

Apple Glen West Homeowners Association, Inc.

Dues Collection Policy and Procedure

Pursuant to C.R.S. §38-33.3-209.5(1)(b)(i) & HB 22-1137

The following Procedures have been adopted by the Apple Glen West Homeowners Association, Inc. (the "Association") pursuant to Colorado Revised Statute ("C.R.S.") 38-33.3-209.5(1)(b)(i) & HB 22-1137, at a regular meeting of The Board of Directors ("The Board").

1. Purpose:

To adopt a procedure and policy to be followed when Owner accounts are not current.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following procedures governing the collection of unpaid assessments:

2. Specifics:

The Association shall levy and enforce regular and special assessments which are secured by a continuing lien upon the property against which the assessment is made. By accepting a deed to any lot, each Owner agrees to pay to the Association all the assessments.

Fines assessed for noncompliance with the Association's Governing Documents are due upon notification to the Owner.

In the event an Owner does not occupy their residence but chooses to lease said property, the Owner shall be liable for their Tenant's actions. It shall be the Owner's personal obligation to pay to the Association all assessments, fines, fees, or penalties that are levied against the property, whether the cause is the Owner or a Tenant.

If the English language is not the Owner's first, primary language or does not have the ability to read English, the Owner may request the Notification written in their primary language. All additional expenses incurred in this endeavor shall be paid by the Association.

The Board of Directors sets assessments annually. These assessments are paid in full, monthly, and are due on the 1st of each month. Statements will be mailed to each Owner prior to the due date but are due regardless of receipt of the statement.

Payments for assessments and fines not paid within 30 days after the due date are considered delinquent and shall bear penalties/fees from the due date. Special and other types of assessments not levied pursuant to the annual budget are due as and when determined by the Board under the provisions of the Declaration.

If payment is returned due to insufficient funds or any other reason, there will be a \$45.00 NSF fee to cover bank charges, and the payment will be considered delinquent.

Delinquency Timelines, Fees & Fines

1. **30 days or more delinquent** - A late fee of \$15.00 will be charged to the Owner's ledger.
 - A general Delinquency Alert will be sent to the Owner more than 30 days delinquent to alert them to their delinquency.
 - A fee of \$5.00 shall be charged to the Owner's ledger for the Delinquency Alert.
2. **Official Notice of Delinquency.** Within seven days following a general Delinquency Alert, an official Delinquency Notification will be sent to the Owner on record via certified mail and electronic communication or US Mail Service.
 - This notice shall include an offer of repayment to include a plan to repay dues in installments over a period not to exceed 18 months, along with fines in equal, monthly payments.
 - The Owner shall be charged the certified letter fee of \$15.00, paid to the Management Company for printing, postage, and labor/time for certified services rendered.
3. **60 Day Notification.** Every 30 days another Delinquency Notification shall be sent to the Owner in arrears, and \$15.00 per month will be added to the Owner's ledger.
4. **90 Day Notification.** The Owner shall be sent, in addition to the Delinquency Notification, a 30-day Intent to Lien Notification.
 - An additional fee of \$25.00 shall be charged to the Owner's ledger for the Intent to Lien Notification, paid to the Management Company.
5. **120 Day Notification.** If the Owner has not set up a repayment plan, the Management Company shall file a lien on the Owner's unit. The Owner's ledger shall be charged \$50.00 to pay for the expense of filling out, filing, notarizing, and recording the lien with the County's Clerk and Recorder's Office.
 - Upon full payment of all dues, fees, and fines to the Association, the Owner shall be responsible for releasing the lien. The Management Company shall provide the Release of Lien, but the Owner must go to the Clerk and Recorder's Office to have the lien released from their unit. If the Owner cannot physically do so and needs the Management Company to go to the Clerk and Recorder to release the lien, the Owner will be charged \$50.00 to do so, and payment must be made in advance.
6. **180 Day (6 Month) Notification.** If the Owner fails to meet the conditions of the Repayment Plan or does not contact the Management Company or the Board of Directors to pay their dues, fees, and fines, and the amount of combined dues, fees, and fines exceeds \$1,000.00, the Management Company shall send a Notification to the Owner stipulating that if a Repayment Plan is not set up within 30 days of receipt of their notification, the Board of Directors will schedule an Executive Session that may result in the Association taking legal action against the Owner.

- All legal fees associated with attempts to collect dues, fees, and fines shall be charged to the Owner's ledger.
7. **210 Day Notification.** The Board shall determine the date of the Executive Session (to take place 30 days after the 210 Day Notification), and the Owner shall be sent the date and may request minutes from the Session after it has been completed.
- At the Executive Session, the Board may vote to:
 - Approve sending the debt to a Collection Service
 - Approve initiating legal action through Small Claims Court (if the debt does not exceed \$7,500.00). The Board is responsible for all actions with Small Claims Court. The Management Company does not provide legal assistance for Small Claims issues.
 - Approve consulting with legal services to initiate garnishment of wages
 - Approve the initiation of pre-foreclosure processes
 - All expenses associated with collecting outstanding debts, including legal services, will be added to the Owner's ledger.
 - If the Board votes to approve initiating the foreclosure process, records of all notifications shall be sent to the attorney before sending the Owner the outcome of the Executive Session.

Curing:

At any time in this process, after the initial Delinquency Alert, the Owner shall have the right to cure their outstanding balance by setting up a Repayment Plan in equal installments over a period not to exceed 18 months.

During the term of any repayment plan entered into under this policy, the Owner shall also keep current on all assessments that may come due.

Costs:

All costs associated with the collection of a delinquent account by an outside agency other than the management company will be charged to and paid for by the delinquent account.

Liens:

All delinquent accounts shall be a lien on the Owner's Lot to which the provisions of section C.R.S. 38-33.3-316, and this Policy applies.

Voting:

All voting rights will be suspended during the period in which an Owner's account is delinquent.

Modifications:

The Board of Directors may, at their discretion, waive or modify these procedures based on facts presented to them by the Owner of the outstanding account.

Definitions:

Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.

Supplement to Law:

The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Association.

Deviations:

The Board may deviate from the procedures set forth in this Resolution if, in its sole discretion, such deviation is reasonable under the circumstances and in compliance with applicable law.

Amendment:

The Board of Directors may amend this procedure from time to time.

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CONFLICTS BETWEEN DOCUMENTS:

In case of discrepancies between this Policy and Procedure and the Declaration of Covenants, Conditions, and Restrictions (the Declaration), or the Bylaws of The Association, the Declaration shall control.

The undersigned, being the President of the Apple Glen West Homeowners Association, Inc., certifies that the foregoing resolution was adopted by The Board of Directors of the Association at a duly called and held meeting of The Board of Directors on the September 10, 2024.

Apple Glen West Homeowners Association, Inc.

By: _____

Elisabeth Schleu Lee, President