

**RESOLUTION
OF
WESTBANK MESA HOMEOWNERS ASSOCIATION
REGARDING POLICY AND PROCEDURES FOR COLLECTION OF UNPAID
ASSESSMENTS**

SUBJECT: Adoption of a policy and procedure regarding the collection of unpaid assessments.

PURPOSE: To provide notice of the Association's adoption of a uniform and systematic procedure to collect assessments and other charges of the Association.

AUTHORITY: The Declaration of Protective Covenants, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:** October 15, 2014

RESOLUTION: The Association hereby adopts the following policy:

The Association hereby gives notice of its adoption of the following policies and procedures for the collection of assessments and other charges of the Association:

1. Due Dates. Installments of the annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable within 30 days of billing date each quarter (April 15th for 1st Quarter, July 15th for 2nd Quarter, October 15th for 3rd Quarter and January 15th for 4th Quarter). Assessments or other charges not paid in full to the Association within one day of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within 30 days of the billing date shall incur late fees as provided below.
2. Receipt Date. The Association shall post payments on the day that the payment is received in the Association's mail box at 199 Dolores Circle, Glenwood Springs, CO 81601.
3. Late Charges and Interest on Delinquent Installments. The Association shall impose a \$100.00 late charge for each Owner who fails to timely pay his/her installment of the annual assessment within 30 days of the quarterly billing date. The Association shall impose interest from the date due at the rate of 18% per annum on the amount owed for each Owner who fails to timely pay their quarterly installment of the annual assessment within 30 days of the billing dates (see item #1). Also, all pass due accounts as of October 15, 2014 will be charged a late fee of 18%, effective starting October 15, 2014.

4. Return Check Charges. A return check fee, or any other fee incurred due to insufficient funds, in the amount of \$20.00, 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. Such charge shall be due and payable immediately, upon demand. If two or more of an Owner's payment is insufficient and unpaid by the bank within any fiscal year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This charge shall be in addition to any late fees or interest incurred by an Owner

5. Personal Obligation. Assessments, late charges, interest and insufficient fund charges shall be the personal obligation of the Owner(s) of the unit for which such payments are unpaid. All such charges shall be due and payable immediately, without notice, in the manner provided by the Declaration (and as set forth herein) for payment of assessments.

6. Service Fees. In the event the Association incurs any type of service fee, regardless of what it is called, for the handling and processing of delinquent accounts on a per account basis, such fees will be the responsibility of the Owner as such fee would not be incurred but for the delinquency of the Owner.

7. Payment Plan. Any Owner who becomes delinquent in payment of assessments after October 15, 2014 and whose account is not currently with the Association's attorney or a collection agency for collection action on October 15, 2014, may enter into a payment plan with the Association, which plan shall be for a maximum term of 6 months or such other term as may be approved by the Board of Directors. Such payment plan shall be offered to each owner prior to the Association referring any account to an attorney or collection agency for collection action. In the event the Owner defaults or otherwise does not comply with the terms and conditions of the payment plan, including the payment of ongoing assessments of the association, the Association may, without additional notice, refer the delinquent account to an attorney or collection agency for collection action or may take such other action as it deems appropriate in relation to the delinquency. A payment plan shall not be offered to an Owner who has previously entered into a payment plan pursuant to this Section after October 15, 2014 or if the Owner does not occupy the Unit and owns the Unit because of a foreclosure.

8. Attorney Fees and Collection Costs on Delinquent Accounts. As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred, upon demand.

9. Application of Payments. All sums collected on a delinquent account shall be remitted to the Association until the account is brought current and shall be applied as follows:

- (a) First, to accrued interest, if any.
- (b) Second, to the payment of any expenses of enforcement and collection, late charges, returned check charges, lien fees, and other costs incurred or due and owing to the Association.
- (c) Third, to past-due dues and assessments.
- (d) Fourth, to current dues and assessments.

10. Collection Process. Prior to turning a delinquent account over to a collection agency or attorney, the Association shall send a written notice (sent by regular and certified mail) of non-payment, amount past due, notice that interest and late fees have accrued and request for immediate payment. The Association's notice, at a minimum shall including the following:

- (a) The total amount due to the Association along with an accounting of how the total amount was determined.
- (b) Whether the Owner is eligible to enter into a payment plan and instructions for contacting the Association to arrange for and enter into a plan.
- (c) A name and contact information for an individual the owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt.
- (d) A statement indicating that action is required to cure the delinquency and that failure to do so within thirty days may result in the Owner's delinquency account being turned over to an attorney, a collection agency, the filing of a lawsuit against the Owner, appointment of a receiver, the filing and foreclosure of a lien against the Owner's property, rental interception or other remedies available under the Association's governing documents and Colorado Law.

11. Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of quarterly installments of the annual assessment and other charges.

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| Due Date (date payment due) | Within 30 days of quarterly billing date each quarter (see #1 dates) |
| Past Due Date (date payment is late if not received on or before that date) | 1 day past 30 days of billing date each quarter (see #1 actual dates) |
| Notice (notice that late charges and interest have accrued, required disclosures of the Association and the availability of a payment plan if applicable) | Any time after 30 days after due date (usually at the next Quarterly billing dates (see #1 actual dates) |

12. Certificate of Status of Assessment. The Association shall furnish to an Owner or such Owner's designee upon written request, first class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's property for a reasonable fee.

13. Referral of Delinquent Accounts to Attorneys. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred and as directed by the Association's Board of Directors. Remedies of the Association include but are not limited to:

- (a) Filing of a suit against the delinquent Owner for a money judgment;
- (b) Instituting a judicial foreclosure action of the Association's lie;
- (c) Notifying tenants that all rents shall be paid directly to the Association;
- (c) Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests; and
- (d) Filing a court action seeking appointment of a receiver.

All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney.

14. Waivers. 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 shall determine appropriate under the circumstances.

15. Defenses. Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Policy.

16. Credit Report. In the event an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law, the Owner acknowledges and agrees that the Association may cause a credit report to be pulled via an agent, in order to facilitate the collection of unpaid assessments.

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

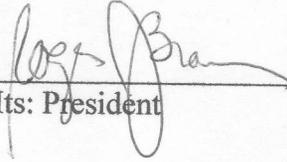
18. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

19. 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.

20. Amendment. This Policy may be amended from time to time by the Board of Directors.

IN WITNESS, the undersigned certifies that this Resolution was adopted by the Board of Directors of the Association on September 1, 2014.

WESTBANK MESA HOMEOWNERS ASSOCIATION
a Colorado nonprofit corporation,

By: 
Its: President