

ANTELOPE HILLS ASSOCIATION, INC.

A Colorado nonprofit corporation

COLLECTION POLICY

The following Collection Policy was adopted on May 7th, 2025 (the "Effective Date"), by the Board of Directors (the "Board") of Antelope Hills Association, Inc., a Colorado nonprofit corporation ("Association") pursuant to the Colorado Common Interest Ownership Act (C.R.S. §§ 38-33.3-101 et seq., including specifically -209.5, -316 & -316.3), at a regular meeting of the Board.

IT IS HEREBY RESOLVED that the Association adopts this Collection Policy, to be effective on and after the Effective Date:

1. **Replacement of Prior Policies.** All existing policies of the Association regarding the subject matter set forth below are hereby replaced and superseded in their entirety by this Policy.

2. **Purpose and Philosophy.** The Association provides services and expends funds that are critical to the habitability and preservation of property values for units within Antelope Hills. It is critical that owners of property within Antelope Hills ("Owners") timely pay their assessments so that the Association may meet all of its financial obligations. Owners who do not pay in a timely manner create an unfair burden for those who do. The purpose of this Collections Policy is to ensure timely payment of assessments while ensuring fairness and equity in the enforcement and collections process.

3. **Assessments.** For purposes of this Policy, "assessments" include regular assessments, special assessments, any other fees or charges, and any associated late charges, attorney's fees, fines, and interest. Assessments shall be paid in equal monthly, quarterly, bi-annual or annual installments, as determined by the Board, on or before the 30th day of the month during which such assessment is due. If an assessment is not paid by the 30th day of the month during which the assessment is due, the assessment is delinquent.

For example, the board voted to continue quarterly assessments for our regular dues. This means our **regular quarterly assessments will continue being billed quarterly and payments will be determined late if not received in full by Jan 30th (4th quarter prior year), April 30th (1st quarter), July 30th (2nd quarter) and October 30th (3rd quarter).**

4. **Late Fees & Interest.** If the full amount of any assessment is not received by the Association's managing agent by the 30th day of the month in which the assessment is due, the assessment shall be considered delinquent. At such time, a late charge of \$50.00 shall be assessed to the delinquent account. Delinquent assessments shall also bear interest at the rate of 8% per annum from the date of delinquency until paid in full.

5. **Insufficient Funds.** The Association may also charge a \$25.00 fee for any check or other instrument submitted to the Association by or on behalf of an Owner that is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. If two or more instruments on behalf of any Owner are returned within a 12-month period, the Association reserves the right to require that future payments be made by certified check or money order.

6. **Attorneys' Fees and Collection Costs on Delinquent Accounts.** Subject to any limitations imposed by Colorado law, the Association shall be entitled to recover from an Owner

its reasonable attorneys' fees and costs incurred in the collection of Assessments or other charges due, whether or not a lawsuit has been initiated against the Owner. The Association shall be entitled to recover its post-judgment and appellate attorneys' fees and costs incurred from an Owner.

7. **No Offsets.** No Owner may be exempt from liability for payment of any Assessment or other charge for any reason, including but not limited to, the abandonment of the property against which the Assessment or charge is made. No offsets or reduction shall be permitted for any reason including, without limitation, any claim that the Association or Board of Directors is not properly exercising its duties and powers under the Declaration.

8. **Balance Letter.** On a monthly basis and by First-Class Mail and e-mail, if the Association has the Owner's e-mail address, the Association shall send each Owner who has any outstanding balance owed to the Association an itemized list of all Assessments, fines, fees, and charges that the Owner owes to the Association. (If the Association has incurred, or will incur, attorneys' fees and costs that have not yet been billed to the Association and added to the Owner's account, the balance letter shall indicate that the outstanding balance may not include all charges that have been or will be incurred and does not constitute a payoff.)

9. **Notice of Delinquency.**

a. After an Assessment or other charge owed to the Association becomes delinquent, and before the Association turns the delinquent account over to a collection agency or refers it to the Association's attorney for legal action, the Association shall cause a Notice of Delinquency to be sent to the delinquent Owner. The Notice of Delinquency shall specify the following:

- i. A description of the steps the Association must take before it may take legal action against the Owner;
- ii. A description of what legal actions the Association may take against the Owner, including a description of the types of matters the Association may take to small claims court;
- iii. the total amount due, with an accounting of how the amount was determined;
- iv. whether the total amount due concerns unpaid Assessments; unpaid fines, fees, or charges; or both;
- v. whether the delinquency concerns unpaid Assessments that may lead to foreclosure;
- vi. whether an opportunity to enter into a repayment plan exists and the instructions for contacting the Association to enter into such a repayment plan;
- vii. the name and contact information for the person the Owner may contact to request a copy of the Owner's ledger in order to verify the amount owed;
- viii. that action is required to cure the delinquency; and
- ix. that failure to cure the delinquency within 30 days may result in the delinquent account being turned over to a collection agency or the Association's

attorney, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's Unit, or other remedies available under Colorado law.

b. The Association may send additional notices to the Owner, either before or after the Notice of Delinquency set forth in this section, for as long as amounts remain past due on the Owner's account. However, the Association is only required to send one (1) Notice of Delinquency as provided for in this section.

c. The Notice of Delinquency shall be sent by certified mail, return receipt requested to the property address unless the Owner has given notice, in writing, to the Association of an alternate address. The Association shall also send the Notice of Delinquency by two of the following means:

- i. text message to a cellular number the Association has on file because the Owner or designated contact has provided the number to the Association;
- ii. electronic mail to an e-mail address that the Association has on file because the Owner or designated contact has provided the address to the Association; and/or
- iii. telephone call (including leaving a voicemail message, if available) to a telephone number the Association has on file because the Owner or designated contact has provided the number to the Association.

If known and available to the Association, the Association may consider any phone number or email address used by an owner in any transaction or correspondence related to the owner's property within the Association as contact information provided to the Association.

The Association may charge the Owner an amount not to exceed the actual cost of the certified mail.

10. **Payment Plans.**

a. Offer. In its Notice of Delinquency, described in paragraph 9, above, and subject to the following requirements, conditions, and exclusions, the Association shall offer a repayment plan to any Owner and make a good faith effort to coordinate a repayment plan with the Owner.

b. Terms.

- i. The repayment plan must allow the Owner the right to pay off the delinquency in monthly installments over a period of up to 18 months;
- ii. The Owner may choose the amount to be paid each month of the repayment plan, so long as each payment is for the greater of the following two amounts: (1) An amount that allows the full amount owed to be paid off in no more than 18 months; and (2) at least twenty-five dollars (\$25.00) until the balance of the amount owed is less than twenty-five dollars (\$25.00);
- iii. An Owner who has entered into a repayment plan may elect to pay the remaining balance owed under the repayment plan at any time during the duration of the repayment plan;

- iv. The Owner's failure to remit payment of at least 3 monthly installments within 15 days of the due date, or to remain current with regular Assessments as they come due during the repayment plan, constitutes a failure to comply with the terms of the repayment plan; and,
- v. The Association may pursue legal action against the Owner if the Owner fails to comply with the terms of the repayment plan.
- c. Exclusions.
 - i. No repayment plan will be offered if the Owner does not occupy the Unit, and has acquired the Unit as a result of:
 - (1) A default of a security interest encumbering the Unit; or,
 - (2) Foreclosure of the Association's lien.
 - ii. The Association is not required to offer a repayment plan or negotiate such a plan with an Owner who has previously entered into a payment plan with the Association;
- 11. **Application of Payments.** If an Owner who has both unpaid assessments and unpaid fines, fees, or other charges makes a payment to the association, the association shall apply the payment first to the assessments owed and any remaining amount of the payment to the fines, fees, or other charges owed.
- 12. **Legal Remedies.** If payment in full of any Assessment or other charge is not received by the deadline stated in the Notice of Delinquency (30 days after the date of the Notice), or if an Owner does not comply with a payment plan, the legal remedies available to the Association to collect an Owner's delinquent account pursuant to the Association's governing documents and Colorado law are as follows:
 - a. Notice of Lien., the Association may cause a notice of lien to be filed against the property. (Note, filing such notice of lien is not required for the lien to be perfected, C.R.S. § 38-33.3-316(1)).
 - b. Referral of Delinquent Accounts. After the deadline stated in the Notice of Delinquency has expired, the Association may, but shall not be required to, refer the delinquent account to its attorney or a collection agency for collection. An account may only be referred to an attorney or a collection agency if a majority of the Board of Directors votes to refer the matter in a recorded vote at a meeting conducted pursuant to C.R.S. § 38-33.3-308(4)(e). Upon referral to the attorney, the attorney shall take all appropriate action 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 attorney shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and ex parte appointment of a receiver of the Owner's property.
 - c. Foreclosure of Lien. Notwithstanding any provision of this policy to the contrary, and subject to any additional requirements imposed by Colorado law, the Association may only foreclose the lien if it has complied with all statutory prerequisites and:

- i. The balance of the Assessments and charges secured by the lien equals or exceeds 6 months' worth of regular Assessments based on the periodic budget adopted by the Association;
 - ii. 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; and
 - iii. The lien does not consist only of fines that the Association has assessed against the Owner, and/or collection costs or attorneys' fees that the Association has incurred and that are only associated with fines.
- d. **Order of Remedies.** Subject to the restrictions contained herein, the Association may pursue any actions or remedies including, but not limited to, actions for personal judgment, foreclosure, or receivership (on an ex parte basis or otherwise and for purposes of collecting the lien balance coming due to the Association both pre-judgment and post-judgment in any judicial proceeding), to collect amounts owed in any order.
- e. **Waivers.** Nothing in this policy shall require the Association to take specific action(s) other than as set forth herein and 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. Any such relief granted an Owner shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief 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 may determine appropriate under the circumstances, except as may be prohibited by Colorado law.

13. **Severability.** If any provision of this policy is or becomes illegal, invalid, or unenforceable, that shall not affect the validity or enforceability of any other provision of this policy.

CERTIFICATION

The undersigned, as President of the Association, certifies that the foregoing Collection Policy was adopted by the Board at a duly called and held meeting on May 7th, 2025.

Antelope Hills Association, Inc., a Colorado nonprofit corporation

By: _____

Jeremy Johndrow, President