

# **Booth Farms Community Association**

## **POLICY FOR COLLECTION OF UNPAID ASSESSMENTS**

**Effective: January 1, 2006**

### **1. Introduction.**

The Board of Directors (the "Board") of Booth Farms Community Association, Inc., a Colorado non-profit corporation (the "Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Declaration of Covenants, Conditions and Restrictions for West View at Booth Farms (a Common Interest Community) (the "Declaration") (such documents being collectively being referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

### **2. Policy Purpose.**

The purpose of this Policy is to emphasize that collection of unpaid Assessments is an important part of governing the Association and 'such collection must be done in a uniform manner in accordance with the Association Documents' and CCIOA. It is the intent of this Policy to provide a framework for the collection of past due Assessments in a timely and efficient manner.

### **3. Collection of Unpaid Assessments.**

To assist with the collection of unpaid Assessments in a timely and efficient manner, the Association shall do the following:

a. If Assessments are payable monthly, the Association shall send a letter demanding payment to any Delinquent Owner owing two months of past due Assessments. The demand letter shall be mailed by regular United States mail within 30 days of the delinquent Owner becoming two months delinquent in the payment of Assessments. A late fee of \$25.00 will be assessed against the Owner for the first month and \$50.00 per each additional month if Assessments become past due.

b. If Assessments are payable annually or semi-annually, the Association shall send a letter demanding payment to any delinquent Owner within 30 days after such annual or semi-annual Assessment becomes past due. The demand letter shall be mailed by regular United States mail. A late fee of \$25.00 will be assessed against the Owner for the first month and \$50.00 per each additional month if Assessments become past due.

c. In the event payment is not received from any delinquent Owner within 30 days after the date of the demand letter referenced above, the Association may pursue any one or all of the following collection remedies:

- i. File an Assessment lien against the delinquent Owner's property;
- ii. Commence and maintain legal proceedings (lawsuits seeking personal judgments and foreclosure actions) for the recovery of delinquent Assessments, late fees, interest, attorney fees and costs as may be allowed by the Association Documents or CCIOA;

- iii. Pursue collection of judgments obtained against Owners; and
- iv. Take all other lawful action necessary to collect delinquent Assessments in accordance with the Association Documents and Colorado law.

If the Association fails to follow the procedures set forth above it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

**4. Association's Attorney Fees and Costs.**

Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

**5. Foreclosure and Bankruptcy Notices.**

If the Association receives; any bankruptcy or foreclosure notice regarding an Owner with unpaid Assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

If the Association, through its attorney, has sent a demand letter, filed a lien or commenced legal proceedings against an Owner in order to collect unpaid Assessments, the Association shall forward any bankruptcy or foreclosure notice received to the attorney.

**6. Variances.**

The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

**7. Amendment.**

This Policy may be amended from time to time by the Board.

**CERTIFICATION**

The undersigned, being the duly elected and acting President of the at Booth Farms Community Association (The "Association") certifies that the foregoing Policy for Conducting Association Meetings was approved by the vote of at least a majority of the Association's Directors at a meeting of the Association's Board of Directors held on December 13, 2005.

Dated this 27 day of December, 2005.

Booth Farms Community Association

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

President