

**RESOLUTION OF THE  
BOARD OF DIRECTORS OF THE  
MOUNTAIN HIGH HOA**

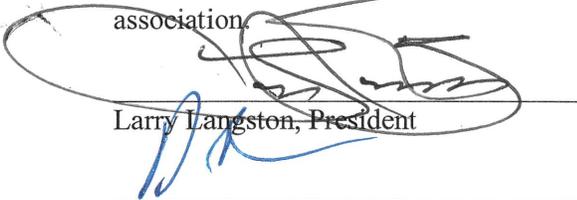
**Assessment and Compliance Payment Resolution**

**THIS RESOLUTION**, executed by all of the directors of the Mountain High HOA, records their action taken by unanimous consent at the October 17, 2017 Board of Directors Meeting effective November 18, 2017:

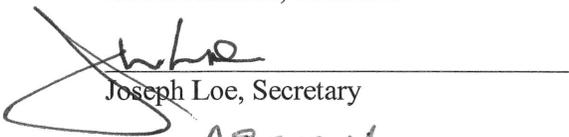
**WHEREAS** Article 3.1, of the Mountain High HOA Amended and Restated Codes, Covenants and Restrictions, effective November 15, 2017, empowers the Board of Directors to charge for late payments of assessments and exercise any other powers necessary and proper for the administration and operation of the Association.

**RESOLVED** that the Board of Directors adopted the Assessment and Compliance Payment Resolution dated 8/15/17.

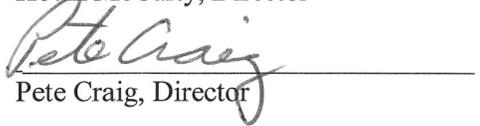
The Board of Directors of the Mountain High HOA hereby adopts this resolution for the association.

  
\_\_\_\_\_  
Larry Langston, President

\_\_\_\_\_  
David Johnson, Treasurer

  
\_\_\_\_\_  
Joseph Loe, Secretary

*ABSTAIN*  
\_\_\_\_\_  
Kevin McCarty, Director

  
\_\_\_\_\_  
Pete Craig, Director

*Sumner*

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### **Resolution of the Board of Directors**

WHEREAS, “assessments,” as used in this Resolution, includes all amounts validly assessed against a Lot Owner (“Owner”) pursuant to the *Amended and Restated Declaration Covenants, Conditions and Restrictions For Mountain High HOA, formerly known as Mountain High Homeowners Association* (hereinafter “Declaration”); *Amended and Restated Bylaws of Mountain High HOA* hereinafter “Bylaws”), Rules and Regulations, and any Board of Directors Resolution, including but not limited to common expenses, interest, fees, fines, attorney fees and all collection costs;

WHEREAS, the Declaration, Bylaws, and Rules and Regulations are binding upon the Owners;

WHEREAS, the Declaration, Article 3.1 and 8.3 and Bylaws Article 8 and 9; authorize the Board to enforce provisions of the Declaration, bylaws and Rules and Regulations, including action to collect unpaid assessments;

WHEREAS, the Declaration, Bylaws Article 8, Section 10 provides for interest at the rate of 15% per annum or other interest as set by the Board of Directors on any delinquent assessment;

WHEREAS, the Declaration, Article 7.2 and Bylaws Article 8 section 7 provides that all assessments, together with interest, attorney fees and costs of collection shall be a continuing lien upon the Lot against which each such assessment is made;

WHEREAS, the Declaration, Article 7.2; and Bylaws Article 9 section 1 authorize the Board, on behalf of the Association, to bring an action to foreclose the lien against the Lot or to bring an action to obtain a money judgment against an Owner for damages and/or for unpaid assessments;

WHEREAS, the Declaration, Bylaws Article 9 section 1 provide that Owners shall be obligated to pay fees and costs including, but not limited to, attorney fees incurred in connection with efforts to collect delinquent and unpaid assessments; and/or to enforce the provisions of the Declaration, Bylaws, and Rules and Regulations;

NOW, BE IT RESOLVED, that the following steps be adopted to provide for the uniform and systematic procedure for the collection of unpaid assessments:

1. All assessments shall accrue interest at the rate of fifteen percent (15%) beginning 30 days from the date such assessment is first due.
2. If any assessment remains unpaid by an Owner for more than thirty (30) days from the due date for its payment, the Board or its agent shall send a notice to the Owner indicating the amount due, including notice of any late fees and interest; and demand payment thereof. If the property is vacant, the Board or its agent shall skip this step and instead send a warning of lien letter as indicated in No. 2 below.
3. If any assessment remains unpaid for more than sixty (60) days from the due date, the Board or its agent shall mail a warning demanding payment and stating that if payment is not received within 30 days, a lien shall be prepared and recorded against the property to protect the Association. The Owner will be assessed the cost of preparing and recording the lien.

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4. If the assessment remains unpaid after 90 days from the date due, the Board or its agent shall prepare a lien and a notice of lien to the Owner and record the lien with the county recorder. The notice of lien shall be mailed to the Owner with a copy of the lien within 20 days of recording. The lien amount shall include all collection costs to date, including attorney's fees and the cost of preparing and/or recording the lien, any notice of lien required by law, and any notice to a first Mortgage holder, if applicable.

5. If any assessment account has a delinquent balance in excess of \$500 or remains unpaid by an Owner for more than two (2) years from the due date for its payment, the Board or its agent shall send a notice to the Owner indicating the amount due, including notice of any late fees, interest, and lien filing fees; and demand payment within 30 days. The letter shall indicate that the account will be turned over to an attorney for collection if full payment is not received within that time.

6. If the assessments remains unpaid by the Owner for more than thirty days after mailing the letter, the Board shall turn over collection to the Associations' attorney ("Attorney"), who shall (a) send a written demand for payment and any notice as required by the federal Fair Debt Collection Practices Act, if applicable; and (b) may notify any first mortgage or trust deed holder of the Owner's default; if applicable. The demand for payment shall notify the Owner of the Owner's liability for payment of charges imposed by Attorney to cover fees and costs associated with all collection efforts. The demand for payment shall include all collection costs to date.

7. If any assessment remains unpaid by the Owner thirty (30) days after the date of Attorney's demand, Attorney shall send Owner a ten (10) day demand letter for payment notifying the Owner that if full payment is not received within 10 days of the date of the letter the Association intends to file suit to either obtain a money judgment or foreclose on the lien. The demand shall include the updated amount owing, including all collection costs to date.

8. If any assessment remains unpaid by the Owner ten (10) days after the attorney's ten-day demand letter/notice of intent to file suit, the Attorney shall file suit for a money judgment, unless the Board, after recommendation by Attorney, determines that lien foreclosure is advisable under the circumstances. In such cases, the attorney may file a lawsuit for a money judgment, for foreclosure, or for both a money judgment and foreclosure, as permitted by applicable law.

9. If the Association is successful in obtaining a money judgment, Attorney shall collect on the judgment in this order, unless the attorney determines other actions or another order of collection is appropriate under the circumstances: (1) file and send a ten (10) day demand to pay judgment; (2) garnish accounts, wages and/or rents; (3) levy against any personal and real property; and (4) levy against the Lot. Additional steps may be necessary to determine the availability and location of the judgment debtor's assets. If the Association is successful in a lawsuit to foreclose on the lien, Attorney shall proceed as necessary to complete the foreclosure unless otherwise directed by the Board.

BE IT FURTHER RESOLVED that all legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Owner and shall be collected as an assessment as provided in the Declaration and any applicable addendums and amendments thereto.

BE IT FURTHER RESOLVED that all contacts and/or contracts with the delinquent Owner shall be through Attorney. Neither the Board nor any of its agents shall discuss the collection of the account directly with the Owner after it has been turned over to Attorney, unless one of the attorneys is present or has consented to the contact and/or contract.

BE IT FURTHER RESOLVED, that Attorney shall have the discretion to enter into an installment payment plan with a delinquent Owner, before or after filing a lawsuit, in appropriate circumstances. In cases where a lawsuit has been filed, any such plan must be secured by a Judgment. Any payment plan providing for a down payment of less than the greater of one-third (1/3) of the

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delinquent balance or twice the current monthly assessment, or a duration in excess of twelve (12) months shall require approval of the Board president.

BE IT FURTHER RESOLVED that Attorney, in its initial demand notice, shall communicate to Owner that the account has been turned over to it for collection, and that all payments are to be made to Attorney until the account has been brought current. Attorney shall deposit all payments in its trust account. Attorney shall disburse all amounts collected according to the provisions of the Association and Attorney representation agreement.

BE IT FURTHER RESOLVED, that nothing in this Resolution precludes the Board from taking further action in the collection of unpaid assessments permitted by the Association's governing documents or applicable law, including, but not limited to, adopting or enforcing rules regarding the termination of utility services paid for out of assessments of the association and access to and use of recreational and service facilities available to owners and, after giving notice and an opportunity to be heard, terminate the rights of any owners to receive such benefits or services until the corrections of any violation covered by such rule has occurred.

BE IT FURTHER RESOLVED that the Board is directed to consult with Attorney and turn over for collection immediately any outstanding account where the Owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against the Lot.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all Owners at their last known address. The Board will review all current Owner assessment accounts and begin application of these time lines immediately.

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**IT IS HEREBY RESOLVED** that the following charges shall be assessed on each account and against the owner and property, as applicable.

<b><u>ACTION</u></b>	<b><u>WHEN THE ACTION WILL BE TAKEN</u></b>	<b><u>CHARGE</u></b>
Lien Preparation	The lien preparation fee will be levied when a lien is recorded.	\$90.00
Postage incurred.	The postage fee will be levied when a certified letter is mailed to owner.	Equal to actual cost
Recording	The recording fee will be levied when a lien is filed on the property.	Equal to actual cost
Returned check (NSF)	The returned check fee will be levied when payment by owner is not honored by their bank.	\$25.00
Turnover to attorney for collection	The turnover fee will be levied when the account is delivered to the attorney for collection at approximately 120 days past due.	\$250.00