

**MILESTONE DRIVE CONDOMINIUM ASSOCIATION
POLICY FOR COLLECTION OF UNPAID ASSESSMENTS**

Effective: December 1, 2011

1. **Introduction.** The Board of Directors ("Board") of Milestone Drive Condominium Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation, the Declaration for Milestone Drive Condominium Association ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. **Policy Purpose.** The purpose of this Policy is to emphasize that collection of unpaid Assessments is an important part of governing the Association and such collection must be done in a uniform manner in accordance with the Association Documents and CCIOA. It is the intent of this Policy to provide a framework for the collection of past due Assessments in a timely and efficient manner.

3. **Collection of Unpaid Assessments.** To assist with the collection of unpaid Assessments in a timely and efficient manner, the Association shall do the following:

3.1 Assessments are due upon the date specified by the Board. If any Assessment is not paid within 10 days after the due date, a monthly late charge of \$25.00 will be assessed against the delinquent Owner for each month that the Assessment remains past due. Furthermore, delinquent Assessments shall bear interest from the date of delinquency at the rate of 18% per annum. The Association shall send any delinquent Owner a letter demanding payment. The demand letter shall be mailed by regular United States mail.

3.2 In the event payment is not received from any delinquent Owner within 30 days after the date of the demand letter referenced above, the Association may pursue any one or all of the following collection remedies:

3.2.1 File an Assessment lien against the delinquent Owner's property;

3.2.2 Commence and maintain legal proceedings (lawsuits seeking personal judgments and foreclosure actions) for the recovery of delinquent Assessments, late fees, interest, attorney fees and costs as may be allowed by the Association Documents or CCIOA;

3.2.3 Pursue collection of judgments obtained against Owners; and

3.2.4 Take all other lawful action necessary to collect delinquent Assessments in accordance with the Association Documents and Colorado law.

If the Association fails to follow the procedures set forth above it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay Assessments or the Association's right to collect the Assessments in accordance with the Association Documents and CCIOA.

4. Association's Attorney Fees and Costs. Any delinquent Owner shall be responsible for attorney fees and costs incurred by the Association in the collection of past due Assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

5. Foreclosure and Bankruptcy Notices. If the Association receives any bankruptcy or foreclosure notice regarding an Owner with unpaid Assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

If the Association, through its attorney, has sent a demand letter, filed a lien or commenced legal proceedings against an Owner in order to collect unpaid Assessments, the Association shall forward any bankruptcy or foreclosure notice received to the attorney.

6. Variance. The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

7. Amendment. This Policy may be amended from time to time by the Board.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of the Milestone Drive Condominium Association, a Colorado nonprofit corporation ("Association") certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by the vote of a majority of the Association's Directors at a meeting of the Association's Board of Directors held on November 17, 2011.

Milestone Drive Condominium Association, a
Colorado nonprofit corporation

By:


Chris Frevert, Secretary