

# **REVISED**

## RECREATION CENTERS OF SUN CITY WEST, INC. POLICY STATEMENT – Fi 13 **Collection Policy**

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### **1.0 General:**

Pursuant to Arizona Planned Community statutes ARS §33-1803 and §33-1807 as may be amended; the Amended and Restated Bylaws of the Association, Section 2.6 as may be amended; various Unit Declarations of Covenants, Conditions and Restrictions (CC&Rs); and Facilities Agreements, the following Policy is established for the use of Recreation Centers of Sun City West, Inc. (the "Association") with respect to the collection of homeowner fees (dues) and/or assessments and fines, if applicable.

### **2.0 Purpose:**

This policy refers to the Association's collection of homeowner fees (dues) and/or assessments levied against Owner Members' properties which remain unpaid beyond the prescribed due dates.

### **3.0 Policy:**

The Association shall establish procedures and fees for the notification, assessment, and collection of past due amounts, in accordance with the current Bylaws and CC&Rs.

#### **3.1 General Procedures:**

3.1.1 Owner Members have thirty (30) days to pay without penalty. After thirty (30) days, the Association imposes a 10% late fee. The late fee statement notifies the Owner Members that they have sixty (60) days to pay or a lien notice will be prepared and recorded, with additional lien/administrative fee(s).

3.1.2 The lien notice is prepared and recorded after the 90-day period above. The Association will send a letter/notice with a copy of the recorded lien notice and a statement, to Owner Members of record.

#### **3.2 Remedies:**

3.2.1 As set forth in Policy M 01 (Membership and Activity Cards for Facility Use), all facility use cards will be deactivated and access to facilities suspended when any Owner Member of a property does not timely pay dues/assessments. Such suspension occurs after thirty (30) days from the due date for both Associate Member cards and Tenant Activity Cards, and remains until the Owner Member accounts are current. All Owner Members of a property are suspended when the lien notice is prepared, ninety (90) days after the due date, and remain suspended until the Owner Member accounts are current.

3.2.2 If payment or an acceptable payment plan has not been made thirty (30) days after the lien letter/notice has been sent, the Collection Proceedings Letter will be sent via Certified Mail.

3.2.3 Thirty (30) days after the Collection Proceedings Letter was sent, if full payment has not been made or an acceptable payment plan approved, the delinquent balance will be sent to the RCSCW Collections Attorney.

3.2.4 The Association may sue the Owner Members personally for breach of contract for any delinquency, and may seek all late fees, interest, collection costs and attorneys' fees

and costs. When a judgment is obtained, the Owner Members may be subject to garnishment, execution and sale of property, and other remedies.

3.2.5 The Association also has the right under Arizona law to foreclose its lien on the Owner Member's property.

3.2.6 The failure of the Association to follow any steps herein shall not be deemed a waiver of the Owner Member's obligation to pay.

<b>DAYS</b>	<b>OCCURS</b>	<b>Action</b>	<b>Fi 13 Policy</b>
<b>31 (thirty one)</b>	<b>10% Late Fee</b>	<b>Late Statement Mailed</b>	<b>3.1</b>
<b>90 (ninety)</b>	<b>Lien Place on Property - Administrative Fee Added</b>	<b>Lien Letter &amp; Statement Mailed</b>	<b>3.1.2</b>
<b>120 (one hundred twenty)</b>	<b>Collection Proceedings Begin</b>	<b>Collection Letter Sent Certified</b>	<b>3.2.2</b>
<b>150 (one hundred fifty)</b>	<b>Account Sent to Collection Attorney - Add'l Attorney Fees Added</b>	<b>RCSCW No Longer Handles Account</b>	<b>3.2.3</b>

### **3.3 Payments of In-house Accounts:**

Payments made to in-house accounts of the Association shall be applied to the Owner Member's account in the following order in accordance with Arizona State Law (A.R.S. §33-1807(J)):

3.3.1 Past due assessments and/or homeowner fees (dues)

3.3.2 Late Charges

3.3.3 Collection Fees (e.g., Demand Letter/Lien)

3.3.4 Other unpaid fees, charges or fines or interest or late charges on them.