

COMSTOCK ESTATES HOMEOWNERS ASSOCIATION

Dues Collection Policy and Procedure

BE IT RESOLVED, that Comstock Estates Homeowners Association (the "Association") hereby adopts the following procedures to be followed for collection of delinquent owner accounts.

1. Annual assessments are due on the first day of the year. An assessment shall be considered late if not paid by the end of January of each year. Special assessments are due on the date specified in the assessment, and shall be considered late if not paid within thirty (30) days.
2. If an owner does not pay an assessment by the end of January of each year, the owner shall pay a late charge of \$25.00. In addition, the owner shall pay interest at the rate of 21 percent (21%) per annum on all amounts due until paid.
3. If a payment is returned due to insufficient funds ("NSF") or any other reason, there will be a \$25.00 NSF fee to cover bank charges, and the payment will be considered delinquent.
4. If an owner is delinquent in paying assessments, the owner shall be entitled to a one-time opportunity to enter into a payment plan with the Association whereby: (a) the entire delinquent amount shall be paid within no less than 6 months; (b) the total amount must be paid off in equal installments; (c) the delinquent owner must remain current with regular dues and assessment that become due during the period; (d) the Association may pursue collection if the delinquent owner fails to comply with the plan; and (e) additional specific terms will be mutually agreed upon between the Association and the delinquent owner.
5. Before the Association turns over a delinquent account of an owner to a collection agency or refers it to an attorney for legal action, the entity must send the owner a Notice of Delinquency specifying: (a) the total amount due, with an accounting of how the total was determined; (b) whether the opportunity to enter into a payment plan exists and instructions for contacting the Association to enter into such a payment plan; (c) 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 (d) that action is required to cure the delinquency and that failure to do so within thirty (30) days 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 unit owner's property, or other remedies available under Colorado law.
6. A delinquent owner's failure to respond to the Notice of Delinquency within thirty (30) days 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 property, or other remedies available under Colorado law.

7. A delinquent owner shall be responsible for all expenses incurred by the Association in the collection of past due assessments and fines, including reasonable attorney's fees and costs. All voting rights will be suspended during the period in which an owner's account is delinquent.

8. A delinquent owner's payment of less than the full amount will be applied to the oldest assessment balances first, until such time as all assessment balances are paid, and then to late charges, interest and costs of collection unless otherwise specified by written agreement.

9. In the event an owner does not occupy his/her residence, but chooses to lease said property, the owner shall be liable for his/her tenants' actions. It shall be the owner's obligation to pay to the Association all assessments, fines, fees or penalties that are levied against the property, whether the cause of the owner or a tenant.

10. These provisions shall be in addition to and in supplement of the terms and provisions of the Declaration of the Association and the laws of the State of Colorado. The Board of Directors may deviate from the procedures set forth herein if in its sole discretion such deviation is reasonable under the circumstances. The Board of Directors may amend this procedure from time to time.

The undersigned, being the President and Secretary of the Association, certify that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned have signed their names.

Effective Date: Dec. 13, 2017.

**COMSTOCK ESTATES HOMEOWNERS
ASSOCIATION**

By Cynthia Reed
, President

By Bonnie N. Hardy
, Secretary