

TAMARRON ASSOCIATION OF CONDOMINIUM OWNERS, INC.

Policy and Procedure

Late Fees and Default Interest

The Amended and Restated Declaration of the Covenants and Restrictions for the Condominiums At Tamarron, (the "Declaration") and the Amended and Restated Bylaws of the Tamarron Association of Condominium Owners, Inc. (the "Bylaws") authorize the Board of Directors to adopt certain policies and procedures for the purpose of promoting uniform and consistent action concerning its Owners and Property of the Tamarron Association of Condominium Owners (the "Association").

The Association has historically assessed late fees and default interest against delinquent Owner accounts. Pursuant to C.R.S. §38-33.3-209.5, the Board desires to clarify such policies as set forth herein.

NOW THEREFORE, the undersigned hereby agree as follows:

Pursuant to the Declaration and Bylaws of the Association, the Executive Board, in its discretion, may establish and amend, from time to time, a default rate of interest and/or late fee to be charged on overdue assessments. The President and/or Treasurer, acting with the authority of the Board, may, from time to time, waive the imposition of any late fees and/or default interest at the request of an Owner; provided, however, that good cause for such a waiver has been shown. A Board waiver of a late fee or default interest in one instance shall in no way be construed as a waiver of any subsequent late fees or default interest.

**Late Fee:** The Board has historically charged and will continue to charge, until the Board adopts a resolution to amend same, a one-time late fee of **10%** of each quarterly assessment that becomes overdue.

**Default Rate of Interest:** The Board has historically charged and will continue to charge, until the Board adopts a resolution to amend same, a default rate of interest of **18%** per annum on overdue assessments or other payments. Default interest shall be applied on the date when payment is deemed in default or overdue. For example, if a payment is due on or before the 31<sup>st</sup> of October, the default rate of interest shall commence on the 1<sup>st</sup> of November. The interest computation for any month is based on the entire unpaid and delinquent balance on the account.

THIS POLICY AND PROCEDURE was adopted at the meeting of the Board of Directors on June 10<sup>th</sup> 2011 by an affirmative vote of more than 66 2/3rds of the Board of Directors for Tamarron Association of Condominium Owners, Inc.



William A. Patton

Janis Lowe

[Signature]

[Signature]

John Haley