

**COLLECTION POLICY FOR ANNUAL AND SPECIAL ASSESSMENTS AND FINES  
FALL VALLEY HOMEOWNERS ASSOCIATION**

Effective Date: 04/07/2020

*Prompt payment of assessments by all Owners is critical to the financial health of the Association and to the enhancement of the property values of its homes. The Board of Directors ("Board") takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions of Fall Valley Subdivision ("Declaration"). The policies and practices outlined shall remain in effect until such time as they may be changed, modified or amended by a duly adopted resolution of the Board of Directors. Therefore, reference is made to the Declaration for Fall Valley Homeowners Association ("Association") as well as Colorado House Bill HB13-1276.*

The Board establishes the Association's fiscal year, January 1 to December 31, also referred to as the current Assessment Period.

**1.0 Assessments in General:** The Association has a duty to levy Annual and Special assessments sufficient to perform its obligations under the governing documents and Colorado law.

**2.0 Obligation to Pay Fees and Assessments:** Each Annual Assessment, Special Assessment and fine is an obligation of the Owner at the time the assessment or other sums are levied. Each Annual Assessment, Special Assessment and fine may also become a lien on the Owner's Property from and after the time the Association causes a Notice of Delinquent Fees, Assessment and Fine Lien to be recorded with the Mesa County Clerk and Recorder's office.

**3.0 Notice of Annual Assessments and Special Assessments:** The Association will give the Owners at least 30 days notice by mail to the address on the membership register before any increase in the Annual Assessment or Special Assessment. It is the responsibility of each Owner to advise the Association of any mailing address changes.

According to the Declaration - Article IV, Section 3, (a), Annual Assessments may be increased by 10% with majority vote of the current Board members. For an Annual Assessment that has been approved by the process stated in the Declaration - Article IV, Section 7, a notice will be mailed stating the amount of the assessment and the due date.

The Board or its designated agent may elect from time to time to provide additional periodic statements of assessments and charges, but lack of such statements does not relieve the Owner of the obligation to pay such assessments or fees and must be paid on their respective due dates.

It is the right of the Association to suspend the voting rights of an Owner for any period during which any fees, assessments or fines against the Owner or Owner's Property remain unpaid as stated in the Declaration - Article II, Section 3, (c).

**4.0 Designation of Agent:** The Board may designate an agent or agents to collect Annual Assessments, Special Assessments and fines and administer this Collection Policy. Such designated agent may be an officer of the Association, the manager, bookkeeper, banking institution, trustee company, law firm or collection agency.

**5.0 Due Date/Delinquency Date of Annual and Special Assessments:** Unless otherwise specified by the Board, an Annual Assessment is due 30 days after being voted in and delinquent thereafter. A Special Assessment that is voted in is due immediately after being voted in and delinquent if not received in full by the last business day of December of the current Assessment Period.

**6.0 Due Date and Interest Charges on Delinquent Amounts for Assessments and Fines.** Any assessment or fine not paid within 30 days after the due date shall bear interest from that due date at the rate of 18% per annum per Declaration Article IV, Section 8.

**7.0 Collection Charges:** Any charges resulting from the act of collecting from a delinquent Owner shall be the responsibility of the Owner, including but not limited to, charges from a collections agency, cost of liens, postage, copies, and interest and shall become an additional charge against the Owner and the Owner's Property, subject to collection pursuant to this Collection Policy.

**8.0 Application of Payments:** Payments shall be applied first to the oldest assessments and fines unless instructed otherwise.

**9 Delinquency Notices:** Owners delinquent 30 days on assessments or fines will receive a letter and statement with any interest charges. If full payment is not received within 60 days of the original due date of the assessment and/or fines, the account may be turned over to the Association's contracted designated collection agency for collection according to state and federal fair debt collection laws. These collection procedures will include but are not limited to a Notice of Intent to Lien, Lien and foreclosure proceedings.

A good faith agreement pursuant to section 38-33.3-316.3 of HB13-1276 to resolve delinquent fees and assessments may be considered by the Board on an individual basis if a written dispute of collection and request for a hearing is submitted to the Board through its designated collection agent, if such an agent has been designated. An Owner will have one opportunity to enter into a payment agreement. If the Owner becomes delinquent with fees or assessments thereafter, including during the pay back period of the original delinquent amount, the account will be turned over to the designated collection agency. If an agreement is reached, the delinquent Owner will have no less than 6 months to pay back delinquent fees. Any agreement shall in no way relieve the Owner of any expenses incurred during the collection process. The payment plan requirement does not extend to Owners who do not occupy the property or have taken title as a result of a default on a mortgage (i.e. public trustee foreclosure) or Association foreclosure.

**10. Collection of Fines:** When fines reach \$400.00, they may be turned over to the Association's designated collection agent for collection after a 10-day notification of intent to turn over to collections is mailed to the Owner.

**11. Foreclosure:** In accordance with HB13-1276, Section 2, 11 (a) and 11 (b), a lien may be foreclosed upon by the Board for no less than \$1000 of past due fees and no more than the total amount owing including foreclosure costs, interest, late fees, fines, collection fees, and attorney's fees by majority vote of the Board. The Owner is responsible for additional fees and costs if a foreclosure action is commenced against the property or possible loss of ownership of the property if foreclosure is completed.

**12. Returned Check Charge:** A \$50.00 fee will be charged to an Owner for a returned check.

**13. Address of the Association and the Board of Directors.** Owners should make payments to the address as directed by the designated agent. If no address is given, payments, request for payment plans, written correspondence including responses and changes to mailing address should be sent to the Association at the following address:

Fall Valley Homeowners Association  
PO Box 111  
Grand Junction CO 81502

**14. Void Provisions:** If any provision of this Collection Policy is determined to be null and void, all other provisions of this policy shall remain in full force and effect.

The undersigned certify that this Policy was adopted on April 7, 2020 by resolution of the Board of Directors.

FALL VALLEY HOMEOWNERS ASSOCIATION



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Randy Miller, President

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Leslie Henderson, Secretary

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Mary K Wendland, Treasurer