

ARIZONA BILTMORE ESTATES VILLAGE ASSOCIATION

ASSESSMENT COLLECTION POLICY

Effective July 20, 2020

The following Collection Policy shall be followed for the Arizona Biltmore Estates Village Association:

ASSESSMENT COLLECTION SCHEDULE:

1. Annual Assessment Notice mailed out on or before October 1st.
2. Assessment is due on or before November 1st
3. Assessment is considered late if not received within thirty (30) days after the due date.
 - A late fee of 10% of the amount of the Assessment shall be applied against the Owner's account on December 1st.
4. If the Assessment remains unpaid, a First Delinquency Notice shall be sent to the Owner on or about the second week in December. A collection fee of \$20.00 shall be applied to the owner's account for the preparation of this demand letter.
5. If the Assessment remains unpaid, a Second Delinquency Notice will be sent on or about the first week of January via certified mail, return receipt requested. A collection fee of \$100.00 shall be applied to the owner's account for the preparation of this demand letter. The notice shall contain the following statement:

YOUR ACCOUNT IS DELINQUENT. IF YOU DO NOT BRING YOUR ACCOUNT CURRENT OR MAKE ARRANGEMENTS THAT ARE APPROVED BY THE ASSOCIATION TO BRING YOUR ACCOUNT CURRENT WITHIN THIRTY DAYS AFTER THE DATE OF THIS NOTICE, YOUR ACCOUNT WILL BE TURNED OVER FOR FURTHER COLLECTION PROCEEDINGS. SUCH COLLECTION PROCEEDINGS COULD INCLUDE BRINGING A FORECLOSURE ACTION AGAINST YOUR PROPERTY.

6. If the Assessment remains unpaid, a Third Delinquency Notice regarding the delinquency shall be sent to the Owner. Such notice shall indicate that a Notice of Lien will be filed with Maricopa County Recorder's Office for the past due amounts. A collection fee of \$100.00 shall be applied to the owner's account for the preparation of this demand letter. If the Owner fails to timely respond, the Association may proceed to file the Notice of Lien.
 - The delinquent account will be assessed a fee for the preparation (not to exceed \$300) and recording of the Notice of Lien (recording costs are determined by the Maricopa County Recorder). The lien will not be released until the account is paid in full. When the lien is released, the account will be assessed a fee for the preparation and recording of the release.
7. At any time in this process, the account may be turned over to the Association's legal counsel for collections action. Should ABEVA employ legal counsel to enforce collection, any attorney's fees and costs the Association incurs will also be secured by the assessment lien against the Lot.

Before an account is turned over to an attorney, the Association must send the Owner a notice via certified mail, return receipt requested, with the statement outlined in Section 5.

- *Once at the attorney for collections, all communication regarding the delinquency must be with that attorney.*

Payments will be applied to an account as follows (according to ARS 33-1807):

1. Unpaid Assessments Past due assessments
2. Unpaid Charges for Late Payment of those Assessments Late charges
3. Collection Fees (Demand Letter/Lien)
4. Attorney Fees/Costs
5. Fines and Other Charges

Payment plans (prior to an account being sent to legal counsel) will be accepted by the Association under the following conditions:

- A. Payments made without the benefit of a properly executed payment plan will not be construed as a payment plan, and collection activity shall be initiated in accordance with the Assessment Collection Policy.
- B. Late fees as provided in the Assessment Collection Policy shall not be charged during the term of the payment plan so long as payments are received following the plan.

The Association reserves the right to deviate from this Policy and to take any action at any time authorized by the governing documents or applicable law. This right includes, but is not limited to, the right to turn any matter over to legal counsel at any time and act in accordance with legal counsel's recommendation. No offset, discount, or waiver of any amount due shall be permitted on account of the Association's failure to send any notice or to take any action described herein.