

FOXTAIL PINES OWNERS ASSOCIATION

COLLECTION POLICY

Adopted August 1, 2026

The following policy has been adopted by the Foxtail Pines Owners Association (“Association”) pursuant to the provisions of C.R.S. 38-33.3-209.5, at the annual meeting of the members of the Association. This Policy replaces all previous Collection Policies in their entirety.

Purpose: To establish a uniform and systematic procedure for collecting assessments and other charges of the Association, thus ensuring the financial well being of the Association.

Collection Philosophy: All members are obligated by the Declaration of Covenants, Restrictions, Easements, Charges and Liens for Foxtail Pines (“Declaration”) to pay all dues and assessments in a timely manner. Failure to do so jeopardizes the Association’s ability to pay its bills. Failure of members to pay assessments in a timely manner is also unfair to its other members who do. Accordingly, the Association, acting through the Board of Directors must take steps to ensure timely payment of assessments.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following procedures and policies for the collection of assessments and other charges of the Association:

1. **Due Dates.** The annual assessment as determined by the Association shall be due and payable 30 days after the assessment has been mailed. The Board shall determine when special assessments will be due when a special assessment is adopted. Installments, assessments or other charges not paid to the Association after 60 days shall be considered past due and delinquent.
2. **Late Charges and Interest Charges.** The Association shall be entitled to impose, on a yearly basis, a late charge of twenty-five dollars (\$25.00) on each past due and delinquent installment, assessment or other charge. The Association shall impose interest from the date due at the rate of eight percent (8%) per annum on the amount owed for each Owner who fails to timely pay their yearly installment of any assessment within sixty (60) days of the due date.
3. **Return Check Charges.** A twenty dollar (\$20.00) fee shall be assessed against a Member in the event any check or other instrument attributable to or payable for the benefit of such Member is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of a Member’s checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the Member’s future payments, for a period of one year, be made by certified check, acceptable credit card, or money order. This return check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall

cause an account to be past due if full payment of any assessment is not timely made within sixty (60) days of the due date.

4. **Attorney Fees on Delinquent Accounts.** The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of any installment, assessment or other charges due to the Association from a delinquent Member.
5. **Application for payments made to the Association.** The Association reserves the right to apply all payments received on account of any Member first to payment of any and all legal fees and costs (including attorney fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, lien fees, and other costs owing to the Association and then to the installment, assessment, or other charge due, due with respect to such Member.
6. **Payment Plan.** Any Member that is delinquent in the payment of any installment, assessment or other charge, may enter into a repayment plan that authorizes the Member to repay the debt in monthly installments over eighteen (18) months. Under the repayment plan, the Member may choose the amount to be paid each month, so long as each payment must be in an amount of at least twenty-five dollars (\$25.00) until the balance of the amount owed is less than twenty-five dollars (\$25.00). The Owner shall be deemed to be in default of the repayment plan and the repayment plan with the Association shall be null and void if within thirty (30) days after the Association has provided the Member with a written offer to enter into a repayment plan, the Member has either: (i) Declined the repayment plan; or (ii) After accepting the repayment plan, failed to pay at least three of the monthly installments within fifteen (15) days after the monthly installments were due. A Member who has entered into a repayment plan pursuant to this Policy may elect to pay the remaining balance owed under the repayment plan at any time during the duration of the repayment plan.
7. **Collection Letters.**
 - a. After an installment, assessment or other charge owed to the Association becomes thirty (30) days past due, the Association shall cause a notice of delinquency ("First Notice") to be sent via first-class mail to the Member who is delinquent in payment, reminding the Member that payment should be made within thirty days after the date of the notice to avoid further action by the Association, including the filing of a lien.
 - b. After an installment, assessment or other charge owed to the Association becomes sixty (60) days past due, the Association shall cause a second notice of delinquency ("Second Notice") to be sent to the Member who is delinquent in payment, reminding the Member that payment should be made within thirty days after the date of the notice to avoid further action by the Association, including the filing of a lien. The Second Notice shall will be provided to the Member by (i) certified mail, return receipt requested; (ii) physically posted on the Member's tract; and (iii) by one of the following means: first-class mail, text message to a cellular number that the Association has on file because the Member has provided the cellular number to the Association, or email to an e-mail address that the Association has on file because the Member has provided the e-mail address to the Association. Additionally, the Second Notice must specify the following:

- (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 pursuant and instructions for contacting the entity to enter into such a payment plan;
 - (C) The name and contact information for the individual the Member may contact to request a copy of the Member's ledger in order to verify the amount of the debt;
 - (D) That action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the Member's delinquent account being turned over to a collection agency, a lawsuit being filed against the Member, the filing and foreclosure of a lien against the Member's property, or other remedies available under Colorado law;
 - (E) Specify whether the delinquency concerns unpaid assessments; unpaid fines, fees, or charges; or both unpaid assessments and unpaid fines, fees, or charges, and, if the notice of delinquency concerns unpaid assessments, the notice of delinquency must notify the Member that unpaid assessments may lead to foreclosure;
 - (F) 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; and
 - (G) Include a description of what legal action the Association may take against the Member, including a description of the types of matters that the Association or Member may take to small claims court, including injunctive matters for which the Association seeks an order requiring the Member to comply with the governing documents of the Association.
8. **Liens.** Within ninety days after a Member's failure to pay any installment, assessment or other charge, the Association may, but shall not be required, to cause to be filed a notice of lien against the property of the delinquent Member. The lien shall include the installment, assessment, other charge, fees, charges, late charges, attorney fees, fines and interest owed by the delinquent Member. The Association shall mail a copy of the lien to the Member before it is recorded in the real estate records. The Association's decision not to file a lien shall not be a waiver of its right to do so at a later date.
9. **Referral of Delinquent Accounts to Attorneys.** After an installment, assessment or other charge owed to the Association becomes ninety (90) days past due, the Association may, but shall not be required to refer delinquent accounts to its attorney for collection. Referral of a delinquent account to an attorney requires a majority of the Board of Directors to affirmatively vote to refer the matter in a recorded vote at a meeting conducted pursuant to the Association's Conduct of Meetings Policy and after the delinquent Member has been offered a payment plan. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance, or is written off. All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney of the managing agent as the Board determines.

After consultation with the Board of Directors, the attorneys shall be entitled to exercise all available remedies to collect amounts due, including suing for the amount owed, judicial foreclosure and appointment of a receiver of the delinquent Member's property.

10. **Referral of Delinquent Accounts to Collection Agencies.** The Association may, but shall not be required to assign delinquent accounts to one or more collection agencies for collection. Referral of a delinquent account to a collection agency requires a majority of the Board of Directors to affirmatively vote to refer the matter in a recorded vote at a meeting conducted pursuant to the Association's Conduct of Meetings Policy and after the delinquent Member has been offered a payment plan.
11. **Waivers.** Nothing in this Policy shall require the Association to take specific actions other than to notify Members of the adoption of these policies and procedures, and the notices set forth herein. The Association has the option and right to continue to evaluate each delinquency on a case by case basis. The Association may grant a waiver of any provision herein upon petition in writing by a Member showing a personal hardship. Such relief granted a Member shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances. The extension, modification, forbearance or failure to enforce these Collection Policies shall not be considered a waiver against any specific Member or the Members in general.
12. **Delinquencies Constitute Covenant Violations.** Any delinquency in the payment of any installment, assessment or other charge shall constitute a violation of the covenants contained in the Declaration, and following the Notice and Hearing and Enforcement Policy and Procedures, the Association shall be entitled to impose non-monetary sanctions on the delinquent Member consistent with the Association's rights under the Declaration. Provided, however, the Notice and Hearing Enforcement Policy does not apply to the monetary collection of installments, assessments or other charges.
13. **Additional Notices.** On a yearly basis and by first-class mail and, if the Association has the relevant e-mail address, by e-mail, an Association shall send to each Member who has any outstanding balance owed to the Association an itemized list of all assessments, fines, fees, and charges that the Member owes to the Association. The Association shall send the itemized list to the Member in English, unless the Member has indicated a different language preference for correspondence and notices and to any designated contact for the Member.

Foxtail Pines Owners Association

By: _____
Spencer Thomas, President

Attest

Jim Dietvorst, Secretary

This Collection Policy was adopted by the Board of Directors at the annual meeting of the members of the Association held on the 1st day of August, 2026, for that purpose; and is effective the 1st day of August, 2026, and is attested to by the Secretary of Foxtail Pines Owners Association.

Jim Dietvorst, Secretary