

**BOARD RESOLUTION
CHERRY CREEK FARM HOMEOWNERS ASSOCIATION
DELINQUENCY AND COLLECTION POLICY**

Overview

The Board of Directors desires to adopt a uniform and systematic procedure to collect assessments and other charges of the Association.

The Board of Directors has adopted the following procedures for the collection of assessments and other charges of the Association.

The annual assessments, as determined from time to time by the Board of Directors, shall be due and payable in four equal installments. Assessment payments are due the 1st of January, April, July, and October of each year. A \$15.00 late fee and interest at the rate of 6% per annum (calculated from the first of the month) will be assessed on all accounts with a delinquent balance. Owners are responsible for any costs incurred by the Association as a result of a delinquent balance.

Assessment payments should be made payable to Cherry Creek Farm Homeowners Association and mailed to the Association's Community Manager. It is the Owner's responsibility to ensure that any Automatic payments with Electronic Funds Transfer are properly set up and processed.

Neither the Board of Directors nor their agents will initiate telephone calls to a delinquent Owner advising that Owner of their delinquent status. It is the Owner's responsibility to contact the Community Manager or the Board of Directors to resolve the delinquency.

If contacted, the Board of Directors may work with the Owner and may approve a payment plan if acceptable to the Board of Directors.

Billing

Assessment billing will be mailed to the Owner by the Community Manager one month prior to the due date.

30 Days in Arrears

The Community Manager will mail a late notice to the Owner indicating the delinquency, late fee, interest, and balance due.

60 Days in Arrears

The Community Manager will mail a late notice to the Owner indicating the delinquency, late fee, interest, and balance due.

90 Days in Arrears

The Community Manager will mail a demand letter advising the Owner that their account will be turned over to the association's legal counsel if payment is not received within 10 days. If no payment is made, the account will be forwarded to the Association's legal counsel.

After the account has been referred to the Association's legal counsel, the account will be monitored by counsel and all further contact with the Owner will be through the attorney's office.

120 Days in Arrears

The Association's legal counsel will send a "registered" demand letter advising the Owner that they have 10 days to make payment. If the account remains delinquent after this 10 day period, a suit to collect delinquent assessments may be commenced.

The Association's legal counsel will prepare and record a Notice of Lien in the office of the Clerk and Recorder of Arapahoe County. A copy will be forwarded to the Owner. Costs incurred by the Association in the preparation and recording of such Notice of Lien will become a charge on the Owner's account.

Application of a Partial Payment

A payment of less than the full amount owed to the Association will be applied to pay the following (if applicable) in the order listed, from oldest to most recent in each category:

1. Attorney fees and court costs
2. Association costs and expenses
3. Late charges
4. Interest
5. Assessments

Credit Agency Reporting

The Cherry Creek Farm Homeowners Association, Inc. Board of Directors reserves the right to report all delinquent accounts to national credit tracking and reporting agencies once the Courts have ruled in favor of the Association regarding the delinquent account.

Delinquency and Collection Policy adopted this 1st day of July, 2004, by resolution of the Board of Directors. This document was amended and adopted on the 15th day of November, 2004, by a resolution of the Board of Directors.