

Waterford Homeowners Association

9633 S. 48th Street, Suite 150

PHOENIX, AZ 85044 (480) 759-4945 / FAX (480) 759-8683

RESOLVED, that the following **ASSESSMENT COLLECTION POLICY** shall be adopted effective immediately:

LATE FEE: Interest shall accrue at the rate of 12% per annum from the due date on any assessment not paid within thirty (30) days after the date due.

Assessment Collection Schedule:

1. Written reminder to property owner on the 30th day after the assessment was due informing them that account is outstanding and late interest has been applied.
2. Written collection and intent to lien demand letter mailed the 45th day after the first unpaid assessment was due. All demand letter fees are the responsibility of the property owner. Homeowner is given 10 business days from demand letter date to remit payment or contact Management Company to enter into a no-cost payment plan.
3. Every account that shows the assessment being at least 90 days past due may be transferred to the association's collection agency for commencement of collections and a notice of lien may be recorded. All collection costs and lien fees are the responsibility of the property owner. At any time during this process, the homeowner may request to enter into a no-cost repayment plan for all outstanding assessments and fees. The association may not release its lien until such time as the account is paid in full.
4. For every account that shows the assessment being at least 270 days past due, one of the following processes may occur:
 - Accounts whose balances are less than \$2,500.00 may be referred to small claims court to obtain a personal judgment against the owner(s) of the lot whose responsibility it is to bring the account current. All collection costs are the responsibility of the lot owner. Or,
 - Accounts whose balances are over \$2,500.00 may be referred to the Association's attorney for further collection activity including lawsuit or foreclosure. All legal fees and collection costs are the responsibility of the lot owner.

Foreclosure Collection Procedure:

- At the discretion of the Board of Directors, lots foreclosed upon with account balances less than \$2,500.00 may be referred to small claims court to obtain a personal judgment against the owner(s) of the lot whose responsibility it was to bring the account current at the time of foreclosure.
- At the discretion of the Board of Directors, lots foreclosed upon with account balances greater than \$2,500.00 may be referred to the Association's attorney to pursue a personal judgment in Justice Court against the owner(s) of the lot whose responsibility it was to bring the account current at the time of foreclosure.

Payments will be applied to an account as follows (pursuant to Arizona Revised Statutes):

1. Past due assessments
2. Late Charges
3. Collection Fees (Demand Letter/Lien/Collection Agency/Skip Trace/Court Fees)
4. Legal Fees/Costs
5. Monetary Penalties

The Board of Directors may not consider waiver of late fees, lien fees or collection fees incurred on an account where the assessment was not paid in accordance with the Assessment Collection Policy through no fault of the Association or its Agent.

Payments plans will be accepted under the following conditions:

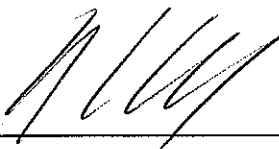
Payments made without benefit of a properly executed payment plan will not be construed as a payment plan, and collection activity may be initiated in accordance with the Assessment Collection Policy.

Late interest as provided in the Assessment Collection Policy may not be charged during the term of the payment plan if payments are received in accordance with the plan.

A minimum payment plan payment equal to the current assessment installment plus one-twelfth of the annual assessment plus collections costs will be accepted on a monthly basis.

A lien may be filed and legal collection proceedings may be implemented upon default of any payment plan with no further notice to the property owner.

IN WITNESS WHEREOF, the undersigned have executed this consent as of 5/20/, 2013.



For the Board of Directors
Waterford Homeowners Association