

**SONORAN DESERT WILLOW ESTATES HOMEOWNERS ASSOCIATION
ASSESSMENT COLLECTION POLICY RESOLUTION
Adopted this 17th day of August, 2023**

The following Assessment Collection Policy Resolution has been adopted by the Sonoran Desert Willow Estates Homeowners Association (“Association”):

RECITALS

WHEREAS, pursuant to the Declaration of Covenants, Conditions, Restrictions and Easements for Desert Willow Estates recorded in the Pima County Recorder’s Office on January 9, 2003 at Sequence Number 20030061004 as may be amended from time to time (“Declaration”) at Article 6, Section 6.1, each Owner in the Association agrees to pay assessments to the Association;

WHEREAS, pursuant to the Article 2, Section 2.8 of the Declaration “[t]he Board shall be empowered to adopt, amend or repeal such rules and regulations as it deems reasonable and appropriate (collectively the ‘Rules’), which shall be binding upon all persons subject to this Declaration and shall govern the use and/or occupancy of the Properties;”

WHEREAS, pursuant to Article 6, Section 6.9 of the Declaration, the Association’s Board of Directors (“Board”) is empowered to establish the due dates for assessments;

WHEREAS, pursuant to the Revised Bylaws Sonoran Desert Willow Estates Homeowners Association, adopted August 15, 2011, as amended (“Bylaws”), at Article VII, Section 7.1(D), the Board further has the power to “exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;” and

WHEREAS, the Board desires to adopt a uniform and systematic procedure to collect assessments and other charges due and payable to the Association;

NOW, THEREFORE, be it resolved that the Association hereby adopts the following procedures for the collection of assessments and other charges due and payable to the Association:

1. **Due Date:** Assessments shall be due and payable in quarterly installments, due on the 1st day of each quarter and deemed delinquent if not paid on the 15th day thereafter.

2. **Invoices:** Bills will be sent out with the same frequency as installments are due pursuant to Paragraph 1, above.
3. **Interest Charges Imposed on Delinquent Assessments:** Pursuant to Article 6, Section 6.9.1 of the Declaration, "All delinquent assessments shall bear interest at twelve percent (12%) per annum...from and after a date that is thirty days after the date the assessment was due..."
4. **Late Charges Imposed on Delinquent Assessments:** Pursuant to A.R.S. § 33-1803(A), in addition to interest charges, a late charge of \$15.00 shall be applied to an unpaid Assessment, or the installment of an Assessment, if not received by fifteen (15) days after the due date.
5. **Return Check Charges:** A thirty-five dollar (\$35.00) fee shall be assessed against an Owner in the event any check or other instrument paid by the Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. If two or more of an Owner's checks are returned unpaid by the bank within any fiscal year, the Association may require that all of the Owner's future payments be made by certified check or money order.
6. **Costs and Fees on Delinquent Accounts:** Pursuant to Article 6, Section 6. 1 of the Declaration, delinquent Owners are responsible for "all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys fees..."
7. **Collection Notification:**
 - a. **30 Days Delinquent:** An Owner whose Assessment, or any installment of an Assessment, remains unpaid thirty (30) days after the due date of the Assessment, or any installment of an Assessment, will be issued a late payment notice requesting immediate payment of all amounts due. Such notice shall include a collection cost of \$5.00.
 - b. **60 Days Delinquent:** An Owner whose Assessment, or any installment of an Assessment, remains unpaid after sixty (60) days will be issued a second late payment notice, reiterating the demand for immediate payment of all amounts due. Such notice shall include a collection cost of \$15.00.
 - c. **90 Days Delinquent:** An Owner whose assessment, or any installment of an assessment, remains unpaid after ninety (90) days will be issued a third late payment notice, reiterating the demand for immediate payment of all amounts due. Such notice shall include a collection cost of \$20.00.

- d. **120 Days Delinquent:** An Owner whose Assessment, or any installment of an Assessment, remains unpaid after one hundred twenty (120) days will be issued, by both first class and certified mail, return receipt requested, a final late payment notice, which will 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.

Such notice shall include a collection cost of \$50.00. In the event an Owner's account remains delinquent thirty (30) days after the date of this final notice, the Board may turn the account over to an attorney for further collection proceedings.

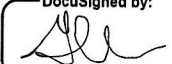
The Board reserves the right, in its sole discretion, to accelerate the foregoing notice procedures at any time; provided, the Board will always issue a notice containing the language consistent with Subsection (d), above, as a final notice prior to referring an Owner's account to an attorney for further collection action.

8. **Application of Payments Made to the Association:** Pursuant to A.R.S. § 33-1807(J), unless a Member directs otherwise, all payments received on a Member's account shall be applied first to any unpaid assessments, for unpaid charges for late payment of those assessments, for reasonable collection fees, and for unpaid attorney fees and costs incurred with respect to those assessments, in that order, with any remaining amounts applied next to other unpaid fees, charges, and monetary penalties or interest and late charges on any of those amounts.
9. **Use of Certified Mail/Regular Mail:** In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required, to send an additional copy of that letter or notice by certified mail, unless provided otherwise herein. All costs of certified mailing will be the monetary obligation of the Member.
10. **Liens:** The Association may, but is not required to, record a Notice of Lien against the property of any delinquent Owner in accordance with the provisions of the Declaration.

11. Suspension of Voting Rights: Pursuant to Article VII, Section 7.1(B)-(C) of the Bylaws, the Association has the right to suspend an Owner from: voting at Association meetings and using the Common Area during any period in which the Owner is delinquent. The Association will adopt a separate policy setting forth its rules and procedures for suspending delinquent Owners' rights.

12. Referral of Delinquent Accounts to Attorneys: The Association may, but shall not be required, to refer delinquent accounts to its attorney for collection. Upon referral to the attorney, appropriate action to collect the delinquent account shall commence.

Approved by the Board of Directors on ___ day of _____, 2023 and effective as of the date adopted above.

By: 

Board President

8/21/2023

Date



Board Secretary

8/21/2023

Date