

Diane Wolfson
369-1429

**RESPONSIBLE GOVERNANCE POLICIES
WEST PACIFIC CAMPUS OWNERS ASSOCIATION, INC.**

These Policies are promulgated by the Board of Directors of West Pacific Campus Owners Association, Inc., effective April 26, 2010.

I. Collection Policies.

- a. **Invoices; Due Date.** The Association shall send out invoices by mail or email. Payments for regular assessments are due in advance on the first of the month. All other assessments shall be due as determined by the Board of Directors, but in no event less than ten (10) business days from the date invoiced. Failure to receive an invoice does not relieve an owner of his or her obligation to pay the assessment.
- b. **Application of Payments.** The Association will apply Owner payments of outstanding balances first to collection costs, then to interest, then to the most recent invoices for assessments, and finally to the oldest balance.
- c. **Collection of Less Than \$500.** For outstanding balances less than \$500 that are thirty (30) days or more past due, the Association may send the delinquent owner one letter advising that the amount is thirty (30) days past due, that interest is accruing on the balance, and requesting payment. The letter shall also advise that, if not paid, the amount past due will be added to the delinquent owner's next statement with interest. The Association will not charge the delinquent owner for this letter.
- d. **Collection of \$500 or More.** For outstanding balances of \$500 or more, the Association has adopted the following collection policy.
 - i. For balances that are thirty (30) days past due, the Association may send a collection letter to the delinquent owner advising that the amount is thirty (30) days past due, that interest is accruing on the balance, and requesting payment. There is no charge for this letter.
 - ii. For balances that are sixty (60) days past due, the Association may send a collection letter to the delinquent owner advising that the amount is sixty (60) days past due, that the Association intends to record a lien against that owner's unit, that there is an administrative charge for the letter and that there will be an administrative charge for recording the lien. The association will charge the administrative charge for the letter to the delinquent owner.


- iii. For balances that are more than ninety (90) days past due, the Association may record a lien against the delinquent owner's unit. If the association records a lien, then the association will send a copy to the delinquent owner via certified mail. The association will charge the administrative charge for recording the lien and certified mailing to the delinquent owner. The association may also notify mortgagees of the unit of the delinquency.
 - iv. For balances that are more than one hundred twenty (120) days past due, after notice to the delinquent owner and an opportunity to be heard by the board, the board may elect to:
 - A. cause the total amount of such delinquent Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable, and/or
 - B. file a foreclosure action against the delinquent Owner's unit and file suit against the delinquent Owner personally for collection of all outstanding amounts.
 - e. **Returned Checks.** There is a \$25 charge for returned checks.
 - f. **Interest.** All amounts past due to the Association shall bear interest at eighteen percent (18%) *per annum*.
 - g. **Attorneys Fees and Costs of Collection.** Delinquent owners are responsible for payment to the Association of all costs of collection, including the costs of collection letters, charges by the Association's manager, reasonable attorneys fees and collection agency fees.
2. **Resolution of Disputes between Owners and the Association** If there is a dispute of any kind between an Owner and the Association, then the claiming party shall give the other party written notice of the dispute. Within thirty (30) days of written notice of a dispute, all parties to the dispute shall engage in nonbinding mediation in person in San Miguel County, CO, before a mutually agreed mediator. The costs of mediation shall be shared equally among the parties. Mediation is not a precondition to filing suit.
 3. **Handling of Conflicts of Interest Involving Board Members** Conflicts of interest are subject to C.R.S. § 7-128-501 (Colorado Nonprofit Corporation Act), as same may be amended.
 4. **Conduct of Meetings** Meetings shall be conducted in accordance with all applicable provisions of the Colorado Nonprofit Corporation Act (C.R.S. § 7-135-

100 et. seq.) and the Colorado Common Interest Ownership Act (C.R.S. § 38-33.3-101 et. seq.), and in accordance with Roberts Rules of Order as such rules are applied to small Associations that do not need full parliamentary procedure.

5. **Enforcement of the Governing Documents** Monetary enforcement of the governing documents is subject to the Association's collection policies, above. The Association, through its Board, will enforce nonmonetary violations of the governing documents (other than parking violations) as follows:
 - a. The Board will first give written notice of violation to the Owner and/or tenant and give the Owner and/or tenant an opportunity to be heard before the Board if the Board intends to impose fines. The Owner and/or tenant and/or respective representatives may present testimony and evidence regarding the alleged violation at the hearing. The Board's decision on violations and fines shall be in writing, whether in the minutes of the hearing or a letter to the Owner and/or tenant.
 - b. The Board may impose fines of up to \$50 per day per nonmonetary violation of the association's governing documents.
 - c. The Board may take such actions as are necessary to abate the violation, at the sole expense of the Owner and/or tenant.
6. **Inspection and Copying of Association Records by Unit Owners** Owners may submit a request to the manager to copy Association records. The owner will pay the Association's actual costs for research and copying in connection with such records requests.
7. **Reserve Fund and Reserve Study Policies**
 - a. Reserve funds may be held either in a savings deposit account or certificate of deposit at the discretion of the Association's manager.
 - b. The Association will provide for the regular maintenance and repair of common elements through its regular annual operating budget.
 - c. At least every three years the Board will consider whether to conduct an internal reserve study for those portions of the community that the Association will eventually be responsible for replacing. Such reserve study shall:
 - i. List the major improvements for which the Association is responsible
 - ii. Assign to each improvement an estimated useful life based on information available to the board, including a physical inspection where possible and appropriate

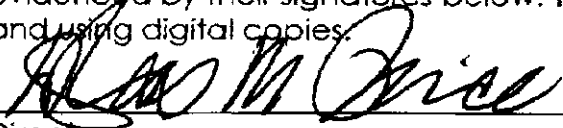
- iii. Assign to each improvement an estimated replacement cost in current dollars
 - iv. Assess at least 5% of such estimated replacement cost each fiscal year and deposit such assessments in the Association's reserve fund
 - d. To the extent that there are insufficient operating funds or reserve funds available to pay for a necessary repair or replacement, then the Association will fund such repair or replacement through a special assessment to the owners or an association loan.
8. **Email Notices** Notices and invoices may be sent by the Association to Owners via email unless the Owner requests a different method.
9. **Procedures for the Adoption and Amendment of Policies, Procedures, and Rules** In the absence of a contrary provision in the declaration or articles of the Association, these policies may be amended and supplemented by a vote of the majority of the Board of Directors.

The foregoing Amended and Restated Collection and Responsible Governance Policies are hereby adopted by the unanimous consent of all three (3) directors evidenced by their signatures below. This document may be executed in counterparts and using digital copies.

	4/28	, 2010
Director		
Director		, 2010
Director		, 2010

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Director

April 22, 2010

Director

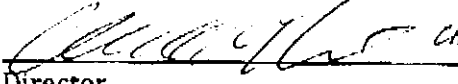
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Director

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 CHRISTOPHER HO 4/16, 2010
 Director

_____, 2010
 Director

_____, 2010
 Director