

JUDICIAL FORECLOSURE
AUTHORIZATION

A judicial foreclosure is an action that is filed in the District Court to foreclose on the Association's assessment lien. The purpose of judicial foreclosure is to obtain payment of the assessment lien through the forced sale of the property. Judicial foreclosure is a long process that typically takes six to nine months, if uncontested. If the homeowner disputes the foreclosure action, he or she may file an answer with the court. Contested foreclosures may require a trial, which adds additional time and expense to obtaining a decree for foreclosure.

In a foreclosure action, the homeowner has the right to cure by paying the full amount owed on the assessment lien any time prior to the sale. If the homeowner does not cure, the Association will ultimately take title to the property, unless there is a higher bidder at the sale. If the property is sold to a higher bidder, then the assessment lien will be paid through the sale proceeds. If the Association takes title to the property, it typically will be subject to any holder of a first deed of trust (the mortgage company). The Association, however, is not liable to make payments to the mortgage company.

Having read the foregoing, the Board hereby authorizes judicial foreclosure against
_____ (property address).

The Board certifies that it has formally resolved, by a recorded vote, the authorization to file this legal action against the specific unit on an individual basis in compliance with C.R.S. 38-33.3-316 and the Association's Declarations, Covenants, and Bylaws.

Association

By: _____

Date: _____

Title

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