

## **Riva Chase HOA Collection Policy**

1. **Policy Accountable Owner:** Treasurer
2. **Policy Name:** Riva Chase Home owners associations (HOA) Collection Policy
3. **Purpose for Policy:** *To clarify the Riva Chase HOA Collection policy*
4. **Policy Details:**
  - a. **Definition:**
    1. "Assessments" shall include regular assessments of any kind and special assessments and any associated fees, charges, late charges, attorney's fees, fines or interest and fines levied in accordance with the HOA's polices on Fines.
    2. "Late Fees" shall include all charges levied in accordance with the HOA's policies on fines regarding HOA dues.
  - b. **Procedure:**
    - i. Assessments are due on the first day of each calendar quarter. A grace period of one month is allowed before late fees and interest charges are added to the account. At the end of the grace period, a one - time late fee of ten percent (10%) and interest charges of twelve percent (12%) per year, (not to exceed twenty- one percent (21%) per year) are added to all outstanding balances. The date a payment is actually credited at the bank **or postmarked** is the date payment is considered received.
    - ii. HOA Dues are payable by February 1<sup>st</sup> of each year. A grace Period of 2 weeks is allowed. Late fees of \$5.00/month are assessed on the 16<sup>th</sup> of each month. The date a payment is actually credited at the bank or postmarked is the date payment is considered received.
  - c. **Enforcement:**
    1. A twenty dollar (\$20.00) fee may be assessed in the event any check or other instrument attributable to or payable for the benefit of such Owner or account Owner is not honored by the bank or returned by the bank for any reason whatsoever, including but not limited to, insufficient funds.
    - ii. Any Assessments which are paid before or after the grace period shall be applied first to any costs and expenses of collection, including attorney's fees and costs, second to any late fees or interest charges incurred until the date of collection, third to any fines owed and last to any other amounts owed by an Owner to the HOA.
    - iii. If an Owner has not paid all amounts due to the HOA prior to the end of the grace period, a notice ("First Notice") shall be sent to the Owner after the end of the grace period setting forth the following:
      1. an itemized list of amounts due and the method in which this was determined
      2. whether the opportunity for a payment plan pursuant to Colorado Statute exits
      3. the name and contact information of the individual who the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt
      4. the action that is required to cure the delinquency, and that the failure to do so within thirty (30) days after the date of the letter may result in the Owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing and/or foreclosure of the lien against Owner's property or any other remedies allowed by law.

iv. In addition, the First Notice shall include the following statement:

1. "Pursuant to Colorado Statute, the HOA is required to make a good faith effort to set up a payment plan with the Owner. The HOA will agree to accept equal installments of the delinquent amount due over a six (6) month period from the date of the signing of a payment plan agreement. For the duration of a payment plan, the Owner must also make all current payments due to the HOA.  
No non-occupant Owner who took title to the property as a result of a default on a security interest encumbering the Owner's property or as a result of a foreclosure on an HOA lien shall be entitled to take advantage of a payment plan. No Owner who has previously entered into a payment plan with the HOA pursuant to CRS 38-33.3 - 316.3(1)(b) shall be entitled to enter into another payment plan.
2. If you qualify for a payment plan and desire to pay the delinquent amount due pursuant to such plan, please contact the Riva Chase HOA **Office phone: 720-328-4275, email: rivahoaboard@gmail.com or by letter: P.O. Box 17321, Golden, CO 80402.**
3. The First Notice constitutes the initial good faith effort of the HOA to set up a payment plan. Under such a plan, the HOA will agree to accept equal installments of the delinquent amount due over a six (6) month period from the date of the signing of a payment plan agreement. During the continuance of a payment plan, the Owner must also make all current payments due to the HOA. If the delinquent amounts owed are not paid as provided in the payment plan along with all other current amounts due, the HOA may immediately pursue legal action against an Owner.
4. No non-occupant Owner who took title to the property as a result of a default on a security interest encumbering the Owner's property or as a result of a foreclosure on an HOA lien shall be entitled to take advantage of a payment plan. No Owner who has previously entered into a payment plan with the HOA pursuant to CRS 38-33.3 - 316.3(1)(b) shall be entitled to enter into another payment plan.
5. If thirty (30) days after the First Notice is sent, payment in full has not been received by the HOA or a payment plan has not been executed by the Owner or the Owner has defaulted on the payment plan or current assessments have not been timely paid, an additional notice ("Second Notice") shall be sent to the Owner by the HOA. The Second Notice shall include a current accounting of the amounts owed and allow an additional fifteen (15) days for the Owner to pay the delinquent amounts in full or enter into a payment plan. The Second Notice will again inform the Owner of the ability to enter into a payment plan and include a copy of the payment plan which the Owner may execute and return to the HOA within this additional fifteen (15) day period. The Second Notice constitutes the

- second and final good faith effort of the HOA to set up a payment plan.
6. If payment in full or execution of a payment plan does not occur within fifteen (15) days after the date of the Second Notice, the HOA may record a notice of its lien amount against the property of the Owner with the County Clerk and Recorder. A two hundred (\$200.00) legal/administration fee will be added to the account at that time. At the end of said fifteen (15) day period, the HOA may also turn the account over to an Attorney or collection agency, file a lawsuit against the Owner personally to collect the amounts owed, bring a foreclosure action upon the lien on the Owner's property in the manner of foreclosure of a mortgage on real estate ( but only if the amounts owed equals or exceeds six (6) months of common expense assessment based on a period budget adopted by the HOA and only if the Board has formally resolved, by formal recorded vote, to authorize the filing of a foreclosure,) or other such remedies as are allowed by Colorado law.
  7. All attorney's fees and costs incurred in collecting delinquent amounts shall be paid by the Owner, whether or not suit is ever filed.

***For any appeals- please refer to the schedule of fines, which contains the monetary appeals process.***

Approved By: HOA Board

Approval Date: June 1, 2020

To be reviewed every three years.