

LYNWOOD SUBDIVISION HOMEOWNERS ASSOCIATION, INC.

Dues Collection Policy and Procedure

The following policies and procedures have been adopted by the Lynwood Subdivision Homeowners Association, Inc. ("Association") pursuant to the Colorado Revised Statute C.R.S. §38-33.3-209.5, and in accordance with C.R.S. §38-33.3-123, C.R.S. §38-33.3-315, C.R.S. §38-33.3-316, the Association Documents, and The Act, at a regular meeting of the Board of Directors.

NOW, THEREFORE IT IS RESOLVED that the Association does hereby adopt the following Policy governing Dues Collection Policy and Procedure:

1. **Scope:** To adopt a procedure and policy outlining procedures to follow when owner accounts are past due.
2. **Specifics:** The Association shall levy and enforce regular and special assessments. By accepting a deed to any lot/property, each owner agrees to pay to the Association all the assessments.

Fines assessed for non-compliance of the CC&R's are due upon notification to the Owner. Owners are responsible for any fines that may be levied against their property due to non-compliance of their tenants.

The Board of Directors will set assessments annually. These assessments shall be paid on or before March 31st of each year. Statements will be mailed to each owner before the due date.

Payments for assessments not paid by July 31st will be considered delinquent and a \$25.00 late fee will be charged. Late fees will be charged every month until paid. The Members have the option to contact the Board and make payment arrangements if unable to pay the assessment in full.

The following list details penalties:

- If not paid by July 31st- in addition to late fees, a lien may be filed for the delinquent amount.
- 60 days delinquent or after August 31st- the owners account may be turned over to a collection agency and other fees may apply.
- Delinquent owners will have the right to a hearing with the Board of Directors before their account is turned over to a collection agency.
- Delinquent owners may contact the Board to make payment arrangements and if arrangements are accepted and agreed upon, late fees may be waived at the discretion of the Board.
- Payments on delinquent accounts will be credited first to dues owing and then to late fees and collection costs.
- All costs associated with collection of a delinquent account may be charged to and paid for by the delinquent owner. Voting rights will be suspended during the period in which an owner's account is delinquent.

3. Fines for Non-compliance. Fines assessed for non-compliance of the CC&R's are due upon notification to the Owner. Owners are responsible for any fines that may be levied against their property due to non-compliance of their tenants.

Failure to respond to the violation letter within ten (10) days will be construed as an admission of the violation. If that occurs, or if the Board determines that a violation has occurred after a hearing, the Board may impose a fine or fines against the Owner for the violation. Generally, fines may be assessed per incident, for any violation of the covenants. A typical fine may be \$25.00 per incident however, the Board shall have complete discretion in setting any fine including but not limited to whether the said fine is assessed for each day that the Owner is in violation. The Board may double or triple a fine due to repeated infractions. Owners are responsible for any fines that may be imposed due to non-compliance by them, their guests, invitees or tenants. Nonpayment of fines will follow the procedures for dues collection. Voting rights will be suspended for any Owner who is in violation of the CC&R's in the previous thirty (30) days which has not been cured or who has failed to pay any fine thirty (30) days after it has been imposed.

4. Supplement to Law. The provisions of this Resolution shall be in addition to and is supplement of the terms and provisions of the Declaration and the laws of the State of Colorado governing the project.

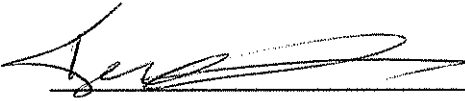
5. Deviations. The Board may deviate from the procedures set forth in this Resolution, if in its sole discretion such deviation is reasonable under the circumstances.

6. Amendment. The Board of Directors may amend this procedure from time to time.

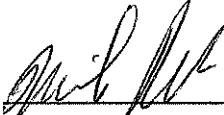
Board of Director's Certification

The undersigned members of the Board of Directors of Lynwood Subdivision Homeowners Association, Inc. certify that the Board of Directors of the Association have approved and adopted the foregoing resolution and in witness, thereof, the undersigned have subscribed their names:

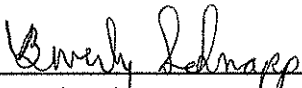
Lynwood Subdivision Homeowners Association, Inc.




Kim Willis – President



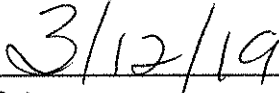
Mike Rockert – Vice-President



Beverly Schnapp – Secretary



Linda Garcia – Treasurer



Date