

Assessment Collections Policy



Estrella Vista Homeowners Association
Goodyear, Arizona

Adopted 04/08/2025

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ESTRELLA VISTA HOMEOWNERS ASSOCIATION ASSESSMENT COLLECTION POLICY

PURPOSE

The purpose of this document is to establish the Association's Assessment Collection Policy regarding the payment and collection of the Annual Assessment according to the Declaration's Section 4.7 and Section 4.8 and the By-Laws Section 3.10 requirements.

GENERAL

The Estrella Vista Homeowner's Association established the following Assessment Collection Policy for the Declaration or other Project documents assessment collection enforcement, to include any applicable late charge or other monetary penalties for non-payment of the assessments. This Policy will not be interpreted in a manner inconsistent with the Declaration, the Articles of Incorporation, or the Bylaws, and will have the same force and effect as if it were set forth in full and were a part of the Declaration.

ADMINISTRATIVE

The Board, by majority vote, may adopt, amend, and repeal this Assessment Collection Policy for the Association at any time. This Policy will be available to all members of the Association for review.

SPECIFIC ITEMS

Annual Assessment

The Annual Assessment will be divided into equal quarterly payments that will be due on the first of the month commencing with January 1st of each year. (e.g. January 1st, April 1st, July 1st, October 1st)

Late Charge and Interest

A late charge equal to ten (10) percent of the unpaid assessment will be applied for any installment not paid within fifteen (15) days after the due date. Any judgment awarded to the association shall accrue interest at the rate of **12%** per annum until paid in full.

Assessment Collection Schedule

The Association's Assessment Collection Schedule is broken down into four phases:

1. Late Notice
2. Collections / Intent to Lien
3. Notice of Lien
4. Small Claims/Further Collections

At any time during this process the homeowner may request to enter into a payment plan for all outstanding assessments and fees.

1. Late Notice:

First Unpaid Assessment: A written Late Notice is sent to the property owner(s) on or after the **15th day** of the first unpaid assessment informing them that the account is delinquent and that a late fee/interest has been applied. All letter fees are the responsibility of the property owner. The homeowner is encouraged to contact the Association to begin a payment plan, if necessary, after receiving the late notice.

2. Collections / Intent to Lien:

If the account cannot be **paid in full** by the second assessment due date AND there is no approved payment plan, then a written collection and intent to lien letter is sent to the property owner on or after the **105th day** of the first unpaid assessment informing them that the account is delinquent, that a late fee was applied, and the account may be referred to the association's collection agent for further action including a notice of lien being recorded. All letter fees and costs are the responsibility of the property owner.

3. Notice of Lien:

Any account with an unpaid balance of assessments and other charges at least **135 days** past the first assessment due-date may be transferred to the association's collection agent for commencement of collections and a notice of lien may be recorded. All fees and costs incurred are the responsibility of the property owner.

4. Small Claims / Further Collection Action

At the discretion of the board of directors, any account with a balance of assessments and other charges at least **165 days** past the first assessment due date may be referred for a small claims suit or to the association's attorney for further collection activity including, but not limited to, civil suit and/or foreclosure. All collection costs, legal fees, court costs, and any other charges incurred by the association are the responsibility of the property owner(s).

Release of Lien and Renewal Period

The association may not release its lien until such time as all assessments, late fees, related collection costs and legal fees have been paid in full. After the account has been paid in full, the next Late Letter will be a first notice again.

Foreclosure Collection Procedure

At the discretion of the board of directors, any account with a balance owed after foreclosure by a first mortgage holder may be referred to an outside collection agency, to small claims court or to the Association's attorney 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.

Payment Application and Waiver Requests

Unless otherwise directed by the property owner or in accordance with a written stipulated agreement and/or judgment, 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/Certified Mail Fees

Any payment returned due to insufficient funds, stop payment, closed account, etc. will result in a service fee based on the current rate charged by the association's bank at the time the payment is returned.

The Board of Directors may decide to not consider a waiver request for late charges, lien fees, collection costs, fines, or attorney 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.

Acceptable Payment Plans

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 fees/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 equal to the current assessment installment plus one-twelfth of the current account balance will be accepted on a monthly basis. All other payment plans are subject to approval by the Board of Directors.

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

Victor L. Pattarozzi

Board Member Signature

Victor L Pattarozzi

Name

President

Title

04/08/2025

Date

On Behalf Of: **Estrella Vista Homeowners Association, Inc.**