

**SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION, INC.**

**POLICIES AND PROCEDURES AND RULES AND REGULATIONS  
REGARDING THE COLLECTION OF UNPAID ASSESSMENTS  
(38-33.3-209.5 (b)(1) and 38-33.3-209.5 (5))**

Members of Snowmass Mountain Condominium Association, Inc. are required to pay assessments in accordance with Article X of the Amended Condominium Declaration for Snowmass Mountain Condominiums recorded in the real property records of Pitkin County on April 10, 2008 as Reception No. 548249 (the "Declaration") and in accordance with Article XI of the By-Laws of Snowmass Mountain Condominium Association recorded April 29, 1996 as Reception No. 392165.

Pursuant to sections 38-33.3-209.5 (b)(1) and 38-33.3-209.5 (5)(a), Colorado Revised Statutes<sup>1</sup>, the Snowmass Mountain Condominium Association, Inc. hereby adopts the following written policy governing the collection of unpaid assessments:

(I) The date on which assessments must be paid to the Association and the date on which an assessment is considered past due and delinquent are as follows:

Statements for assessments are routinely mailed quarterly and are due and payable within thirty (30) days after written notice of the amount thereof shall have been given to the respective Owner of a Condominium Unit. A first past due notice will be mailed or sent by e-mail if assessments are not paid when due and may include a notice of intent to file a statement of lien and impose interest and late fees. Notices shall state the total amount due, the date the assessment(s) were due, that action is required to cure the delinquency within 30 days to avoid possible referral to an attorney or collection agency. The Property Manager of the Snowmass Mountain Condominiums is the contact person for issues regarding unpaid assessments.

(II) The Association imposes the following late fees and interest on a delinquent unit owner's account in accordance with Section 10.4 of the Declaration.

Section 10.4 of the Declaration provides as follows:

**SECTION 10.4. NOTICE OF ANNUAL ASSESSMENTS AND TIME FOR PAYMENT THEREOF.** Annual assessments shall be made on a calendar year basis. The Association shall give written notice to each Owner as to the amount of the annual assessment with respect to his Condominium Unit prior to the beginning of the next calendar year. Such assessment shall be due and payable within thirty (30) days after written notice of the amount thereof shall have been given to the respective Owner of a Condominium Unit. Each assessment shall bear interest from the date it becomes due

<sup>1</sup> 38-33.3-101, et seq., is commonly referred to as the Colorado Common Interest Ownership Act.

and payable if not paid within thirty (30) days after such date at the yearly rate of six (6) points above the prime rate charged by the Association's bank, or such other lawful rate determined by the Association through its Board of Directors. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of the Condominium Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date thirty (30) days after such notice shall have been given.

(III) The Association imposes returned-check charges as follows:

Any returned check charges shall be passed on to the owner for whose unit the check was returned.

(IV) The following are the circumstances under which a unit owner is entitled to enter into a payment plan with the Association pursuant to section 38-33.3-316.3, Colorado Revised Statutes, and the minimum terms of the payment plan mandated by that section are as follows:

A delinquent owner is entitled to enter into a payment plan to pay off any deficiency, including accrued and accruing interest in six equal monthly installments over a period of six months. Such request for a payment plan shall be made to the Board of the Association or the Manager of the Association within one (1) month of the date of the delinquency. During the six month time period the owner shall remain current on all accruing assessments. The Association may commence legal action against a unit owner if the unit owner fails to comply with the terms of his or her payment plan. A unit owner's failure to remit payment of an agreed-upon installment, or to remain current with regular assessments as they come due during the six-month period, constitutes a failure to comply with the terms of his or her payment plan.

(V) Before the Association turns over a delinquent account of a unit owner to a collection agency or refers it to an attorney for legal action, the Association will send the unit owner a notice of delinquency specifying:

(a) The total amount due, with an accounting of how the total was determined;

(b) Whether the opportunity to enter into a payment plan exists pursuant to section 38-33.3-316.3, Colorado Revised Statutes, and instructions for contacting the Association to enter into such a payment plan;

(c) The name and contact information for the individual the unit owner may contact to request a copy of the unit owner's ledger in order to verify the amount of the debt; and

(d) That action is required to cure the delinquency and that failure to do so within thirty days may result in the unit owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the owner, the filing and foreclosure of a lien against the unit owner's property, or other remedies available under Colorado law.

(VI) The method by which payments may be applied on the delinquent account of a unit owner are as follows:

Payments made on the delinquent account shall first be applied to outstanding expenses and late charges, then to accrued interest and then to outstanding but unpaid assessments.

(VII) The legal remedies available to the Association to collect on a unit owner's delinquent account pursuant to the governing documents of the Association and Colorado law are as follows:

If payment arrangements have not been approved and the assessment remains unpaid on the date due, legal counsel for the Association may be contacted to provide a "Notice of Delinquent Assessments and Order to Show Cause." A show cause hearing will generally be returnable within approximately two weeks of the notice date to provide time to satisfy the debt or provide an explanation as to why payment cannot be made, how payments will be made and why legal proceedings should not be commenced. Finance charges and legal fees will continue to accrue and legal proceedings may be initiated to enforce collection or foreclose the Association's lien as provided in the Declaration, as well as resort to any other remedy or remedies afforded by the Declaration or the applicable provisions of the Colorado Common Interest Ownership Act.

(VIII) This written policy supersedes and amends any prior policy to the extent inconsistent herewith.

Adopted by the Board of Directors of the  
Snowmass Mountain Condominium Association,  
Inc., Snowmass Village, Colorado on

11 April, 2016

By:   
President