

## **COLLECTIONS POLICY OF LEWISTON TOWNHOUSE CONDOMINIUM ASSOCIATION**

### **ARTICLE 1. INTRODUCTION**

The Executive Board of LEWISTON TOWNHOUSE CONDOMINIUM ASSOCIATION (the “Board”), pursuant to its authority as stated in Article 12.4 of the Condominium Declaration for the Lewiston Townhouse Condominium Association dated November 13, 1979, and amended thereafter, hereby adopts this Collections Policy (the “Policy”) for the LEWISTON TOWNHOUSE CONDOMINIUM ASSOCIATION (“Association”).

### **ARTICLE 2. ONE COLLECTIONS POLICY**

The Policy shall be the one and only collections policy for the Lewiston Townhouse Condominiums. The Board hereby repeals all previous rules, regulations, policies, or other communications promulgated by the Board of its own authority regarding the collections practices of the Association which are incompatible with the Policy. All liens, assessments, debts, fines, fees, costs, expenses, and interest thereon incurred under previous collections practices of the Association which are not incompatible with the Policy shall be enforced under the Policy.

### **ARTICLE 3. DUE DATE AND DELINQUENCY**

- 3.1 Collecting unpaid assessments. The Board has the responsibility to take prompt action to collect any unpaid assessment, fine, fee, or other charge which has become delinquent.
- 3.2 Due date for assessments. An assessment, fine, fee, or other charge by the Association shall become due ten (10) days after notice of the same has been given to the unit owner, unless the assessment specifies a due date more than ten (10) days after said notice. Under no circumstances will an assessment, fine, fee, or other charge become due fewer than ten (10) days after notice of the same has been given to the unit owner.
- 3.3 Delinquency. An assessment, fine, fee, or other charge which remains unpaid for more than ten days from the due date for payment thereof shall be considered past due and delinquent.
- 3.4 Late fees and interest. The Association shall be entitled to impose on a delinquent unit owner’s account both interest, at the rate of eight percent (8%) per annum on the amount of the assessment, fine, fee, or other charge from the due date thereof, and a late charge of thirty-five dollars (\$35), provided that this section 3.4 shall not apply to the \$35 late charge described in this section (e.g., the Association will not assess interest and late charges upon unpaid late charges).
- 3.5 Notice of delinquency. Once a unit owner’s account has entered delinquency for an unpaid assessment, fine, fee, or other charge, the Association shall give such unit owner a notice of delinquency by sending it by certified mail, return receipt requested, physically posting a copy of the notice of delinquency at the unit owner’s unit, and by one of the following three additional methods: A) First-class mail; B) Text message to a cellular number that the Association has on file because the unit owner has provided the cellular number to the Association; or C) Email to an email address that the Association has on file because the unit owner has provided the email address to the Association.
  - 3.5.1 Such notice shall specify the total amount due, with an accounting of how the total

was determined.

3.5.2 Such notice shall specify whether the opportunity to enter into a payment plan exists pursuant to Colorado Revised Statutes §38-33.3-316.3 and instructions for contacting the Association to enter into such a payment plan.

3.5.3 Such notice shall specify the name and contact information of the individual whom the unit owner may contact to request a copy of the unit owner's ledger in order to verify the amount of the debt.

3.5.4 Such notice shall specify that action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the unit 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 unit owner's property, or other remedies available under Colorado law.

3.5.5 Such notice shall be written in English and in any language that the unit owner has indicated a preference for concerning correspondence and notices pursuant to Colorado Revised Statutes §38-33.3-209.5(1.7)(a)(I). *See section 7.1, below, for more on unit owner language preferences.*

3.5.6 Such notice shall specify whether the delinquency concerns an unpaid assessment(s); unpaid fines, fees, or charges; or both an unpaid assessment(s) and unpaid fines, fees, or charges.

3.5.7 If the notice of delinquency concerns an unpaid assessment(s), such notice shall notify the unit owner that the unpaid assessment(s) may lead to foreclosure.

3.5.8 Such notice shall include a description of the steps the Association must take before the Association may take legal action against the unit owner, including a description of the Association's cure process. *See section 7.3, below, for a description of the Association's cure process.*

3.5.9 Such notice shall include a description of what legal action the association may take against the unit owner, including a description of the types of matters that the Association or unit owner may take to small claims court, namely, the following:

- i. To enforce rights and responsibilities arising under the declaration, Bylaws, covenants, or other governing documents of the Association, in relation to disputes arising from assessments, fines, or fees owed to the Association and for which the amount at issue does not exceed **seven thousand five hundred dollars (\$7500)**, exclusive of interest and costs;
- ii. To enforce a restrictive covenant on residential property and the amount required to comply with the covenant does not exceed **seven thousand five hundred dollars (\$7500)**, exclusive of interest and costs;
- iii. For replevin if the value of the property sought does not exceed **seven thousand five hundred dollars (\$7500)**;
- iv. To enforce a contract by specific performance or to disaffirm, avoid, or rescind a contract and the amount at issue does not exceed **seven thousand five hundred dollars (\$7500)**;
- v. To seek injunctive relief as required to enforce rights or responsibilities arising under the declaration, Bylaws, covenants, or other governing documents of the Association, including actions seeking declaratory relief;
- vi. To seek injunctive relief as required to enforce restrictive covenants on residential property;

- vii. To seek injunctive relief as required to enforce the provisions of C.R.S. §6-1-702.5 (i.e., the “Spam Reduction Act of 2008”);
  - viii. To seek injunctive relief as required to accomplish replevin; and
  - ix. To seek injunctive relief as required to enter judgements in actions where a party seeks to enforce a contract by specific performance or to disaffirm, avoid, or rescind a contract.
- 3.6 Record and manner of contact with a delinquent unit owner. When contacting a delinquent unit owner, the Association shall maintain a record of any contacts, including information regarding the type of communication used to contact the unit owner and the date and time that the contact was made. The unit owner and the unit owner's designated contact must receive the same correspondence and notices anytime communications are sent out; except that the unit owner must receive the correspondence and notices in the language for which the unit owner has indicated a preference, if any. *See section 6.2, below, concerning the identification of a unit owner's designated contact.*
- 3.7 Payment of a Delinquent Balance Constitutes a “Cure.” Under this Policy, a unit owner who pays the full outstanding balance of a delinquent account thereby cures, for the purposes of the Association's cure process, that account's delinquency.

#### ARTICLE 4. PAYMENT PLANS

- 4.1 Setting up a payment plan. The Association will make a good-faith effort to set up a payment plan with a delinquent unit owner, except in instances where the unit owner does not occupy the unit and has acquired the property as a result of: A) A default of a security interest encumbering the unit; or B) Foreclosure of the Association's lien.
- 4.2 Terms of the payment plan. The payment plan shall be negotiated between the Association or a holder or assignee of the Association's debt, whether the holder or assignee of the Association's debt is an entity or a natural person, and the unit owner. The unit owner may choose the amount to be paid each month provided each payment is at least twenty-five dollars (\$25) per month until the balance of the amount owed is less than twenty-five dollars (\$25), provided that unit owner's debt shall be paid in full by the end of eighteen (18) months from the start of the payment plan.
- 4.3 Method of Payment. When making payments on a delinquent account to cure or partially cure the delinquency, a delinquent unit owner may apply payments to their account by the same method and manner by which the unit owner would ordinarily pay an assessment, fine, fee, or other charge which is not past due.
- 4.4 Application of payments under a payment plan. If a unit owner who has both unpaid assessments and unpaid fines, fees, or other charges makes a payment to the Association, the Association shall apply the payment first to the assessments owed and any remaining amount of the payment to the fines, fees, or other charges owed.
- 4.5 Payment in full. A unit owner who has entered into a payment plan may elect to pay the remaining balance owed under the payment plan at any time during the duration of the payment plan.
- 4.6 Failure to comply. A unit owner's failure to remit payment of three or more agreed-upon installments pursuant to Colorado Revised Statutes §38-33.3-209.5 (7)(a)(III)(B), or to remain current with regular assessments as they come due during the eighteen-month period, constitutes a failure to comply with the terms of the unit owner's payment plan.
- 4.7 Legal action may commence upon failure to comply. The Association or a holder or

assignee of the Association's debt may pursue legal action against a unit owner if the unit owner fails to comply with the terms of the unit owner's payment plan or fails to enter into a payment plan.

- 4.8 Payment Plan Constitutes a "Cure." Under this Policy, a unit owner who enters into a payment plan thereby cures, for the purposes of the Association's cure process, the delinquency of any past due payment that is covered under the payment plan.

## ARTICLE 5. FURTHER ACTION ON A DELINQUENT ACCOUNT

- 5.1 Board vote required to initiate further action. The Association shall refer a delinquent account to a collection agency or attorney only if a majority of the Board votes to refer the matter in a recorded vote at an executive session of a meeting conducted pursuant to Colorado Revised Statutes §38-33.3-308(4)(e), and after a notice of delinquency has been sent to the unit owner under the provisions of this Policy. The affected unit owner, upon request, may receive the results of any vote taken at the relevant meeting.
- 5.2 Prerequisites for commencing a legal foreclosure. The Board shall not commence a legal action to initiate a foreclosure proceeding based on a unit owner's delinquency in paying assessments unless, after providing the unit owner with a written offer to enter into a payment plan, the unit owner declines the payment plan, fails to respond to the written offer to enter into the payment plan within thirty (30) days, or, having accepted the payment plan, has failed to pay at least three (3) of the monthly installments within fifteen (15) days after the monthly installments were due and keep current with all other assessments.
- 5.3 Limitations on foreclosure. The Association shall not foreclose on an assessment lien if the debt securing the lien consists only of one or both of the following: A) Fines that the Association has assessed against the unit owner; or B) Collection costs or attorney fees that the Association has incurred and that are only associated with assessed fines.

## ARTICLE 6. NOTIFICATION OF OUTSTANDING BALANCE

- 6.1 Contents of Notice. The Association shall, on a monthly basis, provide each unit owner who has an outstanding balance owed to the Association with an itemized list of all assessments, fines, fees, and charges that the unit owner owes to the Association.
- 6.2 Means of contact. The Association shall send such notice to the unit owner via first class mail, as well as by email if the unit owner has provided the Association with an email address.

## ARTICLE 7. MISCELLANEOUS

- 7.1 Communication preferences of unit owners. A unit owner may identify another person to serve as a designated contact for the unit owner to be contacted on the unit owner's behalf for purposes of this Policy. A unit owner may also notify the Association if the unit owner prefers that correspondence and notices from the Association be made in a language other than English. If a preference is not indicated, the Association shall send the correspondence and notices in English. The unit owner will notify the Board of the identity of a designated contact by first class mail and email.
- 7.2 Returned checks. The Association shall be entitled to impose a returned-check charge of thirty-five dollars (\$35).
- 7.3 Cure Process. The Association adopts the statutory cure process described in Colorado Revised Statutes §38-33.3-209.5(1.7)(b), included on the following pages, as

amended in 2022, as part of this section 7.3. The Association will follow the most recently-revised version of the Colorado Revised Statutes when adhering to the statutory cure process. The Association recommends that unit owners refer to the latest version of the Colorado Revised Statutes for a full understanding of that process; the following text is included only for reference.

COLORADO REVISED STATUTES §38-33.3-209.5(1.7)(b)(II)-(VI)  
The “Cure Process”

(II) (A) With respect to any violation of the declaration, bylaws, covenants, or other governing documents of an association that the association reasonably determines threatens the public safety or health, the association shall provide the unit owner written notice, in English and in any language that the unit owner has indicated a preference for correspondence and notices pursuant to subsection (1.7)(a)(I) of this section, of the violation informing the unit owner that the unit owner has seventy-two hours to cure the violation or the association may fine the unit owner.

(B) If, after an inspection of the unit, the association determines that the unit owner has not cured the violation within seventy-two hours after receiving the notice, the association may impose fines on the unit owner every other day and may take legal action against the unit owner for the violation; except that, in accordance with subsection (8)(c)(I) of this section, the association shall not pursue foreclosure against the unit owner based on fines owed.

(III) (A) If an association reasonably determines that a unit owner committed a violation of the declaration, bylaws, covenants, or other governing documents of the association, other than a violation that threatens the public safety or health, the association shall, through certified mail, return receipt requested, provide the unit owner written notice, in English and in any language that the unit owner has indicated a preference for correspondence and notices pursuant to subsection (1.7)(a)(I) of this section, of the violation informing the unit owner that the unit owner has thirty days to cure the violation or the association, after conducting an inspection and determining that the unit owner has not cured the violation, may fine the unit owner; however, the total amount of fines imposed for the violation may not exceed five hundred dollars.

(B) An association shall grant a unit owner two consecutive thirty-day periods to cure a violation before the association may take legal action against the unit owner for the violation. In accordance with subsection (8)(c)(I) of this section, an association shall not pursue foreclosure against the unit owner based on fines owed.

(IV) If the unit owner cures the violation within the period to cure afforded the unit owner, the unit owner may notify the association of the cure and, if the unit owner sends with the notice visual evidence that the violation has been cured, the violation is deemed cured on the date that the unit owner sends the notice. If the unit owner's notice does not include visual evidence that the violation has been cured, the association shall inspect the unit as soon as practicable to determine if the violation has been cured.

(V) If the association does not receive notice from the unit owner that the violation has been cured, the association shall inspect the unit within seven days after the expiration of the thirty-day cure period to determine if the violation has been cured. If, after the inspection and whether or not the association received notice from the unit owner that the violation was

cured, the association determines that the violation has not been cured:

(A) A second thirty-day period to cure commences if only one thirty-day period to cure has elapsed; or

(B) The association may take legal action pursuant to this section if two thirty-day periods to cure have elapsed.

(VI) Once the unit owner cures a violation, the association shall notify the unit owner, in English and in any language that the unit owner has indicated a preference for correspondence and notices pursuant to subsection (1.7)(a)(I) of this section:

(A) That the unit owner will not be further fined with regard to the violation; and

(B) Of any outstanding fine balance that the unit owner still owes the association.

SIGNATURES

Signed by:  
  
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PRESIDENT

1/12/2026  
DATE

Signed by:  
  
5391532B52B7A418...  
SECRETARY

1/12/2026  
DATE