

Stone Creek Condominium Owners Association

Payment Practices

Good HOA payment practices are essential for maintaining a financially healthy community. These practices include implementing clear policies, commencement of digital payment options, being overt and transparent about payment options while also providing for Association members a method to request an inspection of HOA financial transactions / records.

This communication is to outline Stone Creek Condominium Owners Association (SCCOA) payment practices and guidelines. SCCOA's annual budget year runs from June to May of the following year, with the annual budget to be approved by the Board prior to being presented to Association members at the Annual Owners Meeting.

Governing documents allow for receipt of monies in 4 ways: monthly operating assessments, monthly capital reserve assessments, special assessments and through miscellaneous sources, such as fines, Short Term rental fees and rebates / incentives collected.

Monthly Operating Assessments: These assessments are charged monthly and become due the first day of the month. Owners may choose to pay them early but will not accrue any interest or other offset. Statements are issued via email to owners or their designated agents, at least quarterly. Payments are to be made electronically (EFT, Zelle, etc.) directly to Association bank. Any monthly operating assessments paid by check incur a \$10 / month check processing charge to be placed on the statement on the same day the check payment is credited to the account. If a monthly operating assessment is late 30 days, the outstanding balance is subject to a monthly \$25 monthly late payment fee and interest charged at the CCIOA rate (currently 8% / annum).

Monthly Capital Reserve Assessment: This assessment rate is set annually by the Board and is itemized separately each month on the emailed owner's statement. This rate is determined by the Board based on factors that include the capital reserve study, projected capital reserves, planned expenditures and covenance requirements. The monthly capital reserve assessment payment is to be paid electronically (EFT, Zelle, etc.) directly to Association bank. Any monthly capital reserve assessment paid via check incurs a \$10 / month check processing charge, to be placed on the statement on the same day the check payment is credited to the account. An owner will not be charged a check processing fee for both their monthly operating assessment and monthly capital reserve assessment if paid together. If a payment is late 30 days, the

outstanding balance is subject to a monthly \$25 monthly late payment fee and interest charged at the CCIOA rate (currently 8% / annum).

Special Assessments: Special Assessments may be decided by the Board at any time. Special Assessments may or may not include a payment plan, the decision of which will be announced at the time of the Special Assessment. Special Assessments may be paid electronically, or by check or money order. Special Assessment payments by check will not incur a check processing fee, minimally through December 2026. Special Assessments which are not paid on time are subject to a monthly \$25 late payment charge and interest charges commencing the day after the Special Assessment due date.

Miscellaneous Payments: Association members may be assessed monies for fines, chimney clean-out (or other unit / association maintenance) or tenant pet fees. These monies charged are announced via email communication and added to the owner's statement. They become due 30 days from the date of charge. These monies can be paid with monthly operating assessments via electronic payment. If paid by check, these fees will incur a \$10 check convenience fee to be placed on the statement on the same day the check payment is credited to the account. If these fees are not paid within 30 days, miscellaneous fees are subject to a \$25 / month late payment fee as well as interest calculated at the CCIOA rate (currently 8% / annum).

Other Association member responsibilities:

Owners are responsible to provide the Association Accountant and HOA leadership (President & Secretary / Treasurer) with their primary email address, phone number and mailing address. Any unit owner which employs a contractor to manage rental or maintenance matters may also provide this email address, however, the Association member remains accountable for receipt of all communication and actions which action may be necessary.

Owners and their tenants are responsible to sign the SCCOA Rules / regulations. Whether signed or not, this document is a governing document and is managed consistently across all association members.

Owners using electronic payment may choose to have their monthly operating and monthly capital reserve assessments paid via ACH, by selecting either a payment date of 1st or 10th of the month. Zelle may also be used by Association members to pay their statements. When using Zelle, Association members are responsible for ensuring timely payment to avoid late fees or interest charges for late payments.

If the Board announces a Special Assessment, the announcement will include the reason for the assessment, the total amount to be collected as well as the amount due from each Association member, the due date/s and whether or not a payment plan (and its terms) are included as part of the Special Assessment.

Association members have rights provided by CCIOA. Each association member is encouraged to review all governing documents and to make inquiry to HOA President anytime as to your rights as an Association member. Association member inquiries are treated as confidential. If the confidentiality must be changed, the association member will be informed prior.

Stone Creek Association members have a right to inspect records maintained by HOA. The Stone Creek website: [Governing Documents – Stone Creek HOA](#) contains a file entitled **Stone Creek Request to Inspect Records** which can be downloaded, completed and sent to HOA President. Stone Creek governing documents detail a timeline which you can expect next steps to be taken.

How are late fees and interest calculated?

Unless otherwise specified, all monthly statements are due for payment by the first of the month. If the payment is not received within 30 days of the due date, a late payment of \$25 / month is established on the next statement. Interest is charged on all balances carried beyond the 30-day payment period, at a rate of 8%, until the balance is paid. This rate is established by Colorado Department of Real Estate and is subject to change if CCIOA interest rates are changed.

If an owner account goes 3 months in arrears, the Association follows CCIOA policies related to issuance of courtesy and delinquency notices, and additional payment plan offers, leading up to establishment of liens and foreclosure.

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