

Linden Place Homeowners Association, Inc. Assessment Collection Policy
(Effective/Adopted: June 16, 2025)

Pursuant to the Arizona Nonprofit Corporation Act, A.R.S. 33-1803 and A.R.S. 33-1242 and as supplemented by resolutions adopted from time to time by the Board of Directors, the following resolution is hereby adopted by the undersigned, being officers of Linden Place Homeowners Association, Inc. ("Association").

NOW THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the collection of Assessments owing and to become owing by the Owners of Lots in the Association and the same are to be known as the "Assessment Collection Policy" for the Association in the discharge of its responsibilities regarding collection of Assessments levied against Lots.

1. **POLICY OBJECTIVE.** The Association will pursue collection of all Assessments pursuant to the Declaration and this Assessment Collection Policy. The term "Assessment" shall include Regular Assessments and Special Assessments or any other fees or taxes allowable in the Declaration of Covenants Conditions and Restrictions.
2. **OWNERSHIP INTERESTS.** Pursuant to the Declaration, the person who is the Owner of a Lot as of the date an Assessment becomes due is personally liable for the payment of the Assessment. The personal obligation for delinquent Assessment shall not pass to the successors in title of the Owner unless expressly assumed by them.
3. **HANDLING CHARGES AND RETURNED CHECK FEE.** To recoup costs incurred because of the additional administrative expenses associated with collecting delinquent Assessments, collection of these fees and charges are part of the Collection Policy. These fees and charges, including a Collection Notice Fee, will be added to the outstanding amount and are collectible to the same extent and in the same manner as the delinquent Assessment.
4. **APPLICATION OF FUNDS RECEIVED.** All monies received by the Association will be applied to amounts outstanding to the extent of and in the following order:
 - a. First to the unpaid Assessment amount;
 - b. Next, to interest accrued;
 - c. Last to late fees, returned item fee, collection costs and attorney's fees incurred by or on behalf of the Association.
5. **PARTIAL PAYMENTS AND APPLICATION OF FUNDS.** Partial payments will not prevent the accrual of interest on the unpaid portion of the Assessment. The owner will still be delinquent upon making partial payments.
6. **OWNERSHIP RECORDS.** All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Lots for

which Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lots, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.

a. According to the CC&Rs, Article IV, Section 1, the Association may suspend voting rights to an owner who has an unpaid assessment. According to the Association's Resolution dated March 28, 2011, the Association may discontinue water to a unit if the owner has unpaid assessments for over 90 days.

7. NOTIFICATION TO OWNER.

10 DAYS DELINQUENT LATE NOTICE. Payment by a member is deemed delinquent if it is unpaid ten (10) or more business days after the due date. A late notice will be sent via regular first class mail, a late fee of \$15.00 or 10% (whichever is greater) will be charged to the Owner's account, and a Collection Notice Fee will be charged to the Owner's account. Interest may be charged at the legal rate.

30 DAYS DELINQUENT 2nd LATE NOTICE. No sooner than Thirty (30) calendar days after the due date, the Association will send a notice via regular first-class mail to the Owner setting forth the amount of the delinquent Assessment owing. All fees associated with this letter will be charged to the Owner's account, including an additional Collection Notice Fee.

60 DAYS DELINQUENT INTENT TO LIEN NOTICE. No sooner than Sixty (60) calendar days beyond the due date, the Association will send a notice of Intent to Lien to the Owner making formal demand for immediate payment for all outstanding amounts. The Intent to Lien notice will be sent via regular mail. All fees associated with this letter, including Intent to Lien fee, will be charged to the Owner's account.

90 DAYS DELINQUENT RECORDATION OF LIEN. Ninety (90) calendar days after the due date, if an Owner fails to pay in full the entire amount covered by an Intent to Lien notice by the date specified, a written notice of lien will be prepared and recorded with the County Recorder pursuant to A.R.S. section 33-1256. A lien fee will be charged to the Owner's account.

8. ALTERNATIVE COLLECTION COURSES. The Board, acting with input and recommendation from management and/or counsel, will evaluate which course of legal action appears to be in the best interest of the Association for recovery of unpaid Assessments. Where foreclosure of the Assessment lien in favor of the Association

against a Lot, together with pursuit of personal judgment against the Owner, is determined to be advisable, or personal judgment alone, the Board will direct counsel to proceed accordingly pursuant to the minimum foreclosure requirements of A.R.S. 33-1807.

9. VERIFICATION OF INDEBTEDNESS. Where an Owner requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification within fifteen (15) business days. The exercise of the collection rights of the Association regarding Assessments will in all ways comply with the Fair Debt Collection Practices Act and A.R.S. 33-1803 and 33-1807.

10. OWNER'S AGENT OR REPRESENTATIVE. If the owner expressly or impliedly indicates to the Association that the owner's interest in the property is being handled by an agent or representative, any notice from the Association to such agent or representative pursuant to this Collection Policy shall be deemed to be full and effective notice to the owner for all purposes.

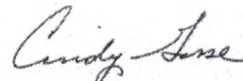
IT IS FURTHER RESOLVED THAT this Assessment Collection Policy replaces and supersedes in all respects all prior resolutions with respect to the collection of Assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified, or amended.

This Assessment Policy will be mailed, and emailed and posted, to all members and may be amended by the Board with proper notice.

Adopted by the Board of Directors on June 16, 2025.



Lisa Gervase, HOA BOD President



Cindy Gosse, HOA BOD Secretary