

**RESOLUTION
OF THE
EAGLERIDGE ESTATES HOMEOWNERS ASSOCIATION, INC.
COLLECTION POLICY
Adopted _____, 2010**

SUBJECT: Adoption of a policy and procedure regarding the collection of 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, thus ensuring the well being of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and pursuant to C.R.S. 38-33.3-209.5 by the Board of Directors.

**COLLECTION
POLICY:**

All members are obligated by the Declaration of Covenants, Conditions and Restrictions for the EAGLERIDGE ESTATES HOMEOWNERS Association ("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 those members who do. Accordingly, the Association, acting through the Board of Directors must take steps to ensure timely payment of assessments.

NOW, THEREFORE, IT IS RESOLVED that the Association hereby adopts the following procedures and policy for collection of assessments and other charges of the Association.

1. Due Dates. The annual assessment as determined by the Association and as allowed for in the Declaration shall be payable annually in ___equal installments due on the _____ month. Special assessments or other charges may be assessed or made from time to time by the Association in accordance with the Declaration and are due and payable as specified the resolution authorizing such Assessment or charge. All assessments or other charges not paid to the Association when due shall be considered past due and delinquent.

2. Late Fees and Interest. The Association shall impose a late fee of twenty dollars (\$20.00) on any assessment or other charge not paid within thirty (30) days of the due date. Additionally, any assessment or other charge not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (12%) per annum. All such fees and interest shall be due and payable immediately, without notice, in the same manner provided for payment of assessments.

3. Return Check Charges. A \$25.00 fee 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 amount shall be in addition to any charges made by the bank due to the dishonored check. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of an Owner's checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the owner's future payments, for a period of one year, be made by certified check or money order.

4. Legal Fees on Delinquent Accounts. The Association shall be entitled to recover its reasonable legal fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner.

5. Application of Payments. The Association reserves the right to apply all payments received on account of any Owner first to 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, and any remaining amounts shall be applied to the assessments or other charges due with respect to such Owner.

6. Collection Process. After any assessment or installment thereof owed to the Association becomes thirty (30) days past due, the Association shall cause a notice of delinquency to be sent to the Owner who is delinquent in payment. The notice shall specify (1) the fact the assessment is delinquent, (2) the action required to cure the delinquency, (3) a date, not less than ten (10) days from the date the notice is mailed, by which a delinquency must be cured, (4) that a failure to cure the delinquency on or before such date may result in a lawsuit being filed against the Owner and/or the filing and foreclosure of the lien for the assessment against the Owner's property.

7. Liens. If payment in full of any assessment or other charge is not received within thirty (30) days after mailing of the notice of delinquency, the Association may cause to be filed a notice of lien against the property of the delinquent Owner. The lien shall include assessments, fees, charges, late charges legal fees, fines and interest owed by the delinquent Owner.

8. Referral of Delinquent Accounts to Attorneys. If payment in full is not received within thirty (30) days after mailing of the notice of delinquency, the Association may, but shall not be required to refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate actions 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. After consultation with the Board of Directors the attorneys shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Owner'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 policy shall require the Association to take specific actions other than to notify Owners of the adoption of this policy. 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 an Owner showing a personal hardship. Such relief granted an Owner shall be appropriately documented in the files 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 shall deem appropriate under the circumstances.

11. Order of Remedies. The Association may pursue any actions or remedies, including actions for personal judgment, foreclosure or receivership, to collect amounts owed in any or contemporaneously, and cumulatively, and in the case of a foreclosure by the holder of another security interest in the Owner's property, may immediately proceed to file actions for personal judgment, foreclosure or receivership without the necessity of following the procedures set forth in paragraphs 6, 7 and 8 above.

12. Delinquencies Constitute Covenant Violations. Any delinquency in the payment of assessments or other charges shall constitute a violation of the covenants contained in the Declaration, and the Association shall be entitled to impose sanctions on the delinquent Owner consistent with the Association's Enforcement Policy, including suspending an Owner's right to vote in Association affairs.

EAGLERIDGE ESTATES HOMEOWNERS
ASSOCIATION, INC., a Colorado non-profit corporation

By: _____
President

This Collection Policy was adopted by the Board of Directors on the ____ day of _____, 2010, effective the ____ day of _____, 2010, and is attested to by the Secretary of the EAGLERIDGE ESTATES HOMEOWNERS Association, Inc.

Secretary