

Collections Policy adopted by board vote (date)

All property owners have an obligation to pay, in a timely manner in accordance with Cottonwood Ridge Covenant and/or By Laws all monthly dues, special assessments and other fees or charges levied by the association. Items such as insurance, electricity for complex and building lighting, lawn care, water, refuse collection, gas payments for the heating of water and sidewalk, roof and boiler repair are a few of the obligations paid for through dues and special assessments. Over the past few years an increasing number of owners have been or are currently delinquent in their accounts. Because of the number of units in arrears it is becoming more and more difficult for the association to meet its obligation to pay bills for the daily operation of Cottonwood Ridge Condominiums and will be impossible to make capital improvements such a major sidewalk repair or roof replacement in the foreseeable future without a special assessment or monthly dues increase to cover these costs. It is unfortunate that owners paying dues to carry the burden of those who have not been responsible in their obligation regarding payments as outlined in the Covenant and/or By Laws. In an attempt to remedy this, the association became aggressive in collections at the beginning of 2013. While this effort was moderately successful, with some of the accounts settled, others with payment agreements and some in the hands of an attorney for legal action, the board saw fit to put an even more aggressive policy for collections into writing. Because the BOD has an obligation as well as the right to collect dues, special assessments or charges for an owner whose account is in arrears the following policy was adopted September 10, 2013 and will take effect with the September 12th 2013 owner statement report from the association's accountant.

1. All accounts with an arrears amount in excess of \$100 but less than an amount equal to two (2) months dues will receive a letter requesting the account be brought current within ten (10) calendar days of the date of the certified letter. If the account is not brought current by the 12th of the next month the association will proceed to next step in the process.

2 (a) All accounts with an arrears equal to at least two (two) months dues and/or owners who have not responded to the Notice of Arrears will be sent a certified letter stating the account must be brought current within ten (10) calendar days of the date of the certified letter. If the amount of the arrears is in dispute, acceptable proof of payment must be provided to the office within this ten (10) day time period. At the discretion of a board appointed representative, a payment agreement/promissory note may be entered into. It will be assumed that owners not paying their account in full or contacting the office in the allotted time period agree they owe the full arrears.

2 (b) If contact is not made regarding the account either by bringing the account current, disputing the amount owed or requesting payment arrangements the account will be turned over to an attorney for legal action in accordance with the Covenant and/or By Laws of the Cottonwood Ridge Condominium Association.

Payment may be sent to PO Box 1655 or dropped off at the office. Proof of payment or a written dispute of the arrears can be dropped off at the office. Office personal has been instructed not to enter into a discussion with an owner regarding an account and has no authority to make a determination about a dispute or validity of proof of payment or enter into an agreement. Should an owner request to speak to a board representative regarding a dispute or payment arrangements the office will provide a phone number for this purpose.