

**BMW CONDOMINIUM ASSOCIATION INC.
POLICIES and PROCEDURES
COLLECTION POLICY AND PROCEDURE
SPECIAL IMPROVEMENT FEES**

FORMAT

BMW Condominium Association Inc. Annual Meeting 12/16/2013

Revised on (date): _____

Revised on (date): _____

BACKGROUND

In order to be in compliance with State of Colorado HB 1276 (Debt Collection Bill) and to properly resolve various delinquency issues that arise from time to time the **BMW Condominium Association Inc.** will have a "Collection Policy and Procedure" in place for delinquent **Special Improvement Fees** approved by the **BMW Condominium Association Inc. Board of Directors.**

SUMMARY

Delinquent **Special Improvement Fees** can be a very critical problem and your Board Approved HOA Management Company takes collection of those fees very seriously. Please help us, and especially yourself by keeping your **Special Improvement Fees** current. If you wish to have your **Special Improvement Fee** payments taken directly out of your checking or savings account in the future, please contact your HOA Management Company.

POLICY

BMW Condominium Association Inc., Special Improvement Fees are due on the last day of each quarter. **BMW Condominium Association Inc.** allows a grace period until the **FIFTEENTH** of the following month. If payment is not received by the **FIFTEENTH** day of the following month, a late charge of five percent (5%) of the **Special Improvement Fee** will be assessed to the owner's account. Additionally, **BMW Condominium Association Inc.** charges twenty percent (20%) per annum on the unpaid balance. If the **Special Improvement Fee** continues to remain unpaid, our HOA Management Company charges collection fees to pay for their additional collection work.

Approved by: Board of Directors, BMW Condominium Assoc. Inc. 12/16/2013 (Date Approved)

Signed by: [Signature] (Signature) Gary H. Goldberg (Print Name)

12/16/2013 (Date Signed)

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PLEASE NOTE: The following are BMW Condominium Association Inc., Board of Director approved costs of collection charges that will be added to accounts if the Special Improvement Fee becomes delinquent. **PLEASE REMEMBER SPECIAL IMPROVEMENT FEES ARE DUE BY THE LAST DAY OF EACH QUARTER.**

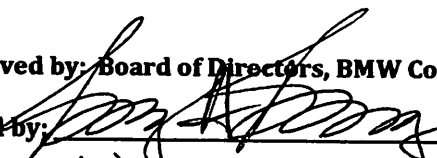
PROCEDURE

1. If no payment is received by the fifteenth (15th) day of the following month a friendly reminder is sent by the HOA Management Company. **A LATE CHARGE OF FIVE PERCENT (5%) OF THE SPECIAL IMPROVEMENT FEE PLUS TWENTY PERCENT (20%) PER ANNUM OF THE UNPAID BALANCE IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC.**

2. Thirty (30) days delinquent, a second notice will be sent by the HOA Management Company. **\$35.00 COST OF COLLECTION CHARGE BY THE BOARD APPROVED HOA MANAGEMENT COMPANY IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC. A LATE CHARGE OF FIVE PERCENT (5%) OF THE SPECIAL IMPROVEMENT FEE PLUS TWENTY PERCENT (20%) PER ANNUM OF THE UNPAID BALANCE IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC.**

3. Forty-five (45) days delinquent, a final notice will be sent by the HOA Management Company. **\$35.00 COST OF COLLECTION CHARGE BY THE BOARD APPROVED HOA MANAGEMENT COMPANY IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC. A LATE CHARGE OF FIVE PERCENT (5%) OF THE SPECIAL IMPROVEMENT FEE PLUS TWENTY PERCENT (20%) PER ANNUM OF THE UNPAID BALANCE IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC.**

4. If the delinquency issue is not resolved within sixty (60) days after it is due, a lien may be placed on the owner's home for the delinquency assessments and accumulated late and collection charges. **\$35.00 COST OF COLLECTION CHARGE BY THE BOARD APPROVED HOA MANAGEMENT COMPANY IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC. A LATE CHARGE OF FIVE PERCENT (5%) OF THE SPECIAL IMPROVEMENT FEE PLUS TWENTY PERCENT (20%) PER ANNUM OF THE UNPAID BALANCE IS ASSESSED TO THE OWNER'S ACCOUNT BY BMW CONDOMINIUM ASSOCIATION INC. UNTIL THE DELINQUENCY ISSUE HAS BEEN RESOLVED.**

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PROCEDURE (Continued)

5. If the delinquency issue is not resolved within one hundred and ninety (190) days after it is due, it may be turned over to the **BMW Condominium Association Inc.** attorney for legal action including, but not limited to foreclosure proceedings. **\$150.00 COST OF COLLECTION CHARGE, PLUS ATTORNEY FEES, PLUS COURT COSTS WILL BE ASSESSED TO THE OWNER'S ACCOUNT.**

NOTE: The home owner may enter into a payment plan, which is typically a twelve month plan, payment is due by the first day of each month, at an annual interest rate of twenty percent (20%), which include unpaid Special Improvement Fees, unpaid Cost of Collection Charges, unpaid Attorney Fees, and unpaid Court Fees

Also see BMW Condominium Association Inc., FORECLOSURE PROCESS POLICY for additional information.

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