

PEAK EIGHT VILLAGE CONDOMINIUMS

Formerly known as GOLD CAMP CONDOMINIUMS

COLLECTION POLICY

Adopted Sept. 23, 2014

The following procedures have been adopted by the Peak Eight Village Condominiums, Inc. ("Association") pursuant the provisions of C.R.S. 38-33.3-209.5, at a special meeting of the Board of Directors.

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 Philosophy: All Members are obligated by the Declaration of Covenants, Conditions, Restrictions and Easements for Peak Eight Village Condominiums ("Declaration") 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 its other Members who do pay. 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 does hereby adopt the following procedures and policies for the collection of assessments and other charges of the Association:

1. **Due Dates.** The annual assessment as determined by the Association shall be due and payable monthly in equal installments due on the first day of each month. The Board shall determine when special assessments will be due, at the time a special assessment is adopted. Installments of annual assessments not received by the Association by the 20th day of the month in which they are due shall be considered past due and delinquent. Installments of special assessments not received by the Association within 10 calendar days after the due date specified in the special assessment shall be considered past due and delinquent.
2. **Special Assessments.** For each special assessment, the Board shall determine whether it is due in full or in installments, the amount of the installments and the due date of each installment.
3. **Late Charges and Interest Charges.** The Association shall be entitled to impose a late charge equal to one and one-half percent (1.5%) per month of the outstanding balance of due and delinquent installments of regular assessments. The late charge on any special assessment shall be determined when the special assessment is adopted. All late charges shall be due and payable immediately, without notice, in the manner provided for payment of installments, assessments or other charges.
4. **Return Check Charges.** A fee of twenty five dollar (\$25.00) or the actual amount charged by the Association's bank, whichever is greater, shall be assessed against a

Member in the event any check or other instrument attributable to or payable for the benefit of such Member is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of a Member's checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the Member's future payments, for a period of one year, be made by certified check or money order.

5. **Attorney Fees on Delinquent Accounts.** The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of any installment, assessment or other charge due to the Association from a delinquent Member.
6. **Application for Payments made to the Association.** The Association reserves the right to apply all payments received on account of any Member first to payment of any and all legal fees and costs (including attorney fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing to the Association and then to the installment, assessment or other charge due, with respect to such Member.
7. **Collection Letters.**
 - a. After an installment, assessment or other charge owed to the Association become sixty (60) days past due, the Association's accountant, managing agent or other party designated by the Association may, but shall not be required to, call the Member to discuss payment of the delinquent amounts.
 - b. After an installment, assessment or other charge owed to the Association becomes ninety (90) days past due, the Association shall cause a written notice of delinquency to be sent to the Member who is delinquent in payment, reminding the Member that payment should be made within 10 days after the date of the notice to avoid further action by the Association, including the filing of a lien.
 - c. If payment in full is not received within ten (10) days after the date of the notice of delinquency, the Association may, but shall not be required to, file a lien, turn the account over to an attorney, turn the account over to a collection agency, or take any other actions to collect the delinquent amount.
 - d. The notice of delinquency shall contain (i) the total amount due, with an accounting of how the total was determined; (ii) whether the opportunity to enter into a payment plan exists pursuant to Section 13 and instructions for contacting the entity to enter into such a payment plan; (iii) the name and contact information for the individual the owner may contact to request a copy of the owner's ledger in order to verify the amount of the debt; and (iv) that action is required to cure the delinquency and that failure to do so within thirty day may result in the owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the owner, the filing and foreclosure of a lien against the owner's Unit or other remedies available under Colorado law.
8. **Liens.** After the Association has sent a notice of delinquency and after a Member's failure to pay any installment, assessment or other charge, the Association may, but shall not be required to, cause to be filed a notice of lien against the property of the

delinquent Member. The lien shall include the installment, assessment, other charge, fees, charges, late charges, attorney fees, fines and interest owed by the delinquent Member. The Association shall mail a copy of the lien to the Member when it is recorded in the real estate records. The Association's decision not to file a lien shall not be a waiver of its right to do so at a later date.

9. **Referral of Delinquent Accounts to Attorneys.** After the Association has sent a 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 action to collect the accounts referred authorized by the Board of Directors. All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney or the managing agent as the Board determines. After the Board of Directors have resolved, by a recorded affirmative vote, to authorize the filing of legal action, the attorneys shall be entitled to exercise all available remedies to collect amounts due, including suing for the amount owed, judicial foreclosure and appointment of a receiver of the delinquent Member's property. Provided, however, the amount of delinquent assessments must equal or exceed six months of the regular assessments before the assessment lien may be foreclosed.
10. **Referral of Delinquent Accounts to Collection Agencies.** After the Association has sent a notice of delinquency, the Association may, but shall not be required to, assign delinquent accounts to one or more collection agencies for collection.
11. **Waivers.** Nothing in this Resolution shall require the Association to take specific actions other than to notify Members of the adoption of these policies and procedures, and the notices set forth in Paragraphs 6 and 7 above. 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 a Member showing a personal hardship. Such relief granted a Member shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances. The extension, modification, forbearance or failure to enforce these Collection Policies shall not be considered a waiver against any specific Member or the Members in general.
12. **Delinquencies Constitute Covenant Violations.** Any delinquency in the payment of any installment, assessment or other charge shall constitute a violation of the covenants contained in the Declaration, and following the Notice and Hearing and Enforcement Policy and Procedures, the Association shall be entitled to impose non-monetary sanctions on the delinquent Member consistent with the Association's rights under the Declaration, including, but not limited to shutting off the water supply, utilities or other benefits provided by the Association to a Unit. The Notice, Hearing and Enforcement Policy shall only apply to actions taken under this Section 12 and shall not apply to the monetary collection of any installment, assessments or other charges under any other sections of this Policy.

13. **Repayment Plan for Delinquent Owner.** In the event an owner remains delinquent for more than six months and the Board of Directors has authorized the Association's lien to be foreclosed, the Association, by its Managing Agent, attorney, Board member or other designated individual shall first make a good faith effort to coordinate with the delinquent owner to set up a payment plan pursuant to the requirements set forth in this Section; provided, however, this Section shall not apply if the owner does not occupy the Unit, or the owner acquired the Unit as the result of a foreclosure, or if the owner has previously entered into a Payment Plan within the last five (5) years. The Payment Plan must permit the owner to pay off the deficiency in equal installments over a period of at least six months, in addition to paying the regular assessments each month. If the owner fails to comply with the terms of the Payment Plan or to pay the regular assessments as they come due, the Association may then pursue all legal remedies available to the Association.
14. **Other sanctions.** A Member who owe any installment, dues, assessment or other charge which is more than 30 days past due is not eligible to serve on the Board of Directors or vote at any Member's meeting or Board meeting.

Peak Eight Village Condominiums, Inc.

By: *Patricia Spears*
President

Attest

Martem Wiles
Secretary