

Park River West Condominium Association, Inc.
Policy for the Collection of Unpaid Assessments

Adopted 21 January, 2018

The following policies and procedures (“Policy”) governing Collection of Unpaid Assessments have been adopted by the Park River West Condominium Association, Inc. (“Association”) pursuant to C.R.S. 38-33.3-209.5 at a meeting of the Board of Directors.

1. ASSESSMENT

The Common Expense Assessment (as defined in the Declaration) is assessed annually; and, it is payable quarterly (unless otherwise determined by the Board) on the first day of January of each year and on the first day of each subsequent calendar quarter. Notices of the amount of the Common Expense Assessment and the payment due will be sent to all the Unit Owners as set out in the Declaration. The Common Expense Assessment is currently \$2580 per Unit if paid annually or \$645 per unit if paid quarterly.

2. PAYMENT AND DELINQUENCY

a. When Delinquent. If a Common Expense Assessment (“assessment”) is paid after January 1, but on or before January 30 of the current year, it is not considered delinquent. But, the full amount of at least the quarterly Common Expense Assessment, currently \$645, must be paid. If payment of the Common Expense Assessment is not received by the Association by January 15 of the current year or by the 15th day of any quarter for quarterly payments, the Treasurer of the Association may send a duplicate invoice before the 30th day to encourage a Unit Owner to make payment before Late Fees, Collection Fees and default interest are assessed against a Unit Owner.

b. Fees and Interest. In the event a Common Expense Assessment has not been paid by January 30 of the current year, or within 30 days of the first day of any subsequent quarter, the assessment shall be considered delinquent and the Unit Owner shall be considered to be in default. In the event a Unit Owner is in default in the payment of any assessment, the Unit Owner will be obligated to pay a Late Fee (the 5% penalty provided in the Declaration), a Collection Fee (the costs, expenses, and attorney fees provided in the Declaration) and default interest at the rate of 15% per annum on the amount of the delinquent assessment commencing ten days subsequent to the due date as provided in the Declaration. Suit against the Unit Owner to recover a money judgment for unpaid assessments may be maintained by the Association without foreclosing any assessment lien, and any such suit shall not be a waiver of the lien.

c. Late Fee. As determined by the Board in conjunction with the adoption of these Rules, the Late Fee shall be \$24.00 for delinquencies incurred before January 1, 2018, and \$32 for delinquencies incurred after January 1, 2018. Each quarterly assessment remaining unpaid on the last day of the quarter shall incur a separate Late Fee. In the event that the quarterly assessment is increased, the Late Penalty shall increase automatically to conform to the Declaration.

d. Collection Fee. The Collection Fee for each late quarterly assessment shall be \$6, plus any costs, expenses, and attorney fees incurred by the Association. Each quarterly assessment remaining unpaid on the last day of the quarter shall incur the Collection Fee.

e. Default Interest. The default interest rate is governed by the Declaration and set by the Declaration at 15% per annum. Interest shall accrue and be due and owing from the Unit Owner on any unpaid amount of the assessment or the Late Fee or Collection Fee until all amounts owed by the Unit Owner are paid in full.

f. Returned Checks. Payment for any Assessment or associated Fee made by check, note or similar financial instrument which is dishonored upon presentment shall be resubmitted to the financial institution once. The Unit Owner will be assessed the costs incurred by the Association upon resubmittal of the instrument or \$35, whichever is greater. A payment instrument submitted which is dishonored upon presentment, but which is later honored after the due date, shall be a delinquent payment; and, fees for a delinquent payment will be assessed.

3. NOTICE OF DELINQUENCY

a. At any time after a delinquency the Board may provide written notice to the Owner at the address of the Unit Owner that has been registered with the Association by ordinary First Class US Mail ("Notice").

b. The Notice shall contain:

1. The delinquency amount together with Late Fees, Collection Fees, and accrued Interest.

2. A statement that the opportunity to enter into a payment plan exists pursuant to section C.R.S. 38-33.3-316.3 and instructions for contacting the Association to enter into such a payment plan;

3. The name and contact information for the Treasurer or other Association officer or agent the Unit Owner may contact to request a copy of the Unit Owner's ledger in order to verify the amount of the debt.

4. A statement that action is required to cure the delinquency and that failure to do so within thirty days may result in the Unit 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 Unit Owner's property, or other remedies available under Colorado law;

5. A statement that payments made which do not cover the entire amount of the delinquency and any new assessments shall be applied first to accrued interest, then to the Late Fee, then to Collection Fee, then to the most recent quarterly Common Interest Assessment, then to other delinquent quarterly Common Interest Assessments until the most recent quarterly Common Interest Assessment, which shall be paid last.

6. A statement that the Association has the following legal remedies available to it: the Association may (i) record a notice of lien amount against the Unit and (ii) pursue any other remedy available under the Declaration or Colorado law, including suit against the Unit Owner and foreclosure of the assessment lien and sale of the Unit. The Unit Owner is liable for all court costs, attorneys' fees or other costs of collection which together with all unpaid assessments, Late Fees, Collection Fees and interest are secured by the Assessment Lien against the Unit Owner and the Owner's Unit. All Unit Owners should be aware that, where enforcement and collection is required, the Unit Owner will be liable for substantial costs and attorney's fees of enforcement.

c. Statutory Payment Plan. The Unit Owner shall have 15 days from the date of the Notice of Delinquency during which to propose a payment plan to the Association or its assignee providing for the payment of all delinquencies, fees, interest and assessments in 6 equal monthly installments over a period of 7 months from the date of the Notice. The President or Treasurer of the Association shall have the authority to negotiate in good faith on behalf of the Association, including proposing further terms and/or accepting the Unit Owner proposal without amendment. No Payment Plan will be negotiated or accepted from any Unit Owner not statutorily entitled to the benefits of section 38-33.3-316.3 C.R.S.

4. NOTICE OF LIEN.

All sums assessed but unpaid which are chargeable to any condominium Unit shall constitute a lien on such Unit ("Assessment Lien"). Prior to the recording of any such Assessment Lien, the Board of Directors shall give written notice to the Unit Owner that such a lien is about to be filed; the amount of the unpaid assessment or assessments, accrued interest and any costs and charges to date, and an interest per diem; and that the Unit Owner has thirty days subsequent to the date of the delivery or mailing of that notice within which to pay the assessment and associated penalties, fees, and costs. The Lien Notice will be deemed to be effective five (5) days from the date of such mailing, irrespective of whether or when the letter is claimed, receipted for or otherwise delivered or received. If the delinquency and associated fees and interest is not cured and paid in full within the thirty (30) day period, the Association may (i) record a notice of lien amount against the Unit and (ii) pursue any other remedy available under the Declaration or Colorado law, including suit against the Unit Owner and foreclosure of the Assessment Lien and sale of the Unit. The Unit Owner is liable for all court costs, attorneys' fees or other costs of collection which together with all unpaid assessments, Late Fees, Collection Fees and interest are secured by the Assessment Lien against the Unit Owner and the Owner's Unit. All Unit Owners should be aware that, where enforcement and collection is required, the Unit Owner will be liable for substantial costs and attorney's fees of enforcement.

5. DECLARATION GOVERNS.

The provisions of the Declarations and Bylaws of the Association are incorporated in this Policy by reference and govern for all purposes when not in conflict with the Colorado Common Interest Ownership Act, as it exists or may be amended, and the Colorado Revised Nonprofit Corporation Act, as it exists or may be amended. This Policy is subordinate to and shall only supplement the Declarations and Bylaws where they are otherwise silent. The provisions of this Policy shall be independent and severable. The declaration of invalidity of any one or more of the Policy provisions by court order or decree shall in no way affect the validity or enforceability of any other provision, which other provisions shall remain in full force and effect.

Park River West Condominium Association, Inc.

By: _____
Judy M. Domina, President

Attest: _____
Mindy Stephens, Secretary

This Collection of Unpaid Assessment Policy was adopted by the Board of Directors at a regular meeting held on the 21st day of January, 2018, and is effective the 21st day of January, 2018, and is attested to by the Secretary of the Park River West Condominium Association, Inc.