

WOODS MANOR CONDOMINIUM ASSOCIATION, INC.

COLLECTION POLICY

Adopted 28, 2012

The following procedures have been adopted by the Woods Manor Condominium Association, 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, whole unit owners and time share owners, are obligated by the Declaration of Covenants, Conditions, Restrictions and Easements for Woods Manor Condominiums ("Declaration") to pay all assessments, monthly dues, late fees, interest and all other statement/invoice charges, in a timely manner. Failure to do so jeopardizes the Association's ability to pay its bills and this is unfair to all the owners who do pay their bills on time. Accordingly, the Association, acting through the Board of Directors must take steps to ensure timely payment of assessments and all other charges.

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 whole unit owner dues assessments as determined by the Board shall be due and payable monthly on the first day of each month. The time share owner yearly dues assessment, as determined by the Board, is due the first day of January each year. All other time share owner statement/invoice billings are due the first day of every month. The Board shall determine when special assessments will be due when a special assessment is adopted. Dues, special installments, assessments, late charges/interest or other statement/invoice charges not paid to the Association by the 15th day of the month in which they are due shall be considered past due and thus delinquent.
2. **Late Charges and Interest Charges.** The Association shall be entitled to impose a late charge of twenty five dollars (\$25.00) per month on each past due and delinquent owner account.
3. **Return Check Charges.** A fifty dollar (\$50.00) fee 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. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of an owner's checks are returned unpaid

by the bank within any twelve month period, the Association may require that all of the owner's future payments, for a period of one year, be made by certified check or money order.

4. **Attorney and Collection Fees on Delinquent Accounts.** The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in to secure payment of any dues, special assessment, late charges/interest or other owner statement/invoice charge(s) due to the Association from a delinquent owner.
5. **Application for payments made to the Association.** The Association reserves the right to apply all payments received on account of any owner first to payment of any and all legal fees and costs (including attorney and lien fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, and other costs owing to the Association and then to the dues, special assessment or other statement/invoice charges due, with respect to such owner.
6. **Collection Notice and Referral to Collection Agency.** The monthly statement/invoice sent to an owner states all amounts owed to the Association. If payment in full is not received within forty-five (45) days after the date of delinquency, the Association may, but shall not be required, submit the account to a collection agency. The delinquent owner may request full payment be made in equal installments over a three month period of time during which there will not be any additional late fee charges. The delinquent owner shall pay for all fees and interest charged by the collection agency contracted by the Association.
7. **Referral of Delinquent Accounts to Attorneys.** The Association may, but shall not be required to, refer delinquent accounts to its attorney for collection after a reasonable amount of time that the account was submitted to a collection agency. Upon referral to the attorney, the attorney shall take all appropriate action 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 unless the Board cancels the attorney's services by written notice to such attorney. 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 consultation with the Board of Directors, the attorney 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 for the delinquent owner's property.
8. **Liens.** Ninety (90) days after an owner's failure to pay any dues, special assessment, late charge or other statement/invoice charge(s), the Association may, but shall not be required to, cause to be filed a notice of lien against the property of the delinquent owner. The lien shall include the dues, special assessment, late charges/interest, other statement/invoice charges, attorney and all other legal charges, and collection agency fees owed by the delinquent homeowner. The Association will mail a copy of the lien to the owner. 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. **Waivers.** Nothing in this Collection Policy shall require the Association to take specific actions other than to notify owners of the adoption of these policies and procedures, and the notices set forth in Paragraph 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 an owner stating a personal hardship and including supportive documentation for such petition. 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 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 this Collection Policy for a specific event shall not be considered a waiver against any specific owner or the owners in general for any and all future events of stated responsible parties.

10. **Timeshare Owner's Use.** The dues paid by the timeshare owners include cleaning, utilities, linens and maintenance that are not charged to the whole unit owners. As a result, in the event the owner of a timeshare week shall be delinquent in the payment of dues, the Association shall have the right to prohibit the timeshare owner from using the unit during the owner's week until the dues have been paid in full.
11. **Delinquencies Constitute Covenant Violations.** Any delinquency in the payment of any dues, special assessment, late charges or other charges shall constitute a violation of the covenants contained in the Declaration. The Association shall be entitled to impose non-monetary sanctions on the delinquent owner consistent with the Association's rights under the Declaration and other Association adopted documents.

Woods Manor Condominium
Association, Inc.

By: Jay Rust, President

Attest: Karen Schilling, Secretary

This Collection Policy was adopted by the Board of Directors on the 28 day of April, 2012, for that purpose; and is effective the 28 day of April, 2012, and is attested to by the Secretary of the Woods Manor Condominium Association, Inc.

This Collection Policy was amended and adopted by the Board of Directors on 8 day of January, 2016, and is attested to by the Secretary of the Woods Manor Condominium Association, Inc.

Attest: Lisa Cobb, Secretary
