

**RESOLUTION  
OF THE  
FOX RUN MEADOWS HOMEOWNERS ASSOCIATION, INC.  
COLLECTION POLICY AND PROCEDURES**

**SUBJECT:** Adoption of policies and procedures for the Fox Run Meadows Homeowners Association, Inc. (the "Association") regarding the collection of unpaid Assessments.

**PURPOSE:** The purpose of this policy is to provide notice of the Executive Board's (the "Board") adoption of a uniform and systematic procedure to collect Assessments and other charges of the Association that complies with statutory requirements including, without limitation, C.R.S. §§ 38-33.3-209.5(1)(b)(I), (1.7), (6), (7) and (8).

**AUTHORITY:** The Colorado Common Interest Ownership Act ("CCIOA"), the Nonprofit Corporation Act, the Articles of Incorporation, dated June 27, 1997 (the "Articles"); the Declaration of Protective Covenants for Fox Run Meadows Planned Unit Development, recorded in Eagle County, Colorado on February 11, 1998 at Reception No. 647032, as amended (the "Declaration"); and the Bylaws of Fox Run Meadows Homeowners Association, Inc, dated February 8, 1998 (the "Bylaws"), as amended or supplemented (the "Bylaws"); which together with all Association Rules and Policies are referenced as the "Governing Documents".

**EFFECTIVE DATE:** Upon Approval

**RESOLUTION:** The Board hereby adopts the following Policy and Procedures subject to:

- Definitions: Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning herein.
- Supplement to Law: The provisions of this Resolution shall supplement the provisions of the Declaration and the law of the State of Colorado governing the Association.
- Deviations: The Board may deviate from any provision of this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
- Amendment: The following Policy amends and restates any previously adopted assessment collection policy and shall remain in effect until such time as it may be duly changed, modified, or amended by the Board.

**COLLECTION OF UNPAID ASSESSMENTS**

1. **Purpose of the Collection Policy.** One of the many advantages of living in a common interest community is sharing with other members the costs of certain maintenance, repairs, and amenities that are often too expensive for a single Owner. All Owners are legally bound to share those costs. It is imperative for the proper maintenance of the Association's Common Elements that all Common Expense Assessments ("Assessments"), whether budgeted, nonbudgeted, regular or special, be paid in full and on time. Delinquencies throw the Association's entire budget off course and negatively affect all Owners' property values and lifestyles. To maintain our community adequately, state statutes and our Governing Documents give the Board the authority to impose and collect Assessments and other allowable charges from Owners. In

fact, the Board owes a duty to all Owners to make sure everyone pays. The Board has adopted the following policy to fulfill its duty in a fair, systematic, and impartial manner.

**2. Common Expenses and Assessments.** Common Expenses are the expenses and liabilities of the Association including allocations for reserves. Common Expenses include expenses of administration and management, maintenance, repair or replacement of the Common Elements; expenses declared Common Expenses by the Governing Documents; and expenses agreed upon as Common Expenses by the Owners.

**3. When Assessments Are Due.** Payments of Assessments, including but not limited to non-budgeted Common Expense Assessments, are due 30 days after the mailing of notice of Owners' obligation to pay, unless otherwise stated. If a Owner does not pay in full any Common Expense Assessment by its due date that payment is delinquent.

**4. Where to Send Payment.** Owners shall deliver all payments to the Association as follows:

Fox Run Meadows Homeowners Association, Inc.  
c/o Integrated Mountain Properties  
PO Box 908  
Glenwood Springs, Colorado 81602

**5. Collection Notices.** The Association shall provide delinquent Owners monthly statements that itemize the total amount of the assessments, fines, fees, interest, charges and costs that are owed. All notices that the Association sends to any Owner pursuant to this Policy shall be delivered to the Owner and the "Designated Contact" that the Owner may identify pursuant to C.R.S. § 38-33.3-209(1.7)(a)(I) by written notice to the Association. Such notices shall be sent in English and any other language the Owner may specify as a preference pursuant to C.R.S. § 38-33.3-209(1.7)(a)(I) by written notice to the Association.

**a. Courtesy Notice.** After an Assessment is delinquent for 15 days the Board or the Manager shall send to the Owner a written courtesy notice (the "Courtesy Notice"). The Courtesy Notice shall be sent via first-class mail and e-mail to the Owner and their Designated Contact, if any. The Courtesy Notice shall state the total amount due to the Association with an itemization of all assessments, fines, fees, and charges owed.

**b. Notice of Delinquency.** After an Assessment is delinquent for 30 days, the Board or the Manager shall send the delinquent Owner and their Designated Contact, if any, a written notice of delinquency (the "Notice of Delinquency"). The Notice of Delinquency shall be sent by certified mail, return receipt requested. In addition, the Association shall contact the Owner to alert the Owner of the delinquency by either first class mail, text message, or e-mail. The Notice of Delinquency shall state:

**i.** The total amount due with an itemization of all assessments, fines, fees, and charges owed;

**ii.** Whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees, or charges, and if the

delinquency concerns unpaid assessments, then the Notice must state that unpaid assessment may lead to foreclosure and that the Owner has the right to participate in credit counseling at their own expense;

iii. The name, mailing address, e-mail address and phone number of the person that the delinquent Owner may contact to verify the amount past due. Upon receipt of an Owner's verification request, the Board shall provide the verification information within seven business days;

iv. The Owner must cure the delinquency by payment of the amount owed either in a lump sum or under a payment plan agreement pursuant to this Policy, the details of said agreement, the name, mailing address, e-mail address and phone number of the person that the delinquent Owner may contact regarding a lump sum payment or a payment plan, and that interest, late fees or other costs may continue to accrue until the delinquency is paid in full;

v. How payments will be applied to the delinquency;

vi. If the Owner fails to cure the delinquency within 30 days the delinquent account may be turned over to a collection agency or the Association's attorney for collection;

vii. A description of the procedure that the Association must comply with before it may take legal action against the Owner; and

viii. A description of the legal remedies available to the Association pursuant to the Governing Documents and Colorado law including, without limitation, matters that the Association or Owner may take to small claims court, and injunctive matters for which the Association seeks an order requiring the Owner to comply with the Governing Documents

ix. The availability of, and instructions on how to access, free online information through the Colorado HOA Information and Resource Center relating to the Association's authority to foreclose its lien and the availability of credit counseling on the amounts owed to the Association in unpaid Assessments and related costs, the impact of foreclosure on the Owner's credit, additional debt that the Owner may accrue if the Association completes its foreclosure, and options available to the Owner to retain title to or possession of the Lot.

**6. Collection Remedies.** The Association may take any or all of the following actions if an Owner's account is delinquent:

a. Late Fees and Interest. If the Association does not receive payment for any Assessment in full on or before the 30 days after it becomes due, the delinquent Owner must pay a late charge of **\$50.00** as liquidated damages for the Association's time, inconvenience, and overhead in collecting the late payment. The delinquent account will also accrue interest at **8%** per annum from the due date until the date of payment.

b. Returned Checks. Any Owner who writes a check to the Association that the Association's bank returns for any reason must pay the following charges:

i. a return check charge of **\$50.00** plus any related bank charges that the Association incurs because of the returned check; and

ii. If notice has been sent pursuant to C.R.S. § 13-21-109 and the total amount due set forth in that notice is not paid within 15 days after such notice is given, the person issuing the check, draft or money order will be liable to the Association for collection of three

times the face amount of the check, but not less than \$50.00.

**iii.** If an Owner writes two or more checks to the Association that the Association's bank returns for any reason within one fiscal year, the Association may require that Owner to pay Assessments for one fiscal year with certified funds.

**c.** Suspend Privileges. If an account is delinquent for more than 30 days, or has an outstanding balance of \$500 or more, the Association may give the Owner a 30 day notice of intent to suspend voting privileges and use of common amenities, if any.

**d.** Assignment of Rents. In the event of any delinquency, the delinquent Owner assigns all of the rental proceeds from their Unit to the Association, who upon written notice to the Tenant occupying the Owner's Unit, will be entitled to collect all rent and other sums due under the rental agreement.

**7. Payment Plan Agreement:** In compliance with C.R.S. §§ 38-33.3-209.5(7(a) and 316.3, the Association must make a good faith effort to set up a payment plan agreement with a delinquent Owner prior to referring the Owner's delinquent account to a debt collector or an attorney for legal action.

**a.** Requirements. A payment plan negotiated between the Association and a Owner pursuant to this Section must provide for a minimum term of 18 months, unless the Owner requests and agrees to a shorter term. The payment plan must permit the Owner to pay off the delinquency in equal installments over the agreed term, or in such amount that the Owner reasonably determines, but no less than \$25 per month. The plan shall require the Owner to pay all periodic and other assessments as they become due during the payment plan term. The payment plan shall contain any other material terms as the Board may determine to be necessary to address the particular circumstances of a delinquency. Notwithstanding the forgoing, payment plans shall permit full or partial pre-payment at any time without penalty. The unpaid principal balance of the payment plan shall accrue interest at the rate of 8% per annum until paid in full.

**b.** Default. The Association may pursue any collection remedy or legal action the Governing Documents authorize against an Owner who defaults on the terms of a payment plan entered into pursuant to this Section. An Owner will be in default of their payment plan if the Owner fails to timely pay three or more agreed upon installments, or fails to pay any other Common Expense assessment as they become due during the payment plan term, or if the Owner otherwise defaults under the terms of the payment plan.

**c.** Exceptions. The Association is not required to set up payment plans with an Owner who does not occupy the Unit, or who acquired the property as a result of a Default of a Security Interest, or an Owner that has previously entered into a payment plan agreement with the Association.

**8. Habitual Delinquency.** An Owner shall be habitually delinquent if they are more than 30 days delinquent on two or more periodic Assessment payments in any six month period. The Board may require habitually delinquent Owners to pay future Assessments by



Automated Clearing House (ACH) direct debit transfers or automatic Electronic Funds Transfer (EFT).

**9. Crediting Late Payments.** All delinquent accounts remain delinquent until paid in full. Acceptance of partial payments will not waive the Association's right to pursue full payment or to enforce the provisions of this policy. The Association will apply partial payments to an Owner's outstanding balance in the following order:

- a. Unpaid Assessments, with payments applied to the oldest balance first;
- b. Attorney's fees and costs;
- c. Amounts reduced to judgment;
- d. Interest, Late charges, returned check charges, lien fees, and any other fines or costs owing or incurred;

**10. Acceleration and Deceleration of Assessments.**

a. Acceleration. The Board reserves the right to accelerate and call due the entire unpaid Assessment, budgeted, non-budgeted, regular or special, of any delinquent account. Such acceleration will result in the entire unpaid Assessment being due to the Association immediately. The Board also reserves the right to decelerate an accelerated Assessment.

b. Deceleration. The Board reserves the right to decelerate any unpaid annual or special assessment of any delinquent account. Such deceleration may result in a delay or postponement of the date the unpaid Assessment will become due. The Board also reserves the right to accelerate a decelerated Assessment.

**11. Certificate of Status of Assessment.** The Association will furnish to a Owner or such Owner's designee within 14 days after written request to the Association's agent, a written statement setting forth the amount of unpaid Assessments currently levied against such Owner's Unit. However, if the account has been turned over to the Association's attorney, such request will be handled through the attorney.

**12. Bankruptcies and Foreclosures.** Upon receipt of any notice of a bankruptcy filing by an Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit, the Manager will notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

**13. Judicial Enforcement.** Except as otherwise limited by applicable law, the Association may pursue any available judicial remedy for collection or enforcement of delinquent Assessments including, without limitation, obtaining a money judgment, foreclosing its lien for assessments, or appointment of a receiver. Prior to commencement of any judicial action the balance of the delinquent Assessments and charges secured by the Association's lien must equal or exceed 6 months of Common Expense Assessments based on the Association's duly adopted

budget, the Association shall comply with all notice requirements and make a written offer to enter into a payment plan agreement as provided in this Policy, and the delinquent Owner either: declines or fails to timely accept the payment plan agreement within 30 days of the Association's offer; or accepts the payment plan agreement but subsequently fails to pay three of the monthly installments, or any of the regular assessments that become due during the term of the payment plan agreement. The Association shall not commence any judicial action unless the Board formally resolves, pursuant to a recorded vote, to authorize the filing of a legal action against an Owner or a Unit. The Board may not delegate its duty under this Section to any manager, attorney, insurer, or other Person.

a. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of Assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the Court, to manage the Unit including, without limitation, rental of the Unit, collection of rent and disbursements the rent according to the Court's order. The purpose of a receivership for the Association is to obtain payment of current Assessments, reduce past due Assessments, and prevent the waste and deterioration of the Project.

b. Judicial Foreclosure. The purpose of foreclosing is to obtain payment of all Assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action. With respect to a foreclosure action:

i. The Association shall not foreclose its lien without previously or contemporaneously obtaining a personal judgment against the Owner, except where personal judgment is not available due to the death or incapacity of the Owner, or the Association's reasonable attempt to personally serve the Owner within 180 days is unsuccessful, or the amount due to the Association is subject to a bankruptcy proceeding filed by or against the Owner. Notwithstanding the forgoing, the personal judgment requirement does not apply to a Unit owned by an entity other than an individual or that is not occupied as the Owner's principal residence, unless the Unit is used for workforce housing.

ii. The Association shall not commence a judicial foreclosure to collect delinquent Assessments that only include fines and associated charges, costs and attorneys' fees. However, this limitation shall not preclude the Association from obtaining a personal judgment against an Owner for such amount, obtaining a judgment lien, and subsequently commencing an action to foreclose that judgment lien.

iii. At least 30 days prior to the Association's commencement of any foreclosure action, the Association shall provide written and electronic notice to all holders of liens encumbering the subject Unit. Subject to relevant notice requirements under applicable law, recording of a lien statement that identifies the total amount due to the Association in the Pitkin County property records at least 30 days prior to the Association's commencement of the foreclosure action shall fully satisfy this notice requirement.

**14. Foreclosure Notice.** At least 30 days prior to commencement of any foreclosure action, the Association shall send notice of intent to foreclose (the "Foreclosure Notice") to the Lot Owner and their designated contact, if any. The Foreclosures Notice must be delivered to the Owner via certified mail, return receipt requested, first class U.S. mail, e-mail or text message, and

it must include the following information:

a. Foreclosure may result in sale of the Lot at public auction and a reduction of all or part of the Owner's equity in the Lot;

b. The Lot Owner has a right to participate in credit counseling and provide instructions of how to access the Colorado HOA Information and Resources Center.

c. The Lot Owner may request pre-litigation mediation by submitting a written mediation request to the Board within 30 days of the Association's notice. If the Owner timely submits a mediation request, the parties shall select a mediator with prior experience and knowledge related to CCIOA and common interest community disputes that is mutually agreeable to the parties and shall schedule mediation within 30 days of the Owner's request. There shall be no obligation to mediate if the Owner fails to timely submit a written mediation request.

**15. Small Claims.** Any party seeking to enforce its rights under the Governing Documents for disputes regarding assessments, fines or fees owed to the Association for \$7,500 or less, exclusive of interest and costs, may file a claim in small claims court.

**16. Waivers.** The Board, in its discretion, may extend the time for the filing of lawsuits and liens, or to otherwise modify these procedures, as necessary.

**17. Notices.** Except as otherwise provided in this Policy or as required under applicable law, the Association will deliver a collection notices to a delinquent Owner and their Designated Contact, if any, personally, or at the registered or last known address by regular mail. The Association may, but is not required to, send an additional copy of that letter or notice by e-mail or certified mail.

**18. Communication with Owners.** Only the Association's attorney shall communicate with delinquent Owners turned over for attorney collection. A Director or Manager may not discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

**19. Defenses.** The Association's failure to comply with any provisions in this policy is not a defense to payment of assessment fees or other charges, late charges, return check charges, attorney fees or costs as described and imposed in this policy. There is no right to offset. An Owner may not withhold assessments owed to the Association on the alleged grounds that the Owner is entitled to recover money or damages from the Association for some other obligation.

**20. Attorneys' Fees and Costs.** Pursuant to the Governing Documents and applicable law, the Association is entitled to recover its reasonable attorney fees and costs incurred in the collecting delinquent assessments or other unpaid amounts due to the Association, whether or not a lawsuit is filed. However, the Association shall only be entitled to recover its reasonable attorneys' fees and costs after providing the delinquent Owner with a Notice of Delinquency in accordance with this Policy. The reasonable attorney fees and collections costs incurred by the Association shall be due and payable immediately when incurred, upon demand.

### CERTIFICATION

The undersigned officers certify that this Resolution was adopted by the Executive Board of the Fox Run Meadows Homeowners Association, Inc., on September 7th, 2025.

**Fox Run Meadows Homeowners Association, Inc.**

By: Cathy Jacqueme  
Fox Run Meadows HOA, President