

RESOLUTION OF THE
OUT RUN CONDOMINIUMS HOMEOWNERS ASSOCIATION
REGARDING COLLECTION OF UNPAID ASSESSMENTS

The Board of Directors of Out Run Condominiums Homeowners Association, a Colorado nonprofit corporation (the "Association"), resolves as follows:

- 1) Even though the declarations state that assessments shall be payable in advance on or before the 10th day of each month, notice of regular common area assessments will be mailed or emailed to each condominium owner or other designated person by the manager of the Association the first week of each calendar month.
- 2) The assessment is due and payable by the last day of the calendar month billed.
- 3) In the event that such common expense assessment is not paid by the end of the calendar month following the due date, the delinquent amount shall bear an interest at a rate of 1.5% per month. A late fee of \$8.59 will be assessed for each month an account is delinquent.
- 4) At 90 days in arrears, and before the Association turns over a delinquent account of an owner to a collection agency or refers it to an attorney for legal action, the Association or its counsel must send the owner a notice of delinquency specifying:
 - A. The total amount due, with an accounting of how the total was determined;
 - B. Whether the opportunity to enter into a payment plan exists and instructions for contacting the Association to enter into such a payment plan;
 - C. That a payment plan will, at a minimum, allow the owner to pay of the outstanding assessments in six equal monthly installments;
 - D. The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt; and
 - E. That action is required to cure the delinquency and that failure to do so within thirty days 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 Owner's property, or other remedies available under Colorado law.
- 5) A unit owner shall be entitled to enter into a payment plan if eligible under C.R.S. § 38-33.3-316.3 and such payment plan shall have the minimum terms specified by that section; provided, however, the Board of Directors, in its sole discretion, may allow for a payment plan upon terms that are more generous to the owner than those set forth in that section.
- 6) A notice of lien will be recorded against a unit when its owner is 120 days in arrears. The owner will be advised in a certified letter that the notice of lien was recorded. A copy of the recorded notice of lien will be included with this letter. The cost of the legal recording fees will be charged back to the owner.
- 7) The board may authorize, on a case by case basis, further legal action for all accounts 120 days or more in arrears, including without limitation foreclosure of the Association's lien.
- 8) Payments received on a delinquent account will be first applied to the most outstanding balances, with assessments, then interest, then late fees, then attorneys fees paid when such amounts are equally outstanding.

- 9) The Association may pursue all legal remedies provided by Colorado law and the governing documents to collect on a unit owner's delinquent accounts, including without limitation foreclosure, institution of legal action, and referral of an account to a collection's agency.
- 10) If the Board of Directors of the Association deems that it is necessary to assess members for special assessments for particular association needs, said assessments will be billed by the Association's manager, and shall be due and payable as communicated with the owner at the time of assessment and/or as reflected in minutes of association meetings. In the event that any such special assessment is not paid when due, the delinquent amount shall bear interest at the rate of 1.5% per month. Paragraphs 3 through 6 of this resolution will apply for collection of delinquent special assessments.

CERTIFICATION: The undersigned, being the president of Out Run Condominiums Homeowners Association certifies that the foregoing Resolution 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 _____.

In witness whereof, the undersigned has subscribed her name.

By: _____
Dusty Demerson, President
Out Run Condominiums
Homeowners Association