

GLEN OAKS AT CASTLE PINES NORTH
COMMUNITY ASSOCIATION, INC.

Collection Policy

Adopted December 27, 2005

The following policy has been adopted by the Glen Oaks at Castle Pines North Community Association, Inc. ("Association") pursuant to the provisions of C.R.S. 38-33.3-209.5, at a regular meeting of the Board of Directors.

Purpose: To establish a uniform and systematic procedure for collecting assessments and other charges of the Association, thus ensuring the financial well being of the Association.

Collection Philosophy: All Owners are obligated by the Glen Oaks Subdivision Declaration of Covenants, Conditions and Restrictions ("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 Owners to pay Assessments in a timely manner is also unfair to other Owners 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 does hereby adopt the following procedures and policies for the collection of assessments and other charges of the Association:

1. Due Dates. The Association's assessment as determined by the Association shall be due and payable semi-annually in two equal installments due thirty days after the assessment bill is mailed to Owners. Assessments or other charges not paid to the Association within ten days past its due date shall be considered past due and delinquent.

2. Late Charges and Interest Charges. The Association shall be entitled to impose a late charge of twenty-five dollars (\$25.00) on each past due and delinquent installment. If any assessment is not paid within ten (10) days after its due date, the amount due shall bear interest at a rate of eighteen percent (18 %) per annum from the due date until paid. All late charges and interest charges shall be due and payable immediately, without notice, in the manner provided for payment of assessments.

3. Return Check Charges. A twenty-dollar (\$20.00) 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. 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. Attorney Fees on Delinquent Accounts. 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.

5. Application for payments made to the Association. 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 costs and expenses of enforcement and collection, late charges, interest, 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 due with respect to such Owner.

6. Collection Letters.

- (a) After an installment of the common assessment or other charge 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.
- (b) If payment in full is not received within thirty (30) days after the notice of delinquency, the Association may, but shall not be required to send a notice of default to the Owner.

7. Liens. Within ninety (90) days after an Owner's failure to pay any assessment or other charge, the Association shall be entitled to file a notice of lien against the property of the delinquent Owner. The lien shall include fees, charges, late charges, attorney fees, fines and interest owed by the delinquent Owner. The statement of lien shall be duly signed and acknowledged by the President or Vice-President of the Association and shall be served upon the delinquent Owner by mail to the address of the Owner's residence of unit or at such other address as the Association may have in its records for the Owner.

8. Referral of Delinquent Accounts to Attorneys. 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 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 Director, 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, except that foreclosure shall not be commenced until thirty days after the mailing of the statement of lien as provided for in paragraph 7 above.

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 Resolution shall require the Association to take specific actions other than to notify homeowners of the adoption of these policies and procedures. 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 to 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.

11. Delinquencies Constitute Covenant Violations. Any delinquency in the payment of assessments shall constitute a violation of the covenants contained in the Declaration, and following notice and an opportunity to be heard, the Association shall be entitled to impose sanctions on the delinquent Owner consistent with the Association's Notice and Hearing and Enforcement Policy and Procedures.

Glen Oaks at Castle Pines North
Community Association, Inc.

By: _____
President

Attest

Secretary

This Policy Regarding the Adoption and Amendment of Policies was adopted by the Board of Directors on the 27th day of December 2005, effective the 1st day of January, 2006, and is attested to by the Secretary of the Glen Oaks at Castle Pines North Community Association, Inc.

Secretary