

**INDIAN SPRINGS LANDOWNERS ASSOCIATION  
COLLECTION OF UNPAID ASSESSMENTS POLICY  
CRS 209.5 (5) last amended July 13, 1997**

1. COLLECTION OF UNPAID ASSESSMENTS – OVERVIEW

- 1.1. Annual assessments will commence upon conveyance at the date of closing. Whenever the obligation to pay assessments arises after the start of the calendar year, the first year's assessments will be prorated to the commencement date for the parcel involved. Assessments shall be payable in advance in January of each year.
- 1.2. Any assessment which is not paid when due shall be considered delinquent. An invoice will be mailed to each Property Owner with a minimum of 30 days notice. The invoice will include a Disclosure to the Property Owner of their rights under CRS 38-33.3-316.3. Assessments not paid timely are subject to the fees listed below.
- 1.3. This policy refers primarily to Annual Assessments. Any Temporary Assessments will have their own Schedule of Events, but the collection methods remain the same.

2. PAYMENT PLAN

- 2.1. A Property Owner may contact the Treasurer to request a 6-month payment plan [38-33.3-316.3 (2)], of equal installments. The payment plan duration may not exceed eighteen (18) months. The Property Owner must request a Payment Plan by the date indicated in the Schedule of Events shown below (Annual assessments). The Association is not obligated to negotiate a Payment Plan with a Property Owner who has previously entered into a Payment Plan.
- 2.2. The minimum payment of any plan must be at least \$25.00 dollars per month.
- 2.3. Upon approval, an administrative fee will be included in the 6-month Payment Plan as shown in the Payment Schedule below.
- 2.4. A property Owner's failure to remit payment of an agreed-upon installment constitutes a failure to comply with the terms of the Payment Plan and the Association will proceed by filing a lien against the property and/or commence with additional collection activities.

3. LIENS

- 3.1. If it becomes necessary to file a lien against the Owner's property for unpaid assessment(s), the lien(s) will not be removed until the overdue assessment and all applicable fees have been paid. This does not allow for negotiating a settlement that has been done in the past.
- 3.2. The Association may also bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against such Owner's Parcel, and/or may suspend the delinquent Owner's right to vote. In the event a judgment is obtained, such judgment shall include late charges and interest on the assessment and reasonable attorneys' fees, together with the expenses and costs of the action.

4. COLLECTIONS

- 4.1. If the collection of assessments, fines, fees, interest, and/or other monies owed to the Association are left unpaid, and;
- 4.2. If all efforts as detailed in Sections 2 (two) through 3 (three) of this document have been exhausted without a satisfactory outcome, this section may be employed to collect all owed amounts.
- 4.3. The following conditions must be met prior to this section being implemented:
  - 4.3.1. The legal property owner or their legally appointed entity must have been notified of all assessments, fines, fees, interest, and/or other monies owed to the Association;
  - 4.3.2. The total amount, including the principal amount, fines, fees, interest, and/or other monies owed shall meet or exceed \$500.00;
  - 4.3.3. The Association shall notify the property owner, or their legally assigned representatives, by certified mail that their debts will be assigned to a Colorado licensed collections agency.

- 4.3.4. If a collection agency is assigned to the case, the property owner will be charged an additional 50% of the amount owed to, at least, partially cover the collection agency fee.

## 5. SMALL CLAIMS COURT

- 5.1. If it becomes necessary to pursue legal action during a dispute over unpaid assessments or covenant violations, Small Claims Court may be utilized with the following restrictions:
  - 5.1.1. Recovery amounts in Small Claims Court may not exceed \$7,500.00.
  - 5.1.2. The plaintiff may not utilize the services of an attorney unless the defendant files a written notice that they will be represented by an attorney.

## 6. FORECLOSURE (JUDICIAL)<sup>1</sup>

- 6.1. Before the Association will foreclose on a lien, the balance due of assessments secured by the lien must equal or exceed \$1,000.00.
- 6.2. The Board of Directors must vote, and record the vote, to authorize the filing of a legal action<sup>1</sup> to foreclose on the property. As with all legal matters, these agenda items must be taken into Executive Session [CRS 38-33.3-308.4 (b)]

## 7. SCHEDULE OF EVENTS

### 7.1. General Steps

- 7.1.1. Step 1 – Invoices sent to all Property Owners.
- 7.1.2. Step 2 - Deadline for a Property Owner to request a payment plan of at least 6 months in duration not to exceed eighteen (18) months.
- 7.1.3. Step 3 - Report of Unpaid Assessments Presented to the Board of Directors.
- 7.1.4. Step 4 - Notice of Delinquency sent to applicable Property Owners.
- 7.1.5. Step 5 - Filing of Liens for unpaid assessments (Note: A lien will not be filed if the member is participating in an approved payment agreement and is current with the payments.)

### 7.2. Lot Assessment Dates (annually)

- 7.2.1. Step 1 - December 1<sup>st</sup>
- 7.2.2. Step 2 - December 31<sup>st</sup>
- 7.2.3. Step 3 - January 15<sup>th</sup>
- 7.2.4. Step 4 - February 1<sup>st</sup>
- 7.2.5. Step 5 - April 1<sup>st</sup>

### 7.3. Transient Lodging Assessment Dates (annually)

- 7.3.1. Step 1 - June 15<sup>th</sup>
- 7.3.2. Step 2 - July 15<sup>th</sup>
- 7.3.3. Step 3 - August 1<sup>st</sup>
- 7.3.4. Step 4 - August 15<sup>th</sup>
- 7.3.5. Step 5 - October 15<sup>th</sup>

### 7.4. Special Assessment Dates (ad hoc)

- 7.4.1. Step 1 - Initial Date determined by Board of Directors
- 7.4.2. Step 2 - Initial Date + 30 days
- 7.4.3. Step 3 - Initial Date + 45 days
- 7.4.4. Step 4 - Initial Date + 60 days
- 7.4.5. Step 5 - Initial Date + 120 days

## 8. FEES

- 8.1. Administrative Fee: \$36.00 per occurrence
- 8.2. Delinquency Notification via certified mail: \$5
- 8.3. Lien Filings: Current County Clerk fees for filing and releasing.

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<sup>1</sup> Sue for a "Decree of Foreclosure" from the court, filed in District Court.


8.4. Interest: \$5.00/month for past due amounts until paid.

8.5. Returned Check Charge: \$20.00 (maximum fee set by State of Colorado)

## 9. PRESIDENT'S CERTIFICATION

The undersigned, being the President of the Indian Springs Landowners Association, Inc., a Colorado non-profit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on this 6<sup>th</sup> day of March, 2025 and in witness thereof, the undersigned has subscribed his/her name.

A Colorado non-profit corporation

By: , President

### Steps to the Judicial Foreclosure Process

1. Sue debtor in District Court
2. Obtain a Decree of Foreclosure
3. A "Lis Pendens" is recorded against the property.
4. Property Owner is notified (in Colorado - 21 days; out of state - 35 days) to respond to filing.
5. Property Owner answers the lawsuit, trial date is set. Proof of debt on HOA.
6. Property Owner does NOT answer the lawsuit, court issues a default judgment and orders Decree.
7. Court orders the Sheriff's Sale.
8. "Curing the Debt:" Owner has one last chance to settle debt before auction. Property Owner must file a written "Notice of Intent to Cure" no later than 15 calendar days prior to sale.
9. If filed, HOA must inform Property Owner of amount of debt, including interest at a "regular rate."
10. Property Owner may request all documentation of the debt.
11. Property Owner has until noon on the day before the Sheriff's Sale to pay the full amount, including costs and fees.
12. Judgment Lien is considered a "junior lien."

