

**TRAILMARK HOMEOWNERS ASSOCIATION, INC.**  
**AMENDED ASSOCIATION COLLECTION POLICY**  
**CCIOA (COLORADO COMMON INTEREST OWNERSHIP ACT) COMPLIANT**  
**EFFECTIVE DATE: 10/14/24**

A. Introduction and Purpose. The Trailmark Homeowners Association, Inc. ("Association") depends upon the timely payment of assessments to function efficiently and perform its duties and responsibilities.

The Association incurs management and administrative costs to monitor, notify and administer assessment collection in accordance with the governing documents and the Association's community association management agreement.

The Association considers collection of assessments to be very serious and the primary means of support for the community.

This policy defines how the Association and management administer the collection of assessments, fees and other charges. The Association, acting through the Board of Directors and its Managing Agent, will collect assessments and other fees based upon the following reasonable procedures.

B. Assessment Collection Procedures.

1. Assessments are due on the first of each quarter (January, April, July & October) and are considered delinquent if payment is not received within thirty (30) days from the due date.
2. Delinquent assessments may bear interest from the due date at a maximum rate of 8% per annum or at a lower rate of interest as may be set from time to time by the Board of Directors.
3. If a payment is not received by the 30<sup>th</sup> of the quarterly month due, a monthly \$25.00 late charge will be assessed. LATE CHARGES SHALL BE ASSESSED TO THE OWNERS ACCOUNT OF THE UNIT FOR WHICH SUCH AMOUNT IS UNPAID.
4. On a monthly basis, the Association shall provide to each Owner who has an outstanding balance an itemized list of all assessments, fines, fees, and charges that the Owner owes the Association. A ledger, statement or invoice can satisfy this requirement. This monthly statement shall be sent by first class mail and by email if the Owner has provided their email to the Association. This statement shall be sent after the late fee has been assessed and prior to the end of the month. If the late fee is assessed on the last day of the month, the monthly statement will be sent prior to the end of the following month. This statement may not include additional legal fees and legal costs that have been incurred by the Association but have not yet been posted to the ledger.
5. After an installment of the assessment or other charges due to the Association becomes more than 60 days past due, a courtesy notice will be sent to the Owner. A \$40.00 ADMINISTRATIVE FEE IS ASSESSED TO THE OWNER'S ACCOUNT BY MANAGING AGENT ON BEHALF OF THE ASSOCIATION.
6. After an installment of the assessment or other charges due to the Association becomes more than 90 days past due, and before the Association turns over a delinquent account to a collection agency or refers it to an attorney for legal action, the Association shall send a FINAL NOTICE to the Owner. This FINAL NOTICE shall state:
  - 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, and instructions for contacting the Association to enter into such a payment plan;

- c. The name and contact information of the individual that the Owner may contact to request a copy of the Owner's ledger to verify the amount of the debt; and
- d. That action that is required to cure the delinquency, and that failure to cure the delinquency within 30 days may result in the Owner's account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property if the delinquency is for unpaid assessments, or other remedies available under Colorado law.
- e. Include a description of the steps the Association must take before the Association may take legal action against the Owner, including a description of the Association's covenant violation cure process as laid out in the Association's Covenant and Rule Enforcement Policy.

The Final Notice will be provided to the Owner via regular mail, Certified Mail, return receipt requested (the actual cost of such certified mailing may be charged to the Owner); and two of the three following:

- (i) Phone call to Owner or their Designated Contact;
- (ii) Text to Owner or their Designated Contact;
- (iii) Email to Owner or their Designated Contact

For providing the Final Notice, a \$75.00 ADMINISTRATIVE FEE IS ASSESSED TO THE OWNER'S ACCOUNT BY MANAGING AGENT ON BEHALF OF THE ASSOCIATION.

If a payment plan is entered into, an additional \$180.00 ADMINISTRATIVE FEE will be added to the account and collected with the delinquent balance owed.

- 7. If payment in full is not received within 120 days after the payment is due, and the delinquent Owner has not entered into or is in default of the payment plan, the Association reserves the right to record a notice of lien in the county property records. IF A LIEN IS RECORDED, A \$175.00 ADMINISTRATIVE FEE IS ASSESSED TO THE OWNER BY MANAGING AGENT ON BEHALF OF THE ASSOCIATION, IN ADDITION TO THE DELINQUENT ASSESSMENTS, ACCUMULATED LATE AND/OR ADMINISTRATIVE FEES BY THE ASSOCIATION.
- 8. Due to evidentiary and hearsay issues, Managing Agent will only contact the Owner in writing, except as required by Section B. 6. e. above. If the delinquent Owner has questions about the delinquency, that Owner is encouraged by our notices to contact us either by phone or in writing and we will respond appropriately in writing. If an Owner communicates with the Managing Agent via email, text, fax, phone, or any other method of communication, by those actions, the Owner authorizes the Association and Managing Agent to communicate via that same method in the future in addition to those methods required by law.
- 9. If payment is not received from the Owner within 120 days or the Owner is in default of a payment plan, the Association's Managing Agent may present the account to the Board of Directors to review and approve or deny a referral of the account to the Association's attorney via a vote held in executive session. Once an account is turned over to the Association's attorney, the Association and/or Managing Agent will refer all communications and correspondence from an Owner directly to the attorney. The attorney is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including but not limited to:
  - a) Sending a demand letter to the Owner.
  - b) Filing a lawsuit against the delinquent Owner seeking/obtaining a money judgment and recording a transcript of judgment.
  - c) If a personal judgment is entered against the delinquent Owner, the Association may pursue remedies such as garnishing the Owner's wages, bank accounts,

rents, automobiles, other property, etc. and submitting interrogatories for the Owner to answer.

- d) Bringing an action for appointment of receiver.
  - e) Filing necessary claims, documents, and motions in bankruptcy court to protect the Association's interest.
  - f) The account will remain with the attorney until the account has been paid in full, resulting in a zero (\$0.00) balance. This includes payment of all collection fees and costs, including but not limited to, all attorney fees and costs. In such event, the Association shall not have to send any additional notices until the account has reached a zero balance.
  - g) The Association, or assignee of the Association's lien, may proceed to foreclosure if the Association complies with all requirements of C.R.S. §§ 38-33.3-209.5 and 316.3 and the total amount secured by the lien is equal to at least 6 months of assessments (including late fees, interest, and other charges). In addition, the Board of Directors must resolve by a recorded vote (in executive session) to proceed with foreclosure against the property. Authority to proceed with foreclosure may not be delegated to the Association's Managing Agent, attorney, or any other third party. Any legal action filed without evidence of the recorded vote authorizing the action must be dismissed. No attorney fees, court costs, or other charges incurred by the Association or a holder or assignee of the Association's lien in connection with an action that is dismissed for this reason may be assessed against the Owner.
10. All fines, charges and/or costs associated with actions taken to enforce the governing documents may be assessed and collected in accordance with this policy, except that the Association shall not foreclose its lien if the debt securing the lien consists only of (i) fines assessed against the Owner, and/or (ii) collection costs or attorney fees that the Association has incurred in connection with the fines.

#### **Summary of Collection Procedures, Timeframes, and Administrative Charges:**

Due Date (date payment due)	1 <sup>st</sup> day of the quarter due (Jan., Apr., July, Oct.)
Statement of Account – no charge to Owner except late fee and / or interest if applicable	Any time between late date and 30th day of the month. If the grace period is the last day of the month, the Statement will be sent prior to last day of the following month.
Courtesy Notice - \$40.00 Administrative Fee	Any time after 60 days after due date
Final Notice - \$75.00 Administrative Fee	Any time after 90 days after due date
Lien - \$175.00 Administrative Fee	Any time after 120 days after due date
Payment Plan - \$180.00 Administrative Fee	Set up any time prior to Lien Preparation

11. **Return Check Charges.** If an Owner's check is not honored by the bank or is returned by the bank for any reason whatsoever, including insufficient funds, the Association's or its Managing Agent may charge a \$20 NSF processing fee per check to the Owner. If an Owner submits a payment by credit card and that payment is denied for any reason, the Owner will be charged a \$20 administrative fee. In addition to the \$20 administrative fee, the Owner may be charged an additional fee to cover costs to the Association by the 3<sup>rd</sup> Party Service Provider or a financial institution for a denied credit card payment. If two (2) or more payments are returned unpaid by the bank or credit card company within any (fiscal) year, the Association or its Managing Agent may

require that all future payments, for a period of one (1) year, be made by certified check or money order. Any returned payment shall cause an account to be considered past due.

C. Payment Plans. The Association shall make a good-faith effort to coordinate with an Owner to set up a payment plan that meets the requirements of state law, before the Association turns over a delinquent account to a collection agency or refers it to an attorney for legal action.

The Association is not obligated to negotiate, coordinate, and enter a payment plan with:

1. An Owner who has previously entered a payment plan with the Association under this policy; or
2. An Owner who does not occupy the property and has acquired the property because of: (i) A default of a security interest encumbering the property; or (ii) Foreclosure of the Association's lien.

If an Owner is entitled to and accepts the offer of a payment plan, the Owner may choose the amount to be paid each month over a period of up to eighteen months, so long as each payment is at least twenty-five (\$25.00), until the balance of the amount owed is less than twenty-five dollars (\$25.00).

Within thirty (30) days after the Association has provided the Owner with a written offer to enter into a payment plan, if the Owner declines the offer of a payment plan, which may include failing to confirm written acceptance of the payment plan, the offer shall be deemed declined.

An Owner fails to comply with the terms the payment plan if the Owner fails to timely remit payment of three or more agreed-upon installments within fifteen (15) days after the monthly installments were due or fails to remain current on regular ongoing assessments.

If an Owner fails to comply with the terms of the payment plan, including the payment of the ongoing assessments of the Association, the Association may pursue legal action against an Owner without further notice to the Owner or take such other action as it deems appropriate in relation to the delinquency. For purposes of this section, "assessments" includes regular and special assessments and any associated fees, charges, late charges, attorney fees and fines, charged pursuant to C.R.S. §38-33.3-315(2).

D. Application of Payments Received. The Association will apply partial payments as follows:

1. The oldest and longest outstanding Association assessments working forward to the current assessments outstanding.
2. Administrative costs and fees
3. Legal fees and court costs
4. Fines, penalties or other charges arising from violations of the governing documents
5. Late charges and interest on delinquent assessments

If an Owner's check specifically designates a payment of a particular monthly assessment, the check will be applied to the Owner's account balance as identified in items 1-5 above only.

E. Account Adjustments. Account adjustments resulting from waiver request approvals, settlements, or judgments will only be made once outstanding balances have been paid in full unless alternative arrangements are mutually agreed upon by management and the Board of Directors.

F. Communication with Owners. As to any communication sent by the Association or by the Managing Agent on behalf of the Association related to a delinquency, the Association, through its Managing Agent shall maintain a record of any contacts, including information regarding the

type of communication used to contact the Owner and the date and time that the contact was made.

An Owner may identify another person to serve as a designated contact for the Owner to receive communications on the Owner's behalf in accordance with the Managing Agent's Communication Procedure. If the Owner identifies someone as a designated contact in compliance with the Managing Agent's Procedure, the Association shall send any collection correspondence and notices to both the Owner and their designated contact. However, if an account is referred to the Association's attorney, all communication will be directly with the Owner until or unless the Owner provides permission for the attorney to discuss with the designated contact.

An Owner may notify the Association if the Owner prefers that correspondence and notices regarding the delinquency from the Association be provided in a language other than English in accordance with the Managing Agent's Communication Procedure. If a preference is not indicated, the Association shall send the correspondence and notices in English. If an Owner has notified the Association of a preference other than English, any notices or letters sent pursuant to this Procedure shall be sent both in English and in the preferred language. The Owner may be responsible for any translation charge associated with each notice that is translated from English to the preferred, requested language.

If an Owner has identified both a designated contact and a preference for a different language, the Association shall send the Owner the correspondence or notice in the preferred language and in English and the designated contact the correspondence or notice in English.

If an Owner identifies another person to serve as a designated contact and / or has a request to receive correspondence in a language other than English, the Owner must send their request by Certified Mail, return receipt requested to the main office of Westwind Management Group, LLC, currently at 27 Inverness Drive East, Englewood, CO 80112 and in the manner specifically described in the Managing Agent's Communication Procedure.

#### **RESOLUTION OF THE BOARD OF DIRECTORS OF TRAILMARK HOMEOWNERS ASSOCIATION, INC.**

Pursuant to the provisions of the Association's Declaration, Articles of Incorporation, Bylaws and Colorado Law, which allow for this action by the Board of Directors of the Association, the following Resolution was adopted by the majority of the Board of Directors.

BE IT RESOLVED, the Board of Directors of the Trailmark Homeowners Association, Inc. (the "Association"), approves this "Amended Association Collection Policy," effective 10/14/24.

DATE APPROVED: 10/14/24

TRAILMARK HOMEOWNERS ASSOCIATION, INC.  
BOARD OF DIRECTORS by its President

  
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President