

# COLLECTION POLICY FOR PACIFIC SUNSET VILLAGE HOMEOWNERS ASSOCIATION

Whereas the Board of Directors finds that timely payment of regular and special assessments is of critical importance to the Association, and

Whereas, the failure of any owner to pay assessments when due creates a cash-flow problem for the Association and causes those owners who make timely payment of their assessments to bear a disproportionate share of the Association's financial obligations.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors adopts the following policies and procedures concerning collection of delinquent assessments and/or fine account.

1. Assessment due dates. The Regular Assessments, Special Assessments, and Reserve Assessments shall be due and payable on the first day of each month. The assessment is considered delinquent by the 2<sup>nd</sup> day of the month.

2. Late Charges/ Late Date. When an installment payment or any portion thereof of any type of assessment remains delinquent after the 30<sup>th</sup> of the month, the owner's account with the Association shall be charged with a late payment penalty of \$25.00 monthly.

3. Interest. If an assessment payment is delinquent for more than 60 days, the assessments shall bear interest at the rate of prime plus two percent (2%) per annum. See NRS 116.3115(3).

4. Collection Costs. As provided by law and the Association's governing documents, the Association is also entitled to recover all reasonable costs incurred in collecting delinquent assessments and/or fines (for non-compliance) including, but not limited to, the following: (1) the cost of preparing and mailing notices; (2) recording costs; (3) title company charges; (4) legal expenses; (5) management company fees and (6) fees charged by the agent / collection agency / collection attorney.

5. Delinquency Notice. If the owner's assessment account remains delinquent, in whole or in part, after 60 days, the Association will send out a notice including the following:

- a. a schedule of fees that may be charged if the unit owner fails to pay the past due obligation;
- b. a proposed repayment plan;
- c. a notice of the right to contest the past due assessment at a hearing before the Executive Board and the procedure to request a hearing.

Account will be assessed collection fees (the fee may not be reflected on the HOA ledger but is still due and owing) – see attached schedule of fees.

6. Intent to lien. If the owner's assessment account remains delinquent, in whole or in part, after 30 days after Delinquency Notice has been sent, and the owner had not entered a payment plan or requested a hearing with the Executive Board as provided in the Delinquency Notice, a Notice of Intent to Lien may be sent to the Owner(s). Account will be assessed collection fees (the fee may not be reflected on the HOA ledger but is still due and owing) – see attached schedule of fees.

7. Transfer of Account to Collections. If the owner's assessment account remains delinquent, in whole or in part, after the time period provided in the Notice of Intent to Lien had expired the Association may proceed as follows:

- a. Refer the account to a collection agency/ attorney for further action OR
- b. Have agent move forward with further action as allowed by NRS.

Account will be assessed collection fees (the fee may not be reflected on the HOA ledger but is still due and owing) – see attached schedule of fees.

8. Notice of Delinquent Assessment Lien. If payments for all sums that are delinquent, including the delinquent assessment, late charges, interest, costs and reasonable attorney fees have not been made, the authorized agent may record a Notice of Delinquent Assessment Lien in the County Recorder's office. Thereafter, the account will proceed as follows:

- a. If already placed with a collection agency/ attorney they may proceed with the statutory foreclosure process, judicial foreclosure and/or supplemental notices.
- b. If not placed after the intent to lien letter the account will now be transferred to a collection agency/ attorney for further action as stated above in 8 (a).

Account will be assessed collection fees (the fee may not be reflected on the HOA ledger but is still due and owing) – see attached schedule of fees.

9. Maintenance and Abatement Lien. Subject to the provisions contained in NRS 116.310312, the Association may enter the grounds of a unit which is vacant or subject to foreclosure in order to maintain the exterior of the unit or abate a public nuisance on the exterior of the unit. The Association may order that the costs of any maintenance or abatement conducted pursuant to NRS 116.310312, including, without limitation, reasonable inspection fees, notification and collection costs and interest, be charged against the unit. The Association shall keep a record of such costs and interest charged against the unit and have a lien on the unit for any unpaid amount of the charges. If the unit owner fails to pay the assessment in full such lien will be subject to collection pursuant to this policy.

10. Payment Agreement. A proposed repayment plan will be forwarded to the unit owner as provided in Section 5. Failure of an owner to comply with an approved payment plan shall give the Board and/or its agent the right to immediately continue the collection process without further notice to the owner.

11. Fine account. If the owner's fine account (for non-compliance of governing documents) remains unpaid the Association may proceed as follows:

- a. An intent to lien letter may be sent to the Owner(s) and/or
- b. May have authorized agent record a fine/violation lien and/or
- c. May have account transfer to a collection agency/ attorney as allow by NRS

Account will be assessed collection fees (the fee may not be reflected on the HOA ledger but is still due and owing) – see attached schedule of fees.

12. Collection rights. The Association has the right to collect any delinquent assessments and unpaid fines in any manner allowed by Nevada law.

13. Acting on Association behalf. The Association authorizes any person acting on behalf of the Association to charge the fees and cost described on the attached Schedule of Collection Related Fees and to perform any other actions necessary to collect unpaid assessments or fines, including but not limited to signing any and all documents related to the action set forth in this Collection Policy.

14. Sufficiency of Notice. Except for notice that under Nevada law must be sent by certified mail, notice is sufficient if either hand delivered or mailed first class, postage prepaid, to the mailing address on file for the Owner as of the date the notice is issued **and** sent to unit owners electronic mail addresses unless a unit's owner opts out of receiving electronic communications or has not designated an electronic mail address.

15. Web access: The Associations through [www.cpmlv.com](http://www.cpmlv.com) has made available the HOA governing documents, agenda, access to view your account and make online electronic payments all through your unit owner account. If you need your password information, please contact this office.

16. Protection for Servicemembers. Pursuant to Nevada's Servicemembers' Civil Relief Act, (SB33, effective May 29, 2017), if a unit owner is a servicemember, or a dependent of a service member, or a successor in interest of a servicemember, that unit owner may be entitled to certain protections in collection activity. Specifically, the Association may not "initiate the foreclosure of a lien by sale" while the service member is on active duty or deployment, or for one year immediately thereafter.

Please provide the association the following information immediately, to enable the Association to verify whether you are entitled to these protections. Please send in writing the following: Unit Address, Mailing Address, Name of Servicemember, Unit owner name(s), Date of Birth, Current or anticipated active duty dates, Name of Dependents(s). This information will be securely maintained and kept confidential.

**Definitions under Senate Bill 33:**

*Servicemember* – member of the U.S. Armed Forces, a reserve component thereof, or the National Guard.

*Active Duty* – full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 USC §§ 1209 and 1211.

*Deployment* – movement or mobilization of a service member from his or her home station to another location for more than 90 days pursuant to military orders.

*Dependent* – (a) the servicemember's spouse; (b) the servicemember's child (as defined in 38 USC §101(4)); or (c) an individual for whom the servicemember provided more than one-half of the individual's support for 180 days immediately preceding an application for relief under 50 USC Chapter 50.

17. Protection during a government shutdown. Pursuant to Nevada Federal Employees Civil Relief Act (AB393 Amendment No. 766 amending Chapter 116 effective June 8, 2019), if a unit owner or his or her successor in interest is a federal worker, tribal worker, state worker, household member or landlord of such a worker, the unit owner may be entitled to certain protections in collection activity. Specifically, the Association may not "initiate the foreclosure of a lien by sale" during the period commencing on the date on which a shutdown begins and ending on the date that is 90 days after the date on which the shutdown ends.

Please provide the association with verifiable documentation that you meet the requirements under this act that would entitled you to these protections.

*Definitions under Assembly Bill 393:*

"Shutdown" means any period in which there is a lapse in appropriations for a federal or state agency or tribal government that continues through any unpaid payday for a federal worker, state worker or tribal worker employed by that agency or tribal government.

"Federal worker" means an employee of a federal agency or an employee of a contractor who has entered into a contract with a federal agency.

"Household member" to mean any person who is related by blood, marriage, adoption or other legal process and is currently residing with a federal worker, tribal worker or state worker affected by a shutdown.

"Qualified Indian tribe" means a federally recognized Nevada Indian tribe that receives at least a majority of its funding from the Federal Government.

"State worker" means an employee of a state agency or an employee of a contractor who has entered into a contract with a state agency.

"Tribal worker" means an employee of a qualified Indian tribe or an employee of a contractor who has entered into a contract with a qualified Indian tribe.

18. Void Provisions. If any provision of this policy is determined to be null and void, all other provisions of the Policy shall remain in full force and effect.

This policy was duly approved by the Board and was adopted by the action of the Board of Directors at a regularly scheduled meeting on 10/28, 2021 and supersedes any previous Collection Policy.

Nancy Hines  
Officer/Director of Pacific Sunset Village Homeowners Association

10/28/2021  
Dated

Cynthia Smith  
Officer/Director of Pacific Sunset Village Homeowners Association

10/28/21  
Dated

Incorporated herein Collection Fees Schedules Attachments A & B

Attachment "A" Colonial Property Management Fees

Attachment "B" Schedule of Collection Related Fees & Cost pursuant to Nevada statute

This policy shall take effect thirty (30) days after it is adopted and sent to the community.

**SCHEDULE OF COLLECTION RELATED FEES FOR COLLECTION OF  
DELINQUENT ACCOUNT (ASSESSMENTS & FINES)**

**Attachment A to Collection Policy**

**COLONIAL PROPERTY MANAGEMENT**

**AGENT COLLECTION FEES:**

90 day Intent to Lien Letter	\$125.00
Delinquent Assessment or Fine(violation) Lien Lien Fee includes the Clark County Recording Fee to record lien	\$325.00
Release of Lien included Clark County Recording Fee	\$60.00
In-house Payment Plan - One time fee per payment plan	\$30.00
Payment Plan Breach Letter	\$25.00
NSF Fee	\$20.00***

**Management Fees**

Account Audit Fee - Placement to collection Co.	\$150.00
60 Day Intent - Disclosure Letter	\$75.00**

**RESEARCH FEES (Subpoena / Litigation):**

Staff Assistance	\$40.00 per hour*
Collection Specialist	\$75.00 per hour*
Staff Accountant	\$95.00 per hour*
Provisional Community Manager	\$65.00 per hour*
Community Manager	\$95.00 per hour*
Supervising Community Manager	\$125.00 per hour*

*Actual costs of collections pursuant to Nevada Register of Administrative Regulations R199-09*

\* Charged to HOA

\*\* Charged to HOA Reimbursed back from homeowner

\*\*\*CPM charge HOA \$10.00, HOA Bank charge \$10.00, HOA reimbursed back from homeowner

All other collection fees charged to delinquent homeowner account only. (The fees without \* asterisk)

**SCHEDULE OF COLLECTION FEES AND COSTS (NAC 116,470(1)-(6))**

1. Except as otherwise provided in subsection 5, to cover the costs of collecting any past due obligation of a unit's owner, an association or a person acting on behalf of an association to collect a past due obligation of a unit's owner may not charge the unit's owner fees in connection with a notice of delinquent assessment pursuant to paragraph (a) of subsection 1 of NRS 116.31162, which exceed a total of \$1,950, plus the costs and fees described in subsections 3 and 4.
2. An association or a person acting on behalf of an association to collect a past due obligation of a unit's owner may not charge the unit's owner fees in connection with a notice of delinquent assessment pursuant to paragraph (a) of subsection 1 of NRS 116.31162 which exceed the following amounts:

(a)	Demand or intent to lien letter	\$165.00
(b)	Notice of delinquent assessment lien	\$325.00
(c)	Intent to notice of default letter	\$90.00
(d)	Notice of default	\$400.00
(e)	Intent to notice of sale letter	\$90.00
(f)	Notice of sale	\$275.00
(g)	Intent to conduct foreclosure sale	\$25.00
(h)	Conduct foreclosure sale	\$125.00
(i)	Prepare and record transfer deed	\$125.00
(j)	Payment plan agreement – One-time set-up fee	\$30.00
(k)	Payment plan breach letter	\$25.00
(l)	Release of notice of delinquent assessment lien	\$30.00
(m)	Notice of rescission fee	\$30.00
(n)	Bankruptcy package preparation and monitoring	\$100.00
(o)	Mailing fee per piece for demand or intent to lien letter, notice of delinquent assessment lien	\$2.00
(p)	Insufficient funds fee	\$20.00
(q)	Escrow payoff demand fee	\$150.00
(r)	Substitution of agent document fee	\$25.00
(s)	Postponement fee	\$75.00
(t)	Foreclosure fee	\$150.00

3. If, in connection with an activity described in subsection 2, any costs are charged to an association or a person acting on behalf of an association to collect a past due obligation by a person who is not an officer, director, agent or affiliate of the community manager of the association or of an agent of the association, including, without limitation, the cost of a trustee's sale guarantee and other title costs, recording costs, posting and publishing costs, sale costs, mailing costs, express delivery costs and skip trace fees, the association or person acting on behalf of an association may recover from the unit's owner the actual costs incurred without any increase or markup.
4. If an association or a person acting on behalf of an association is attempting to collect a past due obligation from a unit's owner, the association or person acting on behalf of an association may, recover from the unit's owner:
  - (a) Reasonable management company fees which may not exceed a total of \$200; and

- (b) Reasonable attorney's fees and actual costs, without any increase or markup, incurred by the association for, any legal services which do not include an activity described in subsection 2.
5. If an association or a person acting on behalf of an association to collect a past due obligation of a unit's owner is engaging in the activities set forth in NRS 116.31162 to 116.31168, inclusive, with respect to more than 25 units owned by the same unit's owner, the association or person acting on behalf of an association may not charge the unit's owner fees to cover the costs of collecting a past due obligation which exceed a total of \$1,950 multiplied by the number of units for which such activities are occurring, as reduced by an amount set forth in a resolution adopted by the executive board, plus the costs and fees described in subsections 3 and 4.
6. For a one-time period of 15 business days immediately following a request for a payoff amount from the unit's owner or his or her agent, no fee to cover the cost of collecting a past due obligation may be charged to the unit's owner, except for the fee described in paragraph (q) of subsection 2 and any other fee to cover any cost of collecting a past due obligation which is imposed because of an action required by statute to be taken within that 15-day period.

#### **SCHEDULE OF COLLECTION RELATED FEES FOR COLLECTION OF UNPAID FINES**

In circumstances where the Association can foreclose on lien for unpaid fines, the same fee schedule for unpaid assessments set forth above shall apply, except that paragraph (b) shall be a fee of \$325.00 for the lien for unpaid fines.

(a)	Violation letter	\$25.00
(b)	Demand or Intent to Lien letter	\$165.00
(c)	Lien for unpaid fines	\$325.00
(d)	Actual cost incurred by Association or any person acting on behalf of Association	
(e)	Reasonable Attorney's fees and actual costs	