

## FIRST AMENDMENT TO THE WILLOW CREEK HOMEOWNERS ASSOCIATION NO. 3

### ASSESSMENT COLLECTION POLICY

**WHEREAS**, pursuant to that certain Declaration of Covenants and Restrictions (the “Declaration”), Willow Creek Homeowners Association No. 3 (the “Association”), through its Board of Directors (the “Board”), is responsible for levying assessments for common expenses against the properties subject to the Declaration and collecting those assessments from the owners of those properties; and

**WHEREAS**, pursuant to Colorado law, the Association has previously adopted its Assessment Collection Policy (the “Collection Policy”) to govern its collection of assessments; and

**WHEREAS**, the State of Colorado recently amended the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.* (“CCIOA”), to impose certain requirements that homeowners associations must comply with when collecting assessments; and

**WHEREAS**, these amendments to CCIOA apply to the Association and conflict with the Collections Policy; and

**WHEREAS**, the Association desires to amend its Assessment Collection Policy to comply with CCIOA’s new requirements.

**NOW, THEREFORE**, the Association amends the Collection Policy as follows:

1. Section 4.3(A)(1) is hereby revoked in its entirety and replaced by the following language:

#### 4.3 Pre-Collection Actions.

- A. The Association may send courtesy notices in addition to those described in Section 4.2, above, but before turning over a delinquent account to a collection agency or attorney, the Association must:
  - i. Send the Owner a Notice of Delinquency via certified mail, return receipt requested. The Notice of Delinquency shall include the following information:

- a. whether the delinquency concerns unpaid assessments; unpaid fines, fees or charges; or both; and
  - b. the steps the Association must take before it can take legal action against the delinquent Owner, including, if the delinquency concerns unpaid assessments, then it could lead to a foreclosure of the Association's lien; and
  - c. the legal actions the Association can take against the delinquent Owner; and
  - d. what the delinquent Owner can do to cure the delinquency; and
  - e. notification to the delinquent Owner that they have the right to enter into a payment plan consistent with this Assessment Collections Policy and CCIOA.
- ii. Contact the Owner in compliance with C.R.S. § 38-33.3-209.5(1.7)(a)(I), as amended from time to time.
- B. The Association may prepare and record a lien against the Owner's unit for outstanding amounts due.
  - C. The Association's management company may charge fees for preparing and sending courtesy notices or the Notice of Delinquency or for preparing or recording a lien. The Association pays these fees up front and assesses them back to the delinquent Owner, at which time they become a part of the delinquent Owner's outstanding balance.

2. Section 4.4 is hereby revoked in its entirety and replaced by the following language:

4.4 Collection by Third Party. The Association may refer delinquent Owner accounts to its attorney for legal action if all the following criteria are satisfied:

- The Association sent the delinquent Owner the Notice of Delinquency;
- The delinquent Owner failed to pay their past-due balance, failed to enter
- into a payment plan to pay their past-due balance, or failed to pay at least three of the required monthly installments under a payment plan within fifteen (15) days of their due dates; and

- The Board votes in closed/executive session at a board meeting to send the delinquent Owner's account to collections.

If the Association refers a delinquent Owner account to its attorney for legal action, then the delinquent Owner will be liable to the Association for all collection fees and expenses, including legal fees, incurred by the Association along with all other costs of collection. The Association's agent is authorized to pursue all legal remedies available under the Declaration and Colorado law, including but not limited to preparing a lawsuit for the delinquent account or foreclosing on the Association's lien.

3. Section 5 is hereby revoked in its entirety.
4. Except as modified herein by this First Amendment, all of the conditions of the Collection Policy shall remain in full force and effect.

This First Amendment has been approved by the Association's Board of Directors pursuant to its Bylaws.

Dated this 08/06/2024 <sup>PPDT</sup> ~~day of~~ \_\_\_\_\_, 2024.

**WILLOW CREEK HOMEOWNERS ASSOCIATION  
NO. 3**

By: Steve Lubell  
Its: President  
Signer ID: 3GRTAYO712...