

REVISED

**PARK VIEW HIGHLANDS HOMEOWNERS ASSOCIATION INC.
RESOLUTION REGARDING COLLECTION OF UNPAID ASSESSMENTS**

WHEREAS, WHEREAS, The Board of Directors of Park View Highlands Homeowners Association, Inc. is empowered to govern the affairs of the Association pursuant to Article IV Section 1 of the Bylaws;

WHEREAS, The Association must have the financial ability to discharge its responsibilities.

WHEREAS, The Board of Directors of the Association ("Board") is required to pursue collection of assessments and other charges from owners.

WHEREAS, The Board desires to adopt a uniform and systematic procedure to collect assessments and other charges of the Association.

NOW, THEREFORE, BE IT RESOLVED that the Board does hereby adopt the following procedures and policies for the collection of assessments and other charges of the Association:

1. Due Date. The annual assessment as determined by the Board and as allowed for in the Declaration and Colorado statutes shall be due and payable in two installments due on the first day January and July of each year. Assessments or other charges not paid to the Association by the end of January and July shall be considered past due and delinquent.

2. Late Charge. A monthly assessment shall be past due and delinquent if not paid by the end of January and July.
The Board shall assess to the account a Late Charge of \$25.00 for that month's assessment and each succeeding month until paid.
In addition, at 60 days delinquent, interest at 21% per annum will be charged on any outstanding balance.

3. Return Check Charges. In addition to any and all charges imposed under the Declaration, Colorado statutes, or this resolution, a twenty-five dollars (\$25.00) fee to be paid to the management company or other amount deemed appropriate by the Board shall be assessed against an owner in the event any check or other instrument attributable to or payable for the benefit of such owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the owner(s) of the property for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Colorado statutes, Rules and Regulations or this Resolution.

4. Attorney Fees on Delinquent Accounts. As an additional expense permitted under the Declaration and Colorado statutes, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent owner. The reasonable attorney fees

incurred by the Association shall be due and payable immediately when incurred, upon demand.

5. Collection Letters.

- (a) After an assessment, or other charge due the Association becomes 30 days past due, a "late notice" will be mailed to the property owner who is delinquent in payment.
- (b) If payment in full is not received within 60 days a "first warning letter" will be mailed to the property owner who is delinquent in payment.
- (c) If payment is not received within 90 days, a "second warning letter" including "Notice of intent to create a lien" if acceptable arrangements for payment are not made will be mailed to the property owner who is delinquent in payment.
- (d) If payment, or arrangement for payment, is not received within 10 days of mailing the "Notice of intent to create a lien letter", the account will be sent to the Association's attorney for further collection.

6. Application of Payments: Any payment received will apply first to attorney fees, interest, NSF fees and collection costs, then to fines or penalties, then to the assessments and special assessments from oldest to newest. The Board of Directors will utilize, at its discretion, all methods available in the Association governing documents and at law to collect past-due accounts on behalf of the Association.

7. Referral of Delinquent Accounts to Attorneys. The Board 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 action to collect the accounts referred, including recording of a Notice of Assessment Lien against the property. 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 payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney.

8. Referral of Delinquent Accounts to Collection Agencies. The Board may, but shall not be required to refer delinquent accounts to one or more collection agencies for collection. Upon referral to a collection agency, the agency shall take all appropriate action to collect the accounts referred.

9. Appointment of a Receiver. The Board may seek the appointment of a receiver if an owner becomes delinquent in the payment of assessments. A receiver is a disinterested person, appointed by the court that manages the rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for the Association is to: obtain payment of current assessments, reduce past due assessments; and prevent the waste and deterioration of the property.

10. Judicial Foreclosure. The Board may choose to foreclose on the Association's lien in lieu of or in addition to suing an owner in county court for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a

money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action.

11. Waivers. The Board may grant a waiver of any provision herein upon petition in writing by an owner showing a personal hardship. Such relief granted an owner 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 Board is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Board shall determine appropriate under the circumstances.
12. ****Notification to Owners. The Board shall cause all owners who become delinquent in the payment of assessments by thirty days to be notified of the late charges, returned check charge, interest and attorney fees. All policies and procedures set forth in this Resolution shall be effective immediately.
13. Ongoing Evaluation. Nothing in this Resolution shall require the Board to take specific actions other than to notify homeowners of the adoption of these policies and procedures. The Board has the option and right to continue to evaluate each delinquency on a case-by-case basis.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Park View Highlands Homeowners Association, Inc., a Colorado non-profit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on, Sept 21, 2005 and in witness thereof, the undersigned has subscribed his/her name.

PARK VIEW HIGHLANDS HOMEOWNERS ASSOCIATION INC.
a Colorado non-profit corporation

By:



President

**PARK VIEW HIGHLANDS HOMEOWNERS ASSOCIATION
RESOLUTION UPDATING COLLECTION POLICY**

WHEREAS, the Board of Directors of Park View Highlands Homeowners Association, Inc. wishes to comply with HB 13-1276 concerning required provisions of collection policies of homeowner associations, and given the powers granted to it by the Declaration of Covenants and Bylaws,

NOW THEREFORE be it resolved that the Association's collection policy adopted September 21, 2005 (copy attached hereto) is amended in the following particulars, which shall supercede and control over anything in the 2005 policy to the contrary. The unaffected provisions of the 2005 policy shall remain in full force and effect.

1. Delinquent Assessments: Paragraph 5(a) of the 2005 collection policy is modified to require that the first "late notice" to a delinquent owner shall include the following:
 - a. The total amount of the arrearage, with an accounting of how that was determined;
 - b. The option for the owner to repay the arrearage over the next six months in six equal installments, and instructions for contacting the association to enter into such a repayment plan;
 - c. The name and contact information for the individual the owner may contact to request a copy of the owner's ledger to verify the amount due; and
 - d. That action is required to cure the delinquency and failure to do so within 30 days may result in the 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 property, and other remedies available under Colorado law.

"Assessments" includes regular and special assessments, and any associated fees, charges, late charges, attorney fees, fines, and interest charged pursuant to CRS §38-33.3-315(2).

2. Repayment Plan: Any repayment plan negotiated between the association and an owner must allow the owner to pay off the deficiency in equal installments over a period of at least six months. A failure of the owner to comply with the repayment plan, or to remain current with regular assessments as they become due during this six-month period, constitutes a failure to comply with the terms of the repayment plan, and shall permit the association to take any collection action allowed by law.

This repayment plan provision does not apply to any lenders who take title as a result of a default on a mortgage, or to any owner who does not occupy the property and has acquired title as a result of a default of a security interest encumbering the unit or foreclosure of the association's lien. Nor does this repayment plan provision obligate the association to re-negotiate an existing repayment plan entered into under this section.

3. Foreclosure: Paragraph 10 of the 2005 collection policy is modified to require that the association may not foreclose on any property for unpaid assessments unless the total amount owed is equal to or exceeds six months of common expenses assessments based on a periodic budget adopted by the association. Further, prior to filing a foreclosure action, the board of directors must specifically vote to authorize such foreclosure against that particular property, on an individual basis, and a record of that vote must be kept. The board may not delegate its duty under this section to any other person or entity.

4. Application to Third-Party Holders or Assignees of the Association's Debt: This collection policy, as amended, applies to all third-party holders or assignees of the Association's debt.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of the Park View Highlands Homeowners Association, Inc., certifies that the foregoing resolution was adopted by the Board of Directors at a duly called and held meeting of the Board on November 19, 2013.

PARK VIEW HIGHLANDS HOMEOWNERS ASSOCIATION, INC.

By Cynthia A. Clark.
President