

## COLLECTIONS POLICY

### IVORY RIDGE HOMEOWNERS ASSOCIATION, INC.

1. **Resolution.** This Policy when executed by the President of the Board of Directors, shall constitute a certified Resolution of said Board adopting the Policy.

2. **Definitions.** Unless otherwise defined below or elsewhere in this Policy, capitalized terms used in these Policy are as defined in the Declaration, as amended.

(a) “Association” means the Ivory Ridge Homeowners Association, Inc., a Colorado nonprofit corporation.

(b) “Board” means the Board of Directors of the Association.

(c) “Declaration” means the Declaration of Covenants, Conditions, and Restrictions, recorded on March 16, 2023, in the real property records of the Mesa County Clerk and Recorder’s Office at Reception Number 3058597, as amended from time to time.

(d) “Director” means a member of the Board.

(e) “ACC” means the Association’s Architectural Control Committee established pursuant to Article VI of the Declaration.

(f) “Governing Documents” means this Policy, the Declaration, the Association’s Articles of Incorporation, Bylaws, Planned Unit Development Guide, and any and all other rules, policies, and procedures adopted by the Association from time to time, each as amended from time to time.

(g) “Violation” means a violation of the Governing Documents, other than a failure to pay when due Assessments, fines, or other charges owed to the Association under the Governing Documents, which is covered by the Collections Policy. A Violation committed by an Owner’s tenants, residents, contractors (while performing work for the Owner), guests or other invitees will also be deemed a Violation committed by the Owner.

### 3. **Interpretation.**

(a) **Generally.** When used in this Policy, the word “including” means including without limitation and the singular includes the plural and vice versa. Section references are to sections in this Policy unless otherwise indicated. This Policy supersedes and replaces all similar or alike policies and procedures adopted by the Association prior to the effective date of these Governance Policies. The Board is responsible for interpreting this Policy and an interpretation made by the Board will be final and binding on all Owners absent fraud or manifest error. The Board may deviate from this Policy if in its discretion the Board determines that the deviation is necessary or reasonable under the circumstances. This Policy operates in



conjunction with the other Governing Documents, so long as there is no conflict between this Policy and a Governing Document executed prior to the effective date hereof.

(b) **Entities as Owners.** As defined in the Declaration, an "Owner" shall mean and refer to the record Owner of a Lot, whether one of more persons or entities, having title to any Lot which is part of the Property. The Association will recognize any trustee, officer, or other person or entity holding actual or apparent authority to represent an Owner entity as authorized to act and receive notices on behalf of that Owner entity unless the Association has reason to believe otherwise. The Association will deem acts or omissions by a representative with actual or apparent authority to represent an Owner entity in matters concerning the related Lot as the acts or omissions of the Owner entity and may also, acting reasonably, deem them to be acts or omissions of the representative in his, her, or its individual capacity. Acts or omissions by such a representative in any other capacity will be attributed to that representative solely in his, her, or its individual capacity and not as a representative.

4. **Conflicts.** If a conflict arises between this Policy and another Governing Document that the Board has authority to amend without additional approvals, the most recently adopted Governing Document will control. If a conflict arises between this Policy and another Governing Document that the Board does not have authority to amend or has authority to amend only with additional approvals, the other Governing Document will control. If a conflict arises between this Policy and applicable law, applicable law will control, and these policies will be deemed amended as necessary to comply with applicable law.

5. **Committees and Administrative Offices.** Except as otherwise provided in the Declaration, the Board may from time to time create or disband a committee or administrative office as it may deem appropriate to aid the Board in exercising its powers and performing its duties. Each committee or administrative office will adopt a charter or other governing document establishing its purpose, duties, powers, and rules of governance, consistent with the Governing Documents and subject to approval by the Board. No committee or administrative office will have or may exercise any power to act on behalf of the Association other than as and to the extent authorized in the Declaration or other Governing Documents, in its charter, or as otherwise specifically authorized by the Board. Unless otherwise indicated in the Declaration or other Governing Documents or in its charter, the duration of a committee or administrative office will be indefinite. Except as otherwise provided in the Governing Documents, the Board will appoint the members of each committee, committee chairs, and the holders of administrative offices created by the Board, each of whom will serve at the pleasure of the Board and may be removed or replaced by the Board at any time, with or without cause and with or without prior notice.

6. **Purpose and Scope.** The purpose of this Collections Policy is to establish a uniform and systematic procedure for collecting Assessments and Charges to ensure the financial well-being of the Ivory Ridge Homeowners Association, Inc. (the "Association"). Monthly and Special Assessments and Charges under Section 9 are "common expenses" and are personal obligations of each Debtor Owner of the Lot or Dwelling Unit for which the Assessment or Charge is unpaid. This Collections Policy does not apply to collection of monetary obligations owed to the Association that are not created by the Governing Documents, including contractual



obligations and obligations owed by employees of the Association. For purposes of this Collections Policy, any communication, contact, or other action taken by the General Manager or the Board on behalf of the Association will be deemed taken by the Association.

7. **Other Definitions.** The following additional defined terms apply to this Collections Policy.

(a) “Debtor” means a person or entity having unpaid Assessments or Charges due the Association.

(b) “Debtor Owner” means a Debtor who is also an Owner.

(c) “Charges” means fines, fees, and other charges owed to the Association pursuant to the Governing Documents, other than Assessments.

(d) “Due Date” means the date on which Assessments and Charges must be paid.

8. **Due Dates.** The Due Date for paying Monthly Assessments and monthly installments of Special Assessments is in advance on the first day of each month. The Due Date for paying Charges is immediately upon the date the Charges are levied. An Assessment or Charge will be deemed delinquent and past-due if not paid in full within 15 days after its Due Date. The Association is not required to invoice a Debtor for any Assessment or Charges due, and the obligation to pay Assessments and Charges by the Due Date applies regardless of whether an invoice is issued or received.

9. **Charges Related to Delinquent Accounts.** The Association may impose any or all of the Charges in this Section 4.4 on delinquent accounts.

(a) **Late Charges.** The Association may impose a single \$25.00 late charge monthly on a Debtor Owner who fails to pay Assessments to the Association and on a Debtor who fails to pay fines and other Charges authorized by the Governing Documents within 15 days after the applicable Due Date.

(b) **Interest Charges.** The Association may impose simple interest on a Debtor who fails to pay to the Association Assessments, fines, and other Charges within 15 days after the applicable Due Date at the rate of 8% per annum (or if less, the highest rate permitted by law).

(c) **Return Check Charges.** The Association may impose a \$20.00 charge or other amount deemed appropriate by the Board against a Debtor if a check or other instrument attributable to or payable for the benefit of that Debtor is not honored by the financial institution or is returned by the financial institution for any reason, including insufficient funds. If two or more payments are dishonored or returned within any 12-month period, the Association may require that the Debtor’s future payments be made by certified check, money order, ACH withholding, or other means acceptable to the Association.



(d) **Other Charges.** The Association may recover from a Debtor other costs and expenses incurred by the Association with respect to a delinquent account to the extent permitted by the Governing Documents and applicable law, including costs and expenses incurred by the Association for translations of notices and other communications, filing liens, and reasonable attorney fees, court costs, and other collection costs incurred in the collection of delinquent accounts.

10. **Posting and Application of Payments.** The Association will post a payment on the day the payment is received in the Association's office. If a Debtor has not established automated monthly ACH withdrawals from the Debtor's account, the Debtor is responsible for assuring that payment is received by the Due Date, and the Association is not responsible for delays caused by the Debtor's bank or other financial institution, a delivery service, or other events outside the Association's control. If the Debtor has established automatic monthly ACH withdrawals by the Association from the Debtor's account, the Debtor is responsible for assuring that the information provided to the Association to establish the automatic ACH withdrawals is and remains current and correct but will not otherwise be responsible for delays caused by the Debtor's bank or other financial institution or other events outside the Debtor's control. Unless otherwise instructed in writing by the Board, the General Manager, or the Association's attorney, sums collected on a delinquent account must be remitted to the Association. If a Debtor Owner has both unpaid Assessments and unpaid Charges, a payment by or on behalf of the Debtor Owner will be applied first to unpaid Assessments and then any remaining balance to unpaid Charges.

11. **Monthly Delinquency Status Notice.** The Association will provide monthly to each Debtor Owner having an outstanding balance owed to the Association notice containing an itemized list of all Assessments and Charges currently owed to the Association. The notice required by this Section 11 will be given by U.S. first class mail and by email if the Debtor Owner has provided the Association with an email address, and otherwise in accordance with Section 14. The Association may, but is not required to, convey other periodic reminders to a delinquent Debtor Owner.

12. **Payment Plans.**

(a) **General Payment Plan.** The Association must make a good faith effort to set up a payment plan with a delinquent Debtor Owner by notice to the delinquent Debtor Owner offering a payment plan that permits the Debtor Owner to pay off a deficiency in equal installments over a period of 18 months or such longer period as may be authorized by the Board. The payment plan offer must allow the Debtor Owner to pay the balance of the delinquency covered by the payment plan without penalty at any time during the duration of the payment plan. Notwithstanding the foregoing, the Association is not obligated to offer or negotiate a payment plan under this Section 12(a) with a Debtor Owner who has previously entered into a payment plan, or (b) if the Debtor Owner does not occupy the Lot and has acquired the Lot as a result of a default of a security interest encumbering the Lot or foreclosure of the Association's lien. The Association may at its option at any time offer a payment plan under Section 12(b) in lieu of or in addition to a payment plan under this Section 12(a).



(b) **Payment Plan in Anticipation of Foreclosure.** As a precondition to filing a foreclosure action, the Association must by notice to the delinquent Debtor Owner offer a payment plan that allows the Debtor Owner to pay off the delinquency subject to foreclosure over a period of 18 months or such longer period as may be authorized by the Board and that allows the Debtor Owner to choose the amount to be paid each month, but not less than \$25.00 per month. If the amount chosen by the Debtor Owner is not sufficient to pay the delinquency in full over the term of the payment plan, the balance will be due in the final installment under the payment plan. The payment plan offer must allow the Debtor Owner to pay the balance of the delinquency covered by the payment plan without penalty at any time during the duration of the payment plan. Before filing a foreclosure action, the payment plan offer described in this Section is required regardless of whether the Association previously offered a payment plan under Section 12(a) that the Debtor Owner accepted, rejected, or breached. If the Debtor Owner has already accepted and is complying with a payment plan under Section 12(a), the Association must by notice offer to replace that payment plan with a new payment plan that complies with this Section before filing a foreclosure action.

(c) **Acceptance or Rejection of Offer.** When the Association offers a new or replacement payment plan under Section 12(a) or 12(b), the Debtor Owner will have 30 days after the Association's notice conveying the offer to accept or reject the offer by notice to the Association. In accepting an offer, the Debtor Owner may, but is not required to, request a shorter repayment schedule than that offered by the Association. If the Debtor Owner neither accepts nor rejects a proposed payment plan within 30 days after the notice conveying the offer is given, the Debtor Owner will be deemed to have rejected the offer. If the offer of a payment plan is rejected and the delinquency is not paid in full, the Association may proceed with the remedies in Section 15, including a foreclosure action if the rejected payment plan complies with Section 12(b).

(d) **Compliance with Payment Plan.** So long as the Debtor Owner timely accepts and complies with an accepted payment plan, the Association will not pursue foreclosure or other legal action to collect the delinquency. The Debtor Owner will be in default under a payment plan if the Debtor Owner fails to pay (a) three or more installments under the payment plan within 15 days after the Due Date (even if the installment is later paid), or (b) fails to pay any Monthly Assessment within 15 days after its Due Date during the term of the payment plan. If the Debtor Owner defaults under a payment plan, the Association may restore any previously waived or reduced fines, interest or other Charges and pursue legal action and other remedies in Section 15 to collect the remaining delinquency covered by the payment plan, including a foreclosure action if the default relates to a payment plan that complies with Section 12(b).

13. **Referral for Collection or Legal Action.** Before referring a Debtor Owner's delinquent account to an attorney or collection agency for collection and before commencing legal action against an Debtor Owner to collect a delinquency, the Board must authorize the referral or legal action by majority vote recorded in a meeting conducted in executive session pursuant to C.R.S. § 38-33.3-308(4)(e) and the Association must give a delinquency notice to the Debtor Owner stating:



(1) The total amount due and an accounting of how that amount was determined,

(2) Whether the delinquency concerns unpaid Assessments, unpaid fines, fees, or other Charges, or both unpaid Assessments and unpaid fines, fees, or other Charges,

(3) That a notice of Assessment lien (in addition to the lien established by the Declaration and recognized by Colorado law) may be recorded against the Owner's Lot, and that unpaid Assessments may lead to foreclosure,

(4) The steps the Association must take to commence legal action against the delinquent Debtor Owner, including the cure process described in Sections 4 and 5 of the Enforcement Policy, as applicable,

(5) A description of what legal action the Association may take against the Debtor Owner, including the types of matters the Association or the Debtor Owner may take to small claims court, including injunctive matters for which the Association seeks an order requiring the Debtor Owner to comply with the Governing Documents,

(6) Whether a payment plan (as described in Section 12) is available and, if available, instructions on how the Debtor Owner may contact the Association to enter into the payment plan,

(7) The name and contact information for the individual the Debtor Owner may contact to request a copy of the Debtor Owner's ledger to verify the amount of the debt,

(8) That a lien is in place on the Debtor Owner's Lot, as provided under the Declaration and Colorado law,

(9) That payment is required to cure the delinquency,

(10) That failure to pay within 30 days may result in the Debtor Owner's delinquent account being turned over to an attorney for the Association or a collection agency,

(11) That a legal action on the Debtor Owner's promise to pay, a foreclosure of the Association's lien, or both, may be filed against the Debtor Owner, and

(12) That other remedies available under the Governing Documents and Colorado law may be sought by the Association.

Notice pursuant to this Section 13 must be given (a) by certified mail, return receipt requested, and (b) by posting at the Debtor Owner's Lot, and (c) by either U.S. first class mail or email (if the Owner has provided an email address to the Association), and (d) otherwise in accordance with Section 14. No notice or other action is required before referring a delinquent account for collection or commencing legal action on a delinquent account of a Debtor who is not a Debtor Owner.



#### 14. Notices.

(a) **To the Association.** Notice given by or on behalf of the Debtor pursuant to this Collections Policy must (a) be in writing, (b) be given by U.S. first class mail postage prepaid, by email, or by personal delivery, to the Centennial Property Services, Inc., as representative of the Association, at the physical and/or email addresses thereof as shown on the Association's website, and (c) will be deemed given and effective for all purposes upon actual receipt by the same. Notices and other communications with a Debtor may be handled through the Association's attorney once a matter has been referred to the attorney.

(b) **To a Debtor.** Notice given by or on behalf of the Association pursuant to this Collections Policy must be in writing in English unless Section 14(c) applies. Unless otherwise indicated elsewhere in this Collections Policy, notice to the Debtor shall be given by sending it via certified mail, return receipt requested, and a copy of the notice of delinquency is physically posted at the Owner's Lot/dwelling unit. In addition, the Association shall contact the Lot Owner by one of the following means: (1) First-class mail; (2) Text message to a cellular number that the Association has on file because the Lot Owner has provided the cellular number to the association; or (3) Sent by email to an email address provided by the Debtor. Notices to a Debtor Owner must also comply with Sections 14(c) and 14(d). Notice given by or on behalf of the Association pursuant to this Collections Policy will be deemed given and effective for all purposes when, as applicable, the notice is deposited in the mail, sent certified mail, return receipt requested, and a copy of the notice of delinquency is physically posted at the Owner's Lot/dwelling unit. In addition, the Association shall contact the Lot Owner by one of the following means: (1) First-class mail; (2) Text message to a cellular number that the Association has on file because the Lot Owner has provided the cellular number to the association; or (3) Sent by email to an email address provided by the Debtor.

(c) **Language.** If a Debtor Owner gives notice to the Association requesting that the Association provide notices and other communications to the Debtor Owner pursuant to this Collections Policy in a language rather than English, the Association will (a) use reasonable efforts to secure a professional translation of the relevant notices and other communications, (b) give the relevant notices and other communications in the requested language beginning 30 days after the effective date of the Debtor Owner's notice so long as a professional translation can be obtained at that time and, if not, as soon as practicable thereafter, and (c) charge the Debtor Owner for the cost incurred by the Association for each translation. Not more than one language may be requested by the Debtor Owner. The Association cannot and does not guarantee that a requested translation will be accurate or complete, and so long as the Association secures a professional translation and has no reason to believe that the translation provided is inaccurate or incomplete, the Violator assumes the risk of an inaccurate or incomplete translation. The Debtor Owner may withdraw a language request at any time by notice to the Association, effective on the second business day after the effective date of the withdrawal notice, but the Debtor Owner will remain obligated to pay translation costs incurred by the Association for translation services rendered on or prior second business day after the effective date of the Debtor Owner's withdrawal notice, even if those costs relate to notices or other communications not ultimately



given 25 because of the withdrawal notice. This Section 14(c) does not confer any rights on a Debtor who is not a Debtor Owner.

(d) **Designated Contact.** If a Debtor Owner gives notice to the Association requesting that Association provide a copy of notices and other communications to the Debtor Owner pursuant to this Collections Policy to a designated contact and furnishes contact information for the designated contact, the Association will provide a copy of the relevant notices and other communications to the Debtor Owner's designated contact using the contact information provided by the Debtor Owner, beginning with notices and other communications given 10 days after the effective date of the Debtor Owner's notice. The Debtor Owner may not request more than one designated contact at any one time. The Debtor Owner may withdraw a designated contact request at any time by notice to the Association, effective on the second business day after the effective date of the withdrawal notice. This Section 14(d) does not confer any rights on a Debtor who is not a Debtor Owner.

(e) **Recordkeeping.** The Association will maintain a record of all notices and other contacts with each Debtor Owner, including the type of communication used and the date and time the contact was made.

## 15. Remedies.

(a) **Generally.** The Association may pursue any one or more of the remedies in this Section 15 to recover delinquent accounts due.

(b) All rights and remedies of the Association in this Collections Policy are cumulative and are in addition to all other rights and remedies available to the Association in the Governing Documents and by applicable law.

(c) **Legal Action Other than Foreclosure.** The Association may pursue a legal action, other than foreclosure, against a Debtor who has Assessments or Charges due the Association, based on the covenant or promise to pay the Association as set forth in the Declaration, so long as the Association has first complied with Sections 11 and 12 if the Debtor is a Debtor Owner.

(d) **Judicial Foreclosure.** The Association may foreclose on its lien in order to obtain payment of Assessments and Charges owed, but not if the Charges owed consist solely of fines or attorney fees or collection costs associated with collecting fines. If the Association forecloses on its lien, the Debtor Owner may lose his or her Lot. The Association will not commence a foreclosure action against a Lot unless:

(1) The balance of the Assessments and Charges secured by its lien equals or exceeds six months of Monthly Assessments based on the Association's periodic budget,



(2) The Board has resolved, by a recorded majority vote in a meeting conducted in executive session pursuant to C.R.S. § 38-33.3-308(4)(e), to authorize the filing against that Lot, and

(3) The Association has first complied with Sections 12 and 13.

(e) **Appointment of a Receiver.** The Association may seek the appointment of a receiver if a Debtor Owner becomes delinquent in the payment of Assessments or Charges pursuant to the Declaration and applicable law.

16. **Bankruptcies and Foreclosures.** Upon receipt of notice of a bankruptcy filing by or against a Debtor, a legal action to appoint a receiver for the a Debtor Owner, or a foreclosure by the holder of an encumbrance against a Lot, the Board may direct the its designated representative to turn the account over to the Association's attorney for representation in the bankruptcy, receivership, or foreclosure action, including filing a proof of claim, asserting the Association's lien and other rights, and taking other actions necessary or appropriate to protect the Association's interests, without first complying with the requirements of this Collections Policy.


17. **Waivers.** The Association may extend the time for the filing of legal actions and liens, or to otherwise waive or modify the collection procedures in this Collections Policy that favor the Association as the Association may determine appropriate under the circumstances and consistent with applicable law. No waiver of or failure to enforce any rights or remedies of the Association with respect to a late payment or non-payment of Assessments and Charges on a particular occasion will be deemed a waiver of any other rights or remedies of the Association with respect to that late payment or non-payment or a waiver of any rights or remedies with respect to any other late payment or non-payment.

18. **Defenses.** Failure of the Association to comply with any provision in this Collections Policy will not be deemed a defense to payment of Assessments or Charges except as and to the extent stated otherwise in this Collections Policy or mandated by applicable law.

19. **Certificate of Status of Assessment.** Upon written request to the General Manager or other agent designated for that purpose by the Association, the Association will furnish to an Owner or the Owner's designee without charge, within 14 days after receipt of the written request, a written statement setting forth the amount of unpaid Assessments and Charges currently levied against the Owner's Lot. If the Owner's account has been turned over to the Association's attorney, the request may be handled through the attorney.

**Ivory Ridge Homeowners  
Association, Inc,** a Colorado  
non-profit corporation :

By: \_\_\_\_\_

 4/6/2023



Stephanie Black  
(Print Name)  
Its: President