

**VAIL GATEWAY PLAZA CONDOMINIUMS, INC.  
AMENDED AND RESTATED POLICY FOR  
COLLECTION OF ASSESSMENTS**

**SUBJECT:** Adoption of an amended procedure regarding collection of assessments

**PURPOSE:** Establish a procedure for collection of assessments in compliance with Colorado Law and the Governing Documents.

**AUTHORITY:** Governing Documents of the Association and Colorado law.

The Governing Documents are comprised of:

- a. Amended and Restated Declaration for Vail Gateway Plaza Condominiums;
- b. Map for Vail Gateway Plaza Condominiums;
- c. Bylaws for Vail Gateway Plaza Condominiums;
- d. Articles of Incorporation for Vail Gateway Plaza Condominiums;
- e. Rules, Regulations and Policies for Vail Gateway Plaza Condominiums;
- f. Responsible Governance Policies as required by C.R.S. 38-33.3-209.5 for Vail Gateway Plaza Condominiums.

Colorado Law is comprised of:

1. Colorado Common Interest Ownership Act (“CCIOA”) codified at C.R.S. 38-33.3-101 et seq.
2. Colorado Revised Not for Profit Corporate Act (“CRNCPA”).

**EFFECTIVE DATE:** 1/28/2019, 2018

**RESOLUTION:** The Association hereby adopts the following Policy:

1. General. This Amended Policy is adopted in compliance with Colorado Law to promote the recreation, health, safety and welfare of the Association and its Members. Under the Governing Documents the Association is entitled to levy assessments to meet the expected fiscal needs of the Association. Assessments are assessed and payable per the Association Governing Documents. This Amended and Restated Policy replaces in total the Association’s prior Policy for Collection of Assessments. Capitalized terms not expressly defined herein shall have the meaning prescribed to them in the Governing Documents and Colorado Law.
2. Assessment Obligations and Due Dates:
  - a. Common Expense Assessments – All Owners other than Owners of Parking Spaces are required to pay Common Expense Assessments per Article 16(a) of the Declaration. Common Expense Assessments are due monthly, in advance, on the first day of each month, or at such other intervals as the Executive Board may determine (“Common

Expense Due Date”). Common Expense Assessments are delinquent if not paid in full within 20 days of the Common Expense Due Date (“Common Expense Delinquency Date”).

- b. Commercial Expense Assessments - All Owners of Commercial Units are required to pay Commercial Expense Assessments per Article 16(c) of the Declaration. Commercial Expense Assessments are due monthly, in advance, on the first day of each month, or at such other intervals as the Executive Board may determine (“Common Expense Due Date”). Commercial Expense Assessments are delinquent if not paid in full within 20 days of the Commercial Expense Due Date (“Commercial Expense Delinquency Date”).
  - c. Residential Expense Assessments - All Owners of Residential Units are required to pay Residential Expense Assessments per Article 16(c) of the Declaration. Residential Expense Assessments are due monthly, in advance, on the first day of each month, or at such other intervals as the Executive Board may determine (“Residential Expense Due Date”). Residential Expense Assessments are delinquent if not paid in full within 20 days of the Residential Expense Due Date (“Residential Expense Delinquency Date”).
  - d. Parking Assessments- All Owners of Parking Spaces are required to pay Parking Expense Assessments per Article 16(c) of the Declaration. Parking Expense Assessments are due monthly, in advance, on the first day of each month, or at such other intervals as the Executive Board may determine (“Parking Expense Due Date”). Parking Expense Assessments are delinquent if not paid in full within 20 days of the Parking Expense Due Date (“Parking Expense Delinquency Date”).
  - e. Special Assessments – Pursuant to Article 17 of the Declaration, Special Assessments may be levied and assessed against all Owners for common purposes and against a particular Owner or group of Owners for matters that benefit such Owner or group of Owners only subject to the monetary limitations provided for in Article 17. Special Assessments shall be due and payable as determined by the Executive Board (“Special Assessment Due Date”). Special Assessments are delinquent if not paid in full within 20 days of the Special Assessment Due Date or such other time period as may be set by the Executive Board.
3. Interest Rate. Pursuant to Section 20 (c) of the Declaration, interest shall accrue at the rate of 24% per annum on all Assessments not paid within twenty (20) days after their respective Due Date.
  4. Late Charges. Pursuant to Section 20 (c) of the Declaration, the Executive Board can levy a late fee not to exceed \$100.00 for any Assessment not paid within twenty (20) days after the respective Due Date to defray the extra cost and expenses involved in handling delinquent Assessments (“Late Fee”).
  5. Returned Check Charges. The Association shall charge a fee of \$50.00 for any returned check in addition to any fees and charges assessed against the Association by its banking institution.

6. Suspension of Voting Rights. No Owner who has an assessment delinquency shall be entitled to vote on any Association matter.
7. Method of Application of Payments. All payments received from an Owner shall be applied first to interest, late fees and penalties, if any, and then to the oldest outstanding assessment or portion thereof.
8. Collection of Assessments.
  - a. *Notice to Owner of Delinquency.* Prior to the Association turning over any delinquent Owner account for collection by a third party, including a collection agency or attorney for legal action, the Association shall provide a Notice of Delinquency to the delinquent Owner that provides for the following:
    - i. The total amount due, with an accounting of how the total was determined;
    - ii. Whether the Association will provide an opportunity to enter into a payment plan pursuant to Section 8(b) below including instructions for contacting the Association to enter into such a payment plan;
    - iii. The name and contact information for the person that the delinquent Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt;
    - iv. That action is required to cure the delinquency and that failure to do so within thirty (30) days of the date of the Notice of Delinquency may result in the 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 Owners' Unit, or other remedies available under Colorado law.
  - b. *Lien Foreclosure.*
    - i. *Foreclosure.* The Association has a statutory lien for any assessment delinquency, whether pertaining to monthly, special, or default assessments. The Association's lien may be foreclosed upon in like manner as a mortgage on real estate if:
    - ii. The balance of the assessments and charges secured by the Association's lien equals or exceeds six months of Association common expense assessments based on a periodic budget adopted by the Association; and
    - iii. The Executive Board has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific unit that is delinquent on an individual basis. The Board will not delegate its duty in this regard to any attorney, insurer, manager, or other person.
  - c. The Association shall also make a good-faith effort to coordinate with any delinquent Owner to set up a payment plan the terms of which are negotiable by the Association but which at a minimum will permit the delinquent Owner to pay off the deficiency in equal installments over a period of at least six months ("Payment Plan"). The Association may pursue legal action against a delinquent Owner if the Owner fails to comply with the

terms of the payment plan. An Owner's failure to remit payment of an agreed-upon installment, or to remain current with regular assessments as they come due during the pendency of a Payment Plan, shall constitute a failure to comply with the terms of the Payment Plan. The Association does not have to offer a Payment Plan of any nature or kind to an Owner who the Association has previously entered into a Payment Plan with. Additionally, this Section 8(c) does not apply if the Owner does not occupy the Unit and has acquired the property as a result of:

- i. A default of a security interest encumbering the unit; or
- ii. Foreclosure of the Association's lien;

9. Non-binding on Association. The provisions of this Policy are to establish a framework for prompt and uniform collection of overdue assessments. The Association shall not be required to take each or any of the steps set forth herein except to the extent that any such steps are mandated by the Colorado Common Interest Ownership Act codified at C.R.S. 38-33.3-101 et seq., The Association's failure to take any of these steps not mandated by Colorado law, and/or to follow each step as prescribed herein, shall not be deemed a violation that would alleviate an Owner's obligations under the Association documents or the Colorado Common Interest Ownership Act ("CCIOA") or be a waiver by the Association of any of its rights pursuant to the Association documents or CCIOA.

10. Non-exclusive Remedies. All remedies set forth herein are cumulative and non-exclusive.

11. No Waiver. Failure of the Executive Board, the Manager, or designated agent to enforce the Association documents and/or these policies and procedures, shall not be deemed a waiver of the right to do so with regard to said violation, any subsequent violations, or the right to enforce any other part of the Association documents at any future time.

12. No Liability. No member of the Executive Board, the Manager, or any Owner shall be liable to any other Owner for the failure to enforce any of the Association documents, including this Policy.

13. Recovery of Costs. The Association is entitled to recovery of reasonable attorney's fees and costs incurred for addressing delinquent Assessments. Collection actions shall be filed without evidence of vote authorizing a lien foreclosure action per Section 8(b) above.

**PRESIDENT'S CERTIFICATION:** The undersigned President of Vail Gateway Plaza Condominiums, a Colorado nonprofit corporation, certifies that this Policy was adopted in compliance with the Governing Documents.

Vail Gateway Plaza Condominiums, Inc.  
A Colorado non-profit corporation,

By:  \_\_\_\_\_  
President of the Executive Board