

May 1, 2014

Spruce Island Collection of Unpaid Assessments Policy

Association dues are due on the first day of each month. Returned checks will result in a \$26 charge or whatever the bank charges. Attorney fees and additional expense to manage the delinquent account will be charged to the owner.

The Association will automatically shutoff water to units, without notification, and will file a lien notice with Summit County, Colorado when unpaid amounts exceed three months delinquency. Unless prior installment payments have been agreed to, and made on time, delinquent dues and charges exceeding six months dues amounts will result in the Association filing legal action that may include foreclosure.

Past due accounts will be sent a delinquency notice showing; the amount due, how it was determined, whether a payment plan is offered, who to contact if a payment plan is available, who to contact to verify the debt, action required to cure the delinquency and that failure to do so may result in the account being turned over to a collection agency, a law suit being filed, or lien foreclosure on the property being filed.

Payments received will be applied to current dues first and then to the oldest outstanding dues, interest and charges including legal fees next.

The Association will make a good-faith effort to enter a payment plan with the delinquent owner to pay the deficiency, in equal installments up to a period of six months, along with current due assessments. Failure to remit payment of installments in accordance with the terms of the agreed to payment plan, or to remain current with regular assessments, will result in legal action to collect the debt.

When the outstanding balance of assessments and charges secured by its lien equals six months of common expense assessments, and the Association Board of Directors records a vote to authorize legal action, the Association may foreclose on delinquent owner's property.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of the Spruce Island Homeowners Association, Inc., a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association by unanimous consent of the Board of Directors on May 1, 2014, and in witness thereof, the undersigned has subscribed his name.

SPRUCE ISLAND HOMEOWNERS ASSOCIATION, INC.,

A Colorado non-profit corporation

By: _____
Ron Generio President