

**RIVERSIDE PLACE OWNERS' ASSOCIATION, INC.**

**COLLECTION POLICY**

Adopted \_\_\_\_\_, 2011

The following procedures have been adopted by the Riverside Place Owners' Association, Inc. ("Association") pursuant the provisions of C.R.S. 38-33.3-209.5, at a special meeting of the Board of Managers.

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 are obligated by the Amended Declaration of Covenants, Conditions, Restrictions and Easements for Riverside Place, and any amendments thereto, ("Declaration") to pay all dues and assessments in a timely manner. Failure to do so jeopardizes the Association's ability to pay its bills. Failure of Members to pay assessments in a timely manner is also unfair to its other Members who do. Accordingly, the Association, acting through the Board of Managers must take steps to ensure timely payment of assessments.

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 annual assessment as determined by the Association shall be due on the first day of November. The Board shall determine when special assessments will be due when a special assessment is adopted. Assessments or other charges not paid to the Association by the 10<sup>th</sup> day of the month in which they are due shall be considered past due and delinquent.
2. **Late Charges and Interest Charges.** The Association shall be entitled to impose a late charge of fifty dollars (\$50) on each past due and delinquent assessment or other charge. If any assessment or other charge is not paid within ten (10) days after its due date, the amount due shall bear interest at a rate of eighteen percent (18%) per annum from the due date until paid. All late charges and interest charges shall be due and payable immediately, without notice, in the manner provided for payment of assessments or other charges.
3. **Return Check Charges.** A twenty dollar (\$20.00) fee shall be assessed against a Member in the event any check or other instrument attributable to or payable for the benefit of such Member 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 a Member's checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the Member's future payments, for a period of one year, be made by certified check or money order.

4. **Attorney Fees on Delinquent Accounts.** The Association shall be entitled to recover its reasonable attorneys' fees and collection costs incurred in the collection of any assessment or other charge due to the Association from a delinquent Member.
5. **Application for payments made to the Association.** The Association reserves the right to apply all payments received on account of any Member first to payment of any and all legal fees and costs (including attorneys' fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing to the Association and then to the installment, assessment or other charge due, with respect to such Member.
6. **Collection Letters.**
  - a. After an assessment or other charge owed to the Association becomes thirty days past due, the Association shall cause a notice of delinquency to be sent to the Member who is delinquent in payment, reminding the Member that payment should be made within 30 days after the date of the notice to avoid further action by the Association, including the filing of a lien.
  - b. If payment in full is not received within thirty days after the date of the notice of delinquency, the Association may, but shall not be required, to send a notice of default to the Member.
7. **Liens.** Within ninety days after a Member's failure to pay any assessment or other charge, the Association may, but shall not be required, to cause to be filed a notice of lien against the property of the delinquent Member. The lien shall include the assessment, other charge, fees, charges, late charges, attorneys' fees, fines and interest owed by the delinquent Member. The Association shall mail a copy of the lien to the Member before it is recorded in the real estate records. The Association's decision not to file a lien shall not be a waiver of its right to do so at a later date.
8. **Referral of Delinquent Accounts to Attorneys.** The Association may, but shall not be required to refer delinquent accounts to its attorney for collection. Upon referral to the attorneys, the attorneys 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. 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 Managers, the attorneys 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 of the delinquent Member's property.
9. **Referral of Delinquent Accounts to Collection Agencies.** The Association may, but shall not be required to assign delinquent accounts to one or more collection agencies for collection.
10. **Waivers.** Nothing in this Resolution shall require the Association to take specific actions other than to notify Members of the adoption of these policies and procedures, and the notices set forth in Paragraphs 6 and 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 a Member showing a personal hardship. Such relief granted a Member 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 these Collection Policies shall not be considered a waiver against any specific Member or the Members in general.

11. **Delinquencies Constitute Covenant Violations.** Any delinquency in the payment of any assessment or other charge shall constitute a violation of the covenants contained in the Declaration, and following the Notice and Hearing and Enforcement Policy and Procedures, the Association shall be entitled to impose non-monetary sanctions on the delinquent Member consistent with the Association's rights under the Declaration. Provided, however, the Notice and Hearing and Enforcement Policy does not apply to the monetary collection of assessments or other charges.

Riverside Place Owners' Association, Inc.

By: \_\_\_\_\_  
Randy Glover, President

Attest

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Norman Stoller, Secretary

This Collection Policy was adopted by the Board of Managers at a special meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2011, for that purpose; and is effective the \_\_\_\_ day of \_\_\_\_\_, 2011, and is attested to by the Secretary of the Riverside Place Owners' Association, Inc.

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Norman Stoller, Secretary