

EVRPOA Policy #02-2013: Management Of Overdue Accounts

ELK VALLEY RANCH PROPERTY OWNER'S ASSOCIATION
Board of Directors

Policy # 02-2013

Subject: Management of Overdue Accounts

Background

The purpose of this policy is to provide guidance to the Elk Valley Ranch Property Owner's Association's (POA) Board of Directors. The Board passed a motion at the April 12, 2013, Board meeting pertaining to the subject of overdue/arrears accounts of members of the POA. The following policy is a result of this motion.

This policy will become effective October 1, 2013.

Policy

The Board of Directors has retained Platinum Property Management to handle collecting and disbursing the funds accrued by the POA pursuant to annual dues and any assessments. The dues payment is called an "annual assessment" in the CCRs and is an annual payment, the amount set by the Board of Directors, and becomes overdue (or delinquent) if not paid in full by March 1 of each calendar year. Platinum sends a series of three letters to the delinquent owner, each letter getting a bit more forceful in requesting payment. The following steps pertain to those owners who have ignored all three of the late payment letters and their account remains in arrears.

1. If an account remains overdue after 4 weeks past the third letter from Platinum, then a \$25 "Late Fee" will be added to the account. If the account remains overdue, during the next dues cycle an additional \$25 per year of delinquency will be added.
2. All accounts which remain overdue for one year, or which have an overdue balance that exceeds \$500, will be reviewed by the Board and a Lien may be filed with the Apache County Recorders Office. A recording fee of \$400 will be added to the account. This will be to cover the costs of filing the Lien and of releasing the Lien. (There are County and attorney charges to file a Lien and also to release a Lien.)
3. Those overdue accounts for parcels where the primary mortgage is held by First United Realty (FUR) will not have Liens filed because FUR cannot be held responsible for overdue dues per the current CCRs for Elk Valley Ranch, and therefore EVR cannot recover the costs of filing and releasing the Lien, nor the overdue assessment owed to the POA.
4. Those overdue accounts for parcels of FUR referenced in paragraph 2 above will be handled by notifying all three credit report agencies of the delinquency. This will then become part of the delinquent owner's credit report and can only be removed upon satisfactory payment of all overdue amounts.
5. Platinum must notify the Board of Directors of each such account and the Board Treasurer will be responsible for approving the filing and the release of any/all Liens, or reporting to Credit Agencies, on behalf of Elk Valley Ranch POA.

Date: July 05, 2013 By: James V. Smith

Secretary, EVR POA Board of Directors