest encumbering the unit, or the Owner acquired the unit as a result of a foreclosure of the Association's lien on the unit.

To obtain a copy of the unit account ledger and to enter into an Installment Payment Plan, please contact: Ted Lopez, c/o Ahora Tax & Bookkeeping, 207 W. Northern Avenue, Pueblo, CO 81004-3107. Telephone: (719)543-8921; E-mail: tlopez@coyotenet.net

6. **Application of Payments Made to the Association:** The Association reserves the right to apply all payments received on the account of any Owner: first, to payment of any and all legal fees and costs, (including attorney's fees); second, to expenses of enforcement and collection, late charges, returned check charges, lien fees and other costs owing, or incurred, with respect to such Owner; and third, any remaining amounts shall be applied to the Assessments due with respect to such Owner.

7. **Liens:** 1) If payment in full of any Assessment, or other charge, is not received within thirty (30) days after mailing of the Notice of Delinquency and 2) the balance of the Assessments and charges secured by its lien equals or exceeds six (6) months of common expense Assessments based on a periodic Budget adopted by the Association and 3) the Board of Directors has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific unit on an individual basis, then the Association may cause to be filed a lien against the property of the delinquent Owner. The lien shall include Assessments, fees, charges, late charges, legal fees, fines and interest owed by the delinquent Owner.

8. **Referral of Delinquent Accounts to Attorneys or to Collection Agencies:** This Collections Policy meets the requirements of Section 38-33.3-209.5(5) of CCIOA. Nothing in this Collections Policy prohibits the Association from pursuing legal action against a unit owner if the unit owner fails to comply with the terms of his or her Installment Payment Plan. A unit owner's failure to remit payment of an agreed-upon installment, or to remain current with regular assessments, as they come due during the six-month period, constitutes a failure to comply with the terms of his or her Installment Payment Plan. For purposes of this section, "assessments" includes Regular, Special, Supplemental Assessments and any associated fees, charges, late charges, attorney fees, fines and interest charged pursuant to Section 38-33.3-315(2) of CCIOA.

If the Delinquency is not cured by payment in full to the Association within thirty (30) days after mailing of the Notice of Delinquency, the Association may, but shall not be required to refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate actions to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. All installment payment plans involving accounts referred to an Attorney for collection shall be set up and monitored through the attorney. After consultation with the Board of Directors, the attorneys shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Owner's property.

11. **Waivers:** Nothing in this policy shall require the Association to take specific actions other than to notify Owners of the adoption of this Policy. The Association has the option and right to continue to evaluate each delinquency on a case by case basis. The Association may grant a waiver of any provision, herein, upon petition, in writing, by an Owner showing personal hardship. Such relief granted an Owner shall be appropriately documented in the files and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of liens and lawsuits, or to otherwise modify the procedures contained herein, as the Association shall deem appropriate under the circumstances.

10. **Order of Remedies:** The Association may pursue any actions or remedies, including an owner's delinquent account turned over to a collection agency, a lawsuit being filed against the owner, the filing of actions for personal judgement, receivership, the filing and foreclosure of a lien against the unit owner's property, or other remedies available under Colorado Law to collect amounts owed.

11. **Delinquencies Constitute Covenant Violations:** Any delinquency in the payment of Assessments, or other charges, shall constitute a violation of the Covenants contained in the Declarations, and the Association shall be entitled to impose sanctions on the Delinquent Owner consistent with the Association's Enforcement Policy, including suspending an Owner's right to vote on Association matters.

By:  President,
Eagleridge Estates Homeowners Association Inc., a Colorado Non-Profit Corporation

This Collection Policy was adopted by the Board of Directors on the 22nd day of April, 2014, and is attested to by the Secretary of the **Eagleridge Estates Homeowners Association, Inc.**

Secretary

