

**RESOLUTION OF THE
PONDEROSA CONDOMINIUMS ASSOCIATION, INC.
REGARDING COLLECTION OF UNPAID ASSESSMENTS**
Effective January 1, 2014
Updated August 2022

RESOLUTION: The Association hereby adopts the following policy:

Pursuant to the governing documents of Ponderosa Condominiums Association, Inc., the Board of Directors is obligated and authorized to fix, determine, levy, and collect monthly and special assessments.

Notice of monthly assessments shall be mailed or electronically transmitted to each condominium owner by the manager of the Association within the first seven (7) days of each calendar month. Except in an emergency or in the event of unforeseen circumstances, notice of a special assessment shall be provided to unit owners at least ninety days before due.

Assessments are due and payable by the **last day of the calendar month in which billed**, and if not so paid shall be deemed past due and delinquent.

Any assessment not paid by the last day of the month billed shall be charged interest on the balance due at the rate of 0.67% per month.

A returned check fee, not to exceed \$25.00, shall be assessed against an owner in the event any check or other instrument attributable to or payable for the benefit of such owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds.

For the purpose of this policy, "assessments" includes regular and special assessments and any associated fees, charges, late charges, attorney fees, fines, and interest.

Procedure for collecting unpaid assessments:

1. **First Notice.** If a condominium owner becomes 30 days delinquent (i.e. last day of the month following the date billed), a notice shall be sent electronically or by U.S. mail informing the owner of the amount past due, that interest has accrued, and that immediate payment is requested.
2. **Second Notice.** If a condominium owner becomes 60 days delinquent, a second written notice of non-payment shall be sent to the owner by certified mail. The Second Notice shall include:
 - (a) The total amount due, with an accounting of how the total was determined
 - (b) Notice of intent to file a lien on the unit
 - (c) Request for immediate payment
 - (d) Whether the owner may enter into a payment plan and instructions for contacting the Association to arrange for and enter into a payment plan
 - (e) A name and contact information for the individual the unit owner may contact to request a copy of the owner's ledger in order to verify the amount of the debt
 - (f) A statement indicating that action is required to cure the delinquency and that failure to do so within thirty days may result in the unit 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 unit owner's property, or other remedies available under Colorado law.
3. **Payment Plan.** The Association will make a good-faith effort to coordinate with the unit owner to set up a payment plan that permits the unit owner to pay off the deficiency in equal installments over a period of at least six months. During the payment plan period, the unit owner must also remain current with regular assessments as they come due. The Association

Policy Regarding Collection of Unpaid Assessments

Effective January 1, 2014

Page 2

is not obligated to negotiate a payment plan with a unit owner who has previously entered into a payment plan.

4. **Subsequent Notice(s).** If assessments or other charges due to the Association become more than 90 days delinquent, and every 30 days up to 150 days delinquent, the Association may send additional written notice(s). Subsequent Notice(s) will include total amount due, any remedies taken to cure the delinquency, and that immediate payment is requested.
5. **Lien Foreclosure.** The Association's lien may be foreclosed if:
 - (a) The balance of the assessments and charges secured by the lien equals or exceeds six months of common expense assessments based on a periodic budget adopted by the Association.
 - (b) The Board of Directors has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific unit on an individual basis.
 - (c) A unit owner has not entered into a payment plan OR a unit owner has entered into a payment plan and has failed to comply with the terms of the plan. A unit owner's failure to remit payment of an agreed-upon installment or to remain current with regular and special assessments as they come due during the six-month period constitutes a failure to comply with the terms of the payment plan.

All payments received on account of any owner shall be applied in the following manner: first to the payment of any and all legal fees and costs (including attorney fees), then to expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs owing or incurred with respect to such owner, prior to application of the payment to any special or regular assessments due or to become due with respect to such owner.

The Association may, without court order, notify the rental manager of any unit where the owner is delinquent in the payment of assessments, that rents shall be paid to the Association effective immediately and continue until such time as the owner's account is current. Such notice shall be in writing to the rental manager and the owner. All funds received by the Association from the rental manager shall be credited to the owner's account as set forth herein.

Pursuant to the Association's governing documents, a unit owner shall be entitled to vote at any annual meeting, special meeting of members, or at a board meeting if owner is a Director, if and only if all assessments made or levied against the owner's condominium unit have been paid in full.

This policy supersedes the Resolution of the Ponderosa Condominiums Association, Inc. Regarding Collection of Unpaid Assessments dated September 25, 2008.

CERTIFICATION: The undersigned, being the president of Ponderosa Condominiums Association, Inc. certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association on December __, 2013.

In witness whereof, the undersigned has subscribed her name.

By: Beverly Ross, President
Ponderosa Condominiums Association, Inc.

Policy Regarding Collection of Unpaid Assessments

Effective January 1, 2014

Page 3

Example of Collection Procedures for Unpaid Assessment Billed January 1

Procedure	Date	Example	
Assessment Billed	1 st day of each month	January 1	Date of first billing
Due Date	Last day of each month	January 31	
Past Due Date	1 st day of next month	February 1	Interest accrues @ 1.5% per month
First Notice (30 days past due)	1 st day of 3 rd month	March 1	60 days after first billed
Second Notice (60 days past due)	1 st day of 4 th month	April 1	90 days after first billed Notice of intent to file a lien
Negotiate Payment Plan	1 st day of 4 th month	April 1	
Subsequent Notices	1 st day of months 5, 6, 7	May 1 June 1 July 1	Unless payment plan is in effect
Initiate Legal Remedies (180 days past due)	1 st day of 8 th month	August	Referral to an attorney, possible lien foreclosure, and/or other remedies available under Colorado law