

**Victoria Estates Homeowners Association**  
16625 S Desert Foothills Pkwy  
Phoenix, AZ 85048 (480) 759-4945 / FAX (480) 759-8683

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

**LATE FEE:** A late fee of \$15.00 may be charged to any account that shows an assessment not paid within thirty (30) days of the due date.

**Assessment Collection Schedule:**

1. Written reminder to property owner on the 30<sup>th</sup> day after the first unpaid assessment informing them that the account is delinquent and that a late fee may have been applied. All letter fees are the responsibility of the property owner.
2. Written collection and intent to lien demand letter mailed the 45<sup>th</sup> day after the first delinquent assessment was due. All demand letter fees are the responsibility of the property owner. Homeowner is given 15 days from demand letter date to remit payment or contact the management company to enter into a payment plan.

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3. Every account that shows the assessment being at least 60 days past due may be transferred to the association's collection agent for commencement of collections and a notice of lien may be recorded. All fees are the responsibility of the property owner. At any time during this process, the homeowner may request to enter into a payment plan for all outstanding assessments and fees. 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.
4. For every account that shows the assessment being at least 90 days past due, one of the following processes may occur:
  - Accounts whose balances are less than \$3,500.00 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 property owner. Or,
  - Accounts whose balances are over \$3,500.00 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 property owner.

**Foreclosure Collection Procedure:**

- At the discretion of the board of directors, lots foreclosed upon with account balances less than \$3,500.00 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 \$3,500.00 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 decide not to consider a waiver request for lien fees, collection, 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.

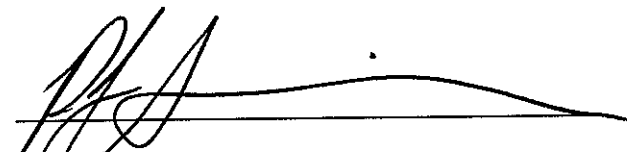
Payments plans will be accepted under the following conditions:

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.

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.

IN WITNESS WHEREOF, the undersigned have executed this consent as of 8-24 -, 2015.

  
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For the Board of Directors  
Victoria Estates Homeowners Association



**Collection Process & Fee Schedule - Effective July 1, 2019**

**TIMING AND ACTION**

**FEE**

|  |           |
|--|-----------|
| <b>15-30 DAYS</b> - Initial Late Letter (sent by accounting)                       | \$3.00    |
| <b>45 DAYS</b> - Lien Demand Letter (sent by accounting)                           | \$65.00   |
| <b>60 DAYS</b> - Account is referred to collection department (sent by accounting) | No Charge |

**Collections- "Tier 1"**

**60-75 DAYS Collection Setup (1)/ Asset Analysis (2)** **\$75.00 (1)/ \$90.00 (2)**

This process includes account review to verify amounts owed, current mailing address and contact information, screening for bankruptcy and trustee sale, and entry of account information into a secure database. A phone call is made and e-mail sent to attempt immediate resolution of the account (1). If account is not paid in full or payment arrangements made within five business days an asset analysis will be completed which includes a review of the owner(s) credit report to determine the viability of collecting from them (2).

**Collections- "Tier 2"**

**65-85 DAYS Lien Notice (1)/ Pre-Litigation Letter (2)** **\$150.00 (includes lien release) (1)/\$45.00(2), \$5.00/month for payment plans (3)**

A notice of lien is recorded on the property if the asset analysis shows that there is sufficient equity to secure the debt (1). A final demand letter is sent to the owner (\*) with a copy of the lien via first class and certified mail informing them that legal action will be taken if they fail to respond (2). All payment plans will be charged a \$5.00/month administration fee (3).

**Collections- "Tier 3"**

**90-180 DAYS Small Claims Suit Filed for Judgment** **\$250.00 + filing fee (1) +process server / \$100.00 (2)/ \$125.00 (3), OR Stipulated Agreement (\*\*) OR Small Claims Hearing (\*\*\*)**

A small claims suit is prepared, filed, and sent out for personal service to the homeowner(s) (1). An App for Default (2) and Request for Judgment (3) will be filed to obtain default judgment or a stipulated agreement (\*\*) will be prepared and signed by the homeowner for voluntary entry of judgment with payment plan. Court appearance may be necessary if the owner files an answer with the court disputing any part of the complaint (\*\*).

**120+ DAYS Account forwarded to attorney** **\$30.00**

This MAY occur if the owner is represented by counsel and/or requests that the case be transferred to the civil division OR if the balance exceeds the small claims limit of \$3,500.00.

**Collections- "Tier 4"**

**120+ DAYS Certify Judgment and Record** **\$175.00 (includes filing & recording fees)**

Upon receipt of a signed judgment we will obtain a certified copy and record it with the appropriate county so that it becomes a lien against any property held by the owner within Arizona.

**120+ DAYS Earnings/Non-Earnings Garnishment** **\$150.00 (1)/\$100.00 (2) + filing fee + process server + bank fees**

If employment and/or banking information is verified we will prepare and file earnings (1) and/or non-earnings (2) garnishments.

**120+ DAYS Judgment Debtor Exam** **\$100.00 + filing fee + process server + hearing attendance**

If no employment or banking information is located we will prepare and file a petition with the court to conduct a debtor's exam (\*\*).

**OTHER ACTIONS THAT MAY OCCUR:**

|  |   |
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| 1. Administrative fee for monthly updates on active accounts                 | \$5.00 per month (not charged in addition to payment plan fees) |
| 2. Asset Analysis/Work Number Search (if not proceeding with Tiers 1 or 4)   | \$90.00 (for a six-month period)                                |
| 3. Lien Release (Vision recorded prior to 2017/Non-Vision recorded)          | \$45.00/\$65.00 (includes recording fee)                        |
| 4. (*) Additional demand letters (pre or post-judgment via first class only) | \$30.00/each  |
| 5. (**) Preparation, filing and monitoring of stipulated agreement           | \$90.00 + \$5.00 monthly monitoring                             |
| 6. (***) Court hearing participation (pre and post judgment)                 | \$100.00  |
| 7. Renewal of Judgment (Justice Court)                                       | \$100.00  |
| 8. Prepare, file and record satisfaction of Judgment                         | \$65.00   |
| 9. Prepare and submit claim to trustee for excess proceeds                   | \$45.00 (Not charged in addition to \$90.00 Trustee Sale Fee)   |

**BANKRUPTCY- CHAPTER 7/13/Trustee Sale**

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|---|--|
| 1. Document BK notice/split account/monitor Chapter 7 | \$10.00  |
| 2. File Proof of Claim-Chapter 7/13                   | \$90.00  |
| 3. Forward to Attorney (if claim is disallowed)       | \$50.00  |
| 4. Monitor Chapter 13 to completion                   | \$90.00 per year to conclusion (3-5 years)   |
| 5. Document and Monitor Notice of Trustee Sale        | \$90.00 (Includes Referral to Attorney for Excess Proceeds or referral to Thunderbird Collections) |

- All fees added to homeowner's delinquency balance when charged to the association
- Timing is approximate and will vary depending on association late dates, workload, court and individual response times
- Pricing is subject to change after 30 day written notification to the association (typically occurs as a result of legislative/court fee updates)