

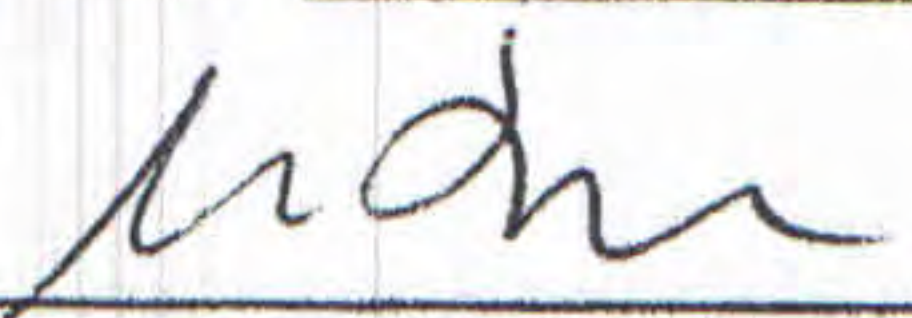
2014 AMENDMENT TO COLLECTION AND RESPONSIBLE GOVERNANCE POLICIES

The Board of Directors of the San Juan Ranch Owner's Association, Inc. ("**Association**"), hereby amends and supplements its Collection and Responsible Governance policies to add the following policies effective January 1, 2014. These policies shall replace and supersede all previous policies of the Association with respect to the particular topic/policy addressed below.

1. **Association Good-Faith Effort to Coordinate a One-Time Payment Plan.** In the course of collecting past-due assessments, the Association shall make a good-faith effort to coordinate with the delinquent owner to set up a one-time payment plan in accordance with these policies. To this end, the Association shall refer to the ability to enter into a one-time payment plan in its 30, 60, and 90-day late letters. The Association is not obligated to offer a payment plan to a delinquent owner who has previously entered into a payment plan in accordance with these policies.
2. **Notice Prior to Referring for Collection Action.** Prior to using a collection agency (for these purposes, the association's manager is not a collection agency) or taking legal action to collect unpaid assessments, including recording lien, the Association shall send the delinquent owner a notice stating:
 - a. The total amount due as of the date of the notice and how it was determined;
 - b. Offering the delinquent unit owner one-time opportunity to enter into a 6-month payment plan;
 - c. Listing the legal remedies, including foreclosure, available to the Association;
 - d. Instructions (including the name and contact information) for communicating with the Association's manager to a) request a copy of the unit owner's ledger to verify the amount of the past-due amounts, or b) submit a request for a payment plan;
 - e. That "action is required to cure the delinquency and that failure to do so within thirty (30) days may result in the owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the owner, the filing and foreclosure of a lien against the unit owner's property, or other remedies available under Colorado Law";
 - f. The method by which the owner's payments may be applied;
 - g. The legal remedies available to the Association to collect on the delinquent account under the governing documents and Colorado law.
3. **Owner Request for One-Time Payment Plan.** A delinquent owner who seeks to enter into a payment plan with the Association as set forth herein shall deliver a written request to the Association's manager via pre-paid U.S. mail, return receipt requested, or via courier such as Fedex with signature required.

4. **Contents of One-Time Payment Plan.** Minimally, the one-time payment plan offered by the Association to the delinquent owner shall:
- a. Permit the delinquent owner to payoff the past-due assessments in equal installments over at least a 6-month period;
 - b. Not waive interest on past-due amounts, which shall continue to accrue and be part of the payment plan;
 - c. Not waive collection charges or attorneys' fees;
 - d. Require the delinquent owner to remain current on regular assessments as they come due during the period of the payment plan ("assessments" in this context include regular and special assessments and associated fees, charges, late charges, attorney fees, fines and interest charged);
 - e. Provide that if the delinquent owner fails to comply with the plan, the Association may pursue collection;
 - f. Be formally approved by the Board on an individual basis.
5. **Failure to Comply With Payment Plan.** If the delinquent owner fails to comply with the approved payment plan, including by failing to remit payment of an agreed-upon installment or to remain current with regular assessments (which includes regular and special assessments and any associated fees, charges, late charges, attorney fees, fines and interest charged) as they come due during the payment plan period, then the Association may pursue legal action against the delinquent owner.
6. **Foreclosure of Association Lien.** The Association shall not foreclose its lien for past-due assessments unless a) the total amount past due is at least equal to six (6) months of regular assessments, and b) the Board has formally approved the foreclosure action of that unit on an individual basis.

The undersigned certifies that the foregoing Amendment to Collection and Responsible Governance Policies have been adopted by the Board of Directors by a consent-in-lieu of meeting dated 8/12, 2014.



Secretary