

COLLECTIONS

Our goal for collections is very simple: COLLECT AS MUCH MONEY AS POSSIBLE. In almost all collection cases submitted to our offices, our office will pursue each collection case you submit at no charge to you, unless we are successful in recovering money, in which case you get 60% of the collected amount after costs and we keep 40% for our efforts. If your lease has an appropriate provision for attorney's fees, we immediately begin to charge our fees to the debtor on top of the principal amount owed. By charging attorney's fees, we can substantially increase your rate of recovery. After the reimbursement of actual costs, (filing fees, process service, etc.), you will be paid 60% of the total amount collected, up to 100% of the original principal debt submitted. We will advance all the costs for each case and deduct them from proceeds; however, you remain ultimately liable for the costs as required by the Colorado Supreme Court. In accordance with our fee agreement, we do reserve the right to charge hourly and/or withdraw if a client requires special attention, a jury is requested, a counterclaim is filed, a case is transferred to District Court, and unique issues arise in a given case. Such hourly billing is unusual.

PLACING A CASE FOR COLLECTION: To place a landlord/tenant collection account with our office, please submit the following documents:

- A copy of the **Lease Agreement**;
- A copy of the **Tenant's Application**;
- A copy of your **Security Deposit Disposition** statement; and
- Any additional information not contained in those documents which may help us locate the tenant, his or her job, or a bank account. (Copies of prior rent checks can be very helpful!)

You retain the original tenant file and any additional supporting documentation, (such as bills, reports and pictures), in your records. **Please do not send any other documents unless requested.** If we need any additional documents, we will request them from you. DO NOT SEND US ORIGINAL DOCUMENTS UNLESS SPECIFICALLY ASKED TO DO SO.

PROCEDURES: We typically commence work on cases submitted to our office within ten days of receipt of the required documents. The Fair Debt Collection Practices Act requires us to start with a 30 day demand letter, advising the debtor of the placement of the claim and certain of their rights.

If we can locate the debtor, we will attempt to arrange a payment schedule. If the debtor refuses, or fails to keep any agreement, we will file suit if warranted. A suit is not warranted if there is no possibility of executing on a judgment as where the debtor's sole source of income is AFDC or Social Security Disability. All other cases will be worked as far as possible.

If we are unable to locate a debtor initially, we will periodically renew our efforts. Please understand that we are dealing with a class of debtors that is extremely transient. A tenant who skips out on his rent may not have a new address in the credit system for months. In the case of those with bad credit, the credit system may never have additional information. The debtors may not change their addresses with the Department of Motor Vehicles until they renew their driver's licenses. That is done every four years.

We have successfully collected money in cases as old as ten years. Please be patient, we are working on your cases.

REPORTING: We account on a monthly basis for all cases where money has been collected or advanced in the prior month. Distribution statements and checks are usually sent out on the 10th day of the following month. We do not provide status reports for all ongoing cases, as the time required to prepare and distribute these reports would take away from the staff time more productively utilized in collecting money. You are welcome to call on occasion to discuss the status of a particular case, or if you request a report on all your cases, we will do our best to accommodate the request. We urge clients not to be personally vested in any given case. If you submit 100 collection cases to us, statistically some will pay and some will not. For those cases that prove uncollectable, both you as a landlord and our office as a firm must consider these losses as a cost of doing business. AGAIN, TRY TO BE PATIENT.

REFERRAL OF DEBTOR CALLS AND CORRESPONDENCE: Once we start work on a case, it is important not to discuss the matter with the tenant should you be contacted. Forward to our office any correspondence received from the tenant, (including any payments received). Debtors will often try to minimize their debt (and your recovery) by contacting you directly. Your conversations with tenants and acceptance of payments may jeopardize our ability to obtain the maximum recovery (or any recovery) from the tenant. Please inform any tenant who calls that the matter has been placed with your attorney for collection and you cannot discuss the case. Please ask the tenant to call our office directly. Please forward any correspondence to our office. Information such as bank account information of payment checks, envelope postmarks and caller ID can all be extremely useful to us in collecting your debt.

RETURN OF CASES: Our office spends a considerable amount of time, effort and money pursuing every collection case submitted to us. Our goal is to recover as much money, on as many cases as possible. We only make money by collecting money for you. We will continue to work every case until it is collected, closed as uncollectable, or the six-year statute of limitations runs. We will return to you any cases as requested but will have to work out an agreement to compensate our firm for the time, effort and money spent.

NSF CHECKS AND OTHER COLLECTION MATTERS: Collection on bounced checks is also a legal service that we provide. If you have original checks that the tenant never made good on, you may submit such checks to our office by forwarding to us a copy of the check(s), along with any disposition statement, lease, or other information on the identity or location of the debtor. DO NOT mail us the original check. Retain it in your files and we will request it at the appropriate time. In some instances, we are entitled to request a judgment for three times the face value of any check less than two years old. If you have questions on original checks in your possession, please give our collection department a call.

SECURITY DEPOSIT DISPOSITION MOVE OUT CLEARANCE REPORT

Resident Name: _____

Property: _____ Apt.# _____

Forwarding Address: _____

Move-In Date: _____ Lease Exp. Date: _____

Move-Out Date: _____ Rent Paid to: _____ Last Date Pd Rent: _____

CREDITS

Security Deposit	\$ _____
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Other Deposit	\$ _____
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Rent Credit (\$_____ /mo.)	\$ _____
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(_____ Daily rate x _____ days)	\$ _____
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TOTAL CREDITS:	\$ _____
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CHARGES

Rent due: _____ Month of: _____	\$ _____
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Rent due: _____ Month of: _____	\$ _____
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Rent due: _____ Month of: _____	\$ _____
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\$_____ Daily rate x _____ days	\$ _____
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Late Fees _____	\$ _____
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Eviction/Attorney Fees _____	\$ _____
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Painting _____	\$ _____
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Carpet Cleaning _____	\$ _____
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Drapery Cleaning _____	\$ _____
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Cleaning and Trash Removal _____	\$ _____
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Repair _____	\$ _____
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Other _____	\$ _____
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TOTAL CHARGES:	\$ _____
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Balance Due Resident	\$ _____
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Balance Due Management within 14 days	\$ _____
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Submitted by _____ Date: _____	Comments: _____
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Approved by _____ Date: _____	_____
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Paid Ck# _____ Date: _____	_____
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Attorney _____ Date: _____	Collected _____
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Date: _____