

**RESOLUTION OF THE VILLAGE CENTER CONDOMINIUM ASSOCIATION REGARDING ITS
CONSTRUCTION LOAN FROM COMMUNITY BANKS OF COLORADO AND OWNERS
REPAYMENT OF ASSESSMENTS PERTAINING THERETO**

This Resolution is hereby adopted by the Board of Directors of the Village Center Condominium Association, a Colorado nonprofit corporation (“Association”), on the _____ day of _____, 2019, as follows:

WHEREAS, the Association is in the process of procuring a loan from Community Banks of Colorado (“Bank”) in the amount of approximately \$1,500,000 with an interest rate of 5.54% to finance the Association’s forthcoming construction remodel project; and

WHEREAS, the Association has approved its annual budget, which includes owner/member capital improvement assessments to finance the construction project and repay the loan from the Bank; and

WHEREAS, the Bank requested a written resolution from the Association detailing the options for the Association’s owner/members to pay for the capital improvement assessments associated with the construction project and the Bank’s loan.

NOW THEREFORE, BE IT RESOLVED by the Association’s Board of Directors that the Association’s owner/members may repay the capital improvement assessments associated with the Association’s construction remodel project and the Bank’s loan, as follows:

1. Owner/members may choose to pay their entire outstanding capital improvement assessment prior to August 31st, 2019 in order to avoid application of interest (“Loan Interest”); or
2. Owner/members may choose to pay no less than a “Minimum Amount” of the capital improvement assessment no less frequently than monthly based on a five (5) year loan amortization schedule of the owner/member’s outstanding capital improvement assessment amount, as that amount stands on September 1, 2019.
3. Any capital improvement assessments pertaining to the construction remodel project that are outstanding as of September 1, 2019 shall incur Loan Interest compounded monthly at the rate of 5.54%, which is the same rate issued to the Association by Community Banks of Colorado.
4. Owner/members may make payments in excess the Minimum Amount, up to and including full payment of the entire outstanding capital improvement assessment, in their discretion at any time with no prepayment penalty.
5. Any owner/member who fails to pay the monthly Minimum Amount (as described above) for two (2) or more consecutive months shall have the entire unpaid capital improvement assessment accelerated (i.e. the full amount outstanding come due) and treated as delinquent in accordance with the Association’s governing documents. Any delinquency fees or interest shall be applied in accordance with the Association’s governing documents and shall be in addition to the Loan Interest described above.

**VILLAGE CENTER CONDOMINIUM ASSOCIATION,
a Colorado nonprofit corporation**

By: _____ (signature)

_____ (print name)

Its: President

CERTIFICATION

I, _____, serve as the Secretary of Village Center Condominium Association, and hereby certify that the Board of Directors of the Village Center Condominium Association approved the foregoing Resolution and such Resolution was properly voted on and adopted on the ____ day of _____, 2019.

**VILLAGE CENTER CONDOMINIUM ASSOCIATION,
a Colorado nonprofit corporation**

By: _____ (signature)

_____ (print name)

Its: Secretary