

AMENDED RESOLUTION

EAGLERIDGE ESTATES HOMEOWNERS ASSOCIATION OF PUEBLO, INC. POLICY & PROCEDURES - PAYMENT & COLLECTION OF MEMBER ASSESSMENTS & CHARGES

The following policy & procedures have been adopted by Eagleridge Estates Homeowners Association of Pueblo, 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 policy and procedures for collecting assessments and other charges from Association Members (“Members”) in a timely manner, as mandated by the Declaration of Covenants, Conditions and Restrictions of the Association (hereinafter “Declaration”), thus helping to insure the financial well-being of the Association and equitable treatment of all Members.

NOW, THEREFORE, IT IS RESOLVED that the Association hereby adopts the following policy and procedures regarding payment by, and collection from all Members of assessments and other charges, which shall remain in effect until otherwise rescinded, modified or amended by a majority of the board of directors.

1. Due Dates: Annual assessments shall be paid in one annual payment, are due on the first day of January in the calendar year for which the assessment is made, and are delinquent after the first day of the following month (February 1st).

Special assessments, supplemental assessments and other charges may be assessed or billed from time to time by the Association, and are due and payable as specified in the resolution authorizing such assessment or charges or, barring specification of a due date, are due on the assessment or billing date and delinquent thirty (30) days after the assessment or billing date.

2. Late Fees: The Association shall impose a late fee in the amount of twenty dollars (\$20.00) quarterly on Members with any delinquent account balance due the Association as of March 1st, June 1st, September 1st and December 1st of each year. The purpose of the late fee is to reimburse the Association for costs related to collection of delinquent annual assessments, special assessments, supplemental assessments and other charges, including delinquent late fees and interest, not paid by their due dates. All late fees are due and payable immediately upon billing by the Association.

3. Demand Fees: The Association shall, in its sole discretion, but only after a minimum of two (2) consecutive late fees have been charged to Member, issue a demand payment notice and impose a demand fee in the amount of fifty dollars (\$50.00) on Members. All demand fees are due and payable immediately upon billing by the Association.

4. Returned Payment Fees: The Association shall impose a returned payment fee on Member to reimburse it for costs related to Member's manual or electronic check ("Member's Check") payment returned by payor financial institution, for lack of funds or for any other reason. The amount of said costs and, hence, the amount of returned payment fees billed to a Member, are specified as the sum of costs billed by the Association's financial institution to the Association for the returned Member's Check and the costs billed by the Association's management company to the Association for processing the returned Member's Check. All returned payment fees are due and payable immediately upon billing by the Association to Member. Notwithstanding this provision, the Association is entitled to all additional remedies provided by applicable Colorado law. If two or more of a Member's Checks are returned unpaid by a financial institution within any twelve (12) month period, the Association may require all of a Member's future payments, for a period of one (1) year, be made by certified or bank check.
5. Interest on Delinquent Balances: Any assessment, charge, late fee and/or demand fee not paid within thirty (30) days after its due date shall bear interest from the due date at the rate of twelve (12) percent per annum. All interest on delinquent balances is due and payable immediately upon billing by the Association and is, itself, subject to interest if delinquent.
6. Legal Fees: The Association shall be entitled to recover from a Member its reasonable legal fees and collection costs incurred in the collection of assessments and other charges from said Member.
7. Notice of Delinquency: After any assessment or other charge owed to the Association becomes past due, the Association shall cause a Notice of Delinquency to be sent to the Member who is delinquent in payment ("Delinquent Member"). The notice shall specify: 1) the fact the Assessment or other charge 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; and 4) a failure to cure the delinquency, or to enter into an installment agreement plan agreeable to the Association, may result in a collection lawsuit being filed against the Delinquent Member, the filing of a lien for the delinquent balance and related charges against the Delinquent Member's property, and filing of a lawsuit for the foreclosure of the lien.
8. Cure Date: To insure no further action by Association against Delinquent Member, any payment delinquency must either: 1) be cured on or before thirty (30) days after the date of a Notice of Delinquency or 2) Delinquent Member must enter into a Payment Plan with Association on or before thirty (30) days after the date of a Notice of Delinquency.
9. Payment Plan: Pursuant to Section 38-33.3-316.3 (CCIOA), a Delinquent Member has the option of entering into a written Installment Payment Plan acceptable to the Association, as long as the Payment Plan is agreed to by all parties on a timely basis per paragraph 7. above. The Installment Payment Plan permits the Delinquent Member to pay off the payment delinquency, including a reasonable administrative fee, in equal installments over a period of at least six (6) months. Delinquent

Member must remain current in all Regular and Special assessments, and other charges as they become due during the Installment Payment Plan period.

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

10. Application of Payments: The Association reserves the right to apply all payments received on the account of any Member: 1) first, to payment of any and all legal fees and costs; 2) second, to expenses of enforcement and collection, late charges, returned payment fees, lien fees and other costs owing, or incurred, with respect to such Member; and 3) third, any remaining amounts shall be applied to the assessments and other charges due with respect to such Member.

11. Liens: If: 1) 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 property on an individual basis, then the Association may cause to be filed a lien against the property of the Delinquent Member. The lien shall include assessments, fees, charges, late charges, legal fees, fines and interest owed by the Delinquent Member.

12. Referral of Delinquent Accounts to Attorneys or Collection Agencies: This Policy meets the requirements of Section 38-33.3-209.5(5) of CCIOA. Nothing in this Policy prohibits the Association from pursuing legal action against a Delinquent Member if the Member fails to comply with the terms of his or her Installment Payment Plan. A Delinquent Member's failure to remit payment of an agreed-upon installment, or to remain current with assessments, as they come due during the installment 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, and 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 attorney for collection. Upon referral to the attorney, the attorney 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 attorney shall be

entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the Delinquent Member's property.

13. Waivers. Nothing in this policy shall require the Association to take specific actions other than to notify Members 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, and the conditions of the relief, shall be appropriately documented in the Association's records. 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.

14. Nature and Order of Remedies: The Association may pursue any actions or remedies available at law, in equity, and under applicable statute, in addition to those specified in the Association's formation and other legal documents, to collect amounts owed from Members. The Association is not restricted in its right to apply said actions and remedies in whatever order the Association chooses, as long as such actions and remedies are applied in accordance with applicable law, statutes, and Association documents.

15. 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 Member consistent with the Association's Enforcement Policy, including suspending a Member's right to vote on Association matters.

Eagleridge Estates Homeowners Association of Colorado, Inc.
a Colorado non-profit corporation

By: _____
President

This Amended Payment & Collection of Member Assessments & Charges Policy & Procedures was adopted by the Board of Directors on the 4th day of February, 2021, effective the 5th day of February, 2021, and is attested to by a Board Member of Eagleridge Estates Homeowners Association of Pueblo, Inc.

By: Pending Signature
Vice President