

**THE GREENS OF ARROWHEAD AT VAIL HOMEOWNERS ASSOCIATION, INC.  
AMENDED AND RESTATED POLICY FOR  
COLLECTION OF ASSESSMENTS**

**SUBJECT:** Adoption of an amended procedure regarding collection of assessments pursuant to C.R.S. 38.33.3-209.5 and C.R.S. 38-33.3-316.

**PURPOSE:** To adopt a standard procedure to be followed for collection of assessments in compliance with the Colorado Common Interest Ownership Act.

**AUTHORITY:** The Declaration, Articles and Bylaws of the Association, and Colorado law.

**EFFECTIVE**

**DATE:** February 5, 2020

**RESOLUTION:** The Association hereby adopts the following Policy:

1. General. This Amended Policy is adopted for the purpose of compliance with C.R.S. §38-33.3-209.5, and to promote the recreation, health, safety and welfare of the Association and its Members. The Association is entitled to levy assessments to meet the expected fiscal needs of the Association in order to act in a financially sound manner and pursuant to the provisions of the Association's governing documents. Assessments are assessed and payable per the Association governing documents and as determined by the Board in compliance therewith which shall be inclusive of this Policy. Capitalized Terms, if not defined herein, shall have the meaning assigned to them in the Association governing Documents or the Colorado Common Interest Ownership Act codified at C.R.S. 38-33.3-101 et seq. This Amended and Restated Policy replaces in total the Association's prior Policy for Collection of Assessments.

2. Due Dates. Assessments are due quarterly, in advance, on the first day of each quarter (January 1, April 1, July 1 and October 1 of each year) or at such other intervals as the Board may determine pursuant to Article 9 of the Declaration ("Due Date"). Assessments are delinquent if not paid in full within 30 days of the Due Date per Article 9.3 of the Declaration ("Delinquency Date"). A delinquency can lead to acceleration of the annual assessment per Section 9.7.D of the Declaration.

3. Interest Rate. Pursuant to Article 9.7 of the Declaration interest is to accrue at 18% per annum, or such other rate as set by the Board, on delinquent assessments not paid within Thirty (30) days of the Due Date. Thus, interest shall accrue at the rate of 18% per annum on all delinquent assessments not paid within 30 days of the Due Date.

4. Late Fee. Pursuant to Section 9.7 of the Declaration the Board can levy a late fee upon any delinquent Assessment. The Board hereby levies a late fee, whether pertaining to annual, special, or default assessments, of \$200.00 to accrue on the Due Date and which is in addition to the Interest Rate set forth in Section 3 above. Each Assessment that becomes delinquent can be assessed a Late Fee.

5. Returned Check Charges. The Association shall charge a fee of \$50.00 for any returned check in addition to any fees and charges assessed against the Association by its banking institution.

6. Suspension of Voting Rights. No Owner who has an assessment delinquency shall be entitled to vote on any Association matter.

7. Method of Application of Payments. All payments received by an Owner shall be applied first to interest, late fees and penalties, if any, and then to the oldest outstanding assessment or portion thereof.

8. Collection of Assessments.

(a) *Notice to Owner of Delinquency.* Prior to the Association turning over any delinquent Owner account for collection by a third party, including a collection agency or attorney for legal action, the Association shall provide a Notice of Delinquency to the delinquent Owner that provides for the following. *A template Notice of Delinquency is attached hereto but may be modified as may be deemed appropriate by the Board of Directors as long as the following information is included:*

- i. The total amount due, with an accounting of how the total was determined;
- ii. Whether the Association will provide an opportunity to enter into a payment plan pursuant to Section 8(c) below including instructions for contacting the Association to enter into such a payment plan;
- iii. The name and contact information for the person that the delinquent Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt;
- iv. That action is required to cure the delinquency and that failure to do so within thirty (30) days of the date of the Notice of Delinquency 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 Owners' Unit, or other remedies available under Colorado law.

(b) *Lien Foreclosure.*

i. *Foreclosure.* The Association has a statutory lien for any assessment delinquency, whether pertaining to monthly, special, or default assessments. The Association's lien may be foreclosed upon in like manner as a mortgage on real estate if:

a. The balance of the assessments and charges secured by the Association's lien equals or exceeds six months of Association common expense assessments based on a periodic budget adopted by the Association; and

b. The Board has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific unit that is delinquent on an individual basis. The Board will not delegate its duty in this regard to any attorney, insurer, manager, or other person.



c. The Association shall also make a good-faith effort to coordinate with any delinquent Owner to set up a payment plan the terms of which are negotiable by the Association but which at a minimum will permit the delinquent Owner to pay off the deficiency in equal installments over a period of at least six months ("Payment Plan"). The Association may pursue legal action against a delinquent Owner if the Owner fails to comply with the terms of the payment plan. An Owner's failure to remit payment of an agreed-upon installment, or to remain current with regular assessments as they come due during the pendency of a Payment Plan, shall constitute a failure to comply with the terms of the Payment Plan. The Association does not have to offer a Payment Plan of any nature or kind to an Owner who the Association has previously entered into a Payment Plan with. Additionally, this Section 8(c) does not apply if the Owner does not occupy the Unit and has acquired the property as a result of:

- i. A default of a security interest encumbering the unit; or
- ii. Foreclosure of the Association's lien;

*A template Payment Plan is attached hereto but may be modified as may be deemed appropriate by the Board of Directors:*

9. Non-binding on Association. The provisions of this Policy are to establish a framework for prompt and uniform collection of overdue assessments. The Association shall not be required to take each or any of the steps set forth herein except to the extent that any such steps are mandated by the Colorado Common Interest Ownership Act codified at C.R.S. 38-33.3-101 et seq. The Association's failure to take any of these steps not mandated by Colorado law, and/or to follow each step as prescribed herein, shall not be deemed a violation that would alleviate an Owner's obligations under the Association documents or the Colorado Common Interest Ownership Act ("CCIOA") or be a waiver by the Association of any of its rights pursuant to the Association documents or CCIOA.

10. Non-exclusive Remedies. All remedies set forth herein are cumulative and non-exclusive.

11. No Waiver. Failure of the Board, the Manager, or designated agent to enforce the Association documents and/or these policies and procedures, shall not be deemed a waiver of the right to do so with regard to said violation, any subsequent violations, or the right to enforce any other part of the Association documents at any future time.

12. No Liability. No member of the Board, the Manager, or any Owner shall be liable to any other Owner for the failure to enforce any of the Association documents, including this Policy.

13. Recovery of Costs. If an attorney is hired to enforce any provisions of the Association documents, including this Policy, or for the restraint of violation of the Association documents, the Association is entitled to recover its reasonable attorney fees and all costs incurred by it in such action. The sole exception would be in the event of any collection action filed without evidence of the recorded vote authorizing a lien foreclosure action per Section 8(b) above.

**PRESIDENT'S**

**CERTIFICATION:** The undersigned, being the President of THE GREENS OF ARROWHEAD AT VAIL HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation, certifies that the foregoing Policy was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on February 5, 2020 and in witness thereof, the undersigned has subscribed his/her name.

THE GREENS OF ARROWHEAD AT VAIL HOMEOWNERS  
ASSOCIATION, INC., A Colorado non-profit corporation,

By: \_\_\_\_\_  
President



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