

COLLECTION POLICY

The following policy and procedure has been adopted by the **South Pearl Commons Condominiums** (the "Association") pursuant to the Association Declaration and Colorado Revised Statute § 38-33.3-209.5:

1. Annual assessments are to be paid in monthly installments due on the first day of each month. The Executive Board, as provided in the Declaration and the Bylaws, determines the annual assessment. Any charges not paid within 10 days after the 1st day each month are considered delinquent. If the assessment becomes one month delinquent a letter will be sent out to either pay or contact to make payment arrangements. If no response is made to the letter, the matter is sent to the attorney for a lien and further legal action. Any late payment will accrue annually at 18% simple interest on the outstanding balance due. The Association may file an Assessment Lien at any time there is a past due balance on the account. The Association may impose a late charge not to exceed \$25.00. If the balance is not paid in 30 days, the Association may accelerate all amounts due to the Association for the year.
2. The Owner will be responsible for any returned check charges the association incurs and a \$20.00 return check fee.
3. The Owner will be provided with a notice prior to the Account being turned over to an attorney. The notice will state the following:
 - a. The total amount of the arrearage, with an accounting of how the total arrearage is determined;
 - b. Whether the opportunity to enter into a payment plan exists and instructions for contacting the association to enter into the payment plan; Payment plans for eligible owners can be made for payments in equal installments for up to six months, so long as the owner remains current with regular assessments.
 - c. The name and contact information that the owner may contact to request a copy of the owner's ledger to verify the amount of the debt; and
 - d. That action is required to cure the delinquency and failure to do so within 30 days may result in the 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 if the amount past due is greater than six months, and any other remedies available under Colorado law.
4. The Association is entitled to recover its reasonable attorneys' fees and collection costs incurred in the collection of assessments and other charges incurred on behalf of the delinquent Owner. These fees shall be payable when incurred and will be charged as an additional assessment to the

delinquent Owner's account. The Association is also entitled to recover attorneys' fees and collection costs through any collection action that the Association brings and is not limited to recovering such attorneys' fees and costs through judicial action. Reasonable attorneys' fees include any communications from the Association's attorney to or with the Owner.

5. Payments received will be applied in the following sequence:
 - a. Attorneys' fees and costs associated with the delinquent Owner;
 - b. Late charges, Fines and Interest;
 - c. Return check charges
 - d. Assessments
6. The Executive Board may ask for appointment of a receiver or a judicial foreclosure of the Association's lien to obtain payment of current assessments, past assessments, or preserve the property.
7. Any delinquency, as defined in the Association's Declaration, entitles the Association to an Assessment Lien on the Owner's real property and the Association, through its managing agent and/or attorney, may record such Assessment Lien with the County Clerk and Recorder's Office.

CERTIFICATION

The undersigned, being the President of the **South Pearl Commons Condominiums**, certifies that the above Policy was adopted by the Board of Directors of the Association, at a meeting held this Dec 3, 2013.

By: 
President

By: 
~~Secretary~~ Vice President