

**REVISED DELINQUENT ASSESSMENT COLLECTION POLICY**  
**CAUGHLIN RANCH 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:

1. Assessment due dates. The regular assessment shall be due and payable on the first day of each quarter. Special assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the assessment or in the ballot presenting the special assessment to the members for approval. Regular assessments shall be delinquent if not paid on or before the 11<sup>th</sup> day of the first month of each quarter. Special assessments shall be delinquent if not paid on or before ten (10) days after the due date.

2. Late Payment Fees. When an installment payment of a regular assessment or a special assessment becomes delinquent, the owner's account with the Association shall be charged with a late payment fee of \$25.00 each month the installment payment remains delinquent in whole or in part.

3. Late Interest Fees. Any assessment for common expenses or installment thereof that is 60 days or more past due bears interest at a rate equal to the prime rate at the largest bank in Nevada as ascertained by the Commissioner of Financial Institutions on January 1 or July 1, as the case may be, immediately preceding the date the assessment becomes past due, plus 2 percent. The rate must be adjusted accordingly on each January 1 and July 1 thereafter until the balance is satisfied.

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 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 an assessment collection attorney and/or agency.

5. Transfer of Account to Collections. Not earlier than 60 days after the obligation becomes past due, the Association will mail to the address on file for the unit's owner: (a) a schedule of the fees that may be charged if the unit's owner fails to pay the past due obligation; (b) a proposed repayment plan ("Repayment Plan"; and (c) a notice of the right to contest the past due obligation at a hearing before the executive board and the procedures for requesting such a hearing ("Notice"). The Association will refer the account to an assessment collection attorney or agency for further collection efforts if: within 30 days after providing the information set forth in §§ 5(a), 5(b), and 5(c), (1) the past due obligation has not been paid in full; (2) the unit owner does not contest the past due obligation at a hearing before the executive board under the procedures set forth in the notice; (3) the unit owner contests the past due obligation at a hearing before the executive board, but the executive board upholds the past due obligation; (4) the Repayment Plan is not executed by the unit owner within the timeframe set forth in the Notice; or (5) fails to make a payment under the Repayment Plan within 10 days after the due date of the payment.

6. Notice of Delinquent Assessment Lien. If: (1) payment for all sums that are then delinquent, including the delinquent assessment, late charges, interest, and costs of collecting the past due obligation have not been made; (2) the Payment Plan is not executed by the unit owner as set forth above; or (3) the unit owner defaults on the terms of the Payment Plan, the assessment collection attorney or agency may record a Notice of Delinquent Assessment Lien in the County Recorder's office ("Notice of Delinquent Assessment") provided the Notice set forth above has been given to the unit's owner and the legal requirements to send the Notice of

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January 21, 2015

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Delinquent Assessment have been complied with. PLEASE NOTE THAT THIS IS THE FIRST STEP IN THE FORECLOSURE OF THE PROPERTY. Thereafter, the assessment collection attorney or agency may proceed with the statutory foreclosure process, non-judicial foreclosure, supplemental notices, and/or any other actions the Board of Directors deems necessary which include foreclosure of its assessment lien by sale. The Association will not foreclose on its assessment lien by sale if the Association has received notice pursuant to NRS 107.086 that the unit is subject to foreclosure mediation pursuant to that section unless: (1) the trustee of record of the deed of trust records the mediation certificate provided to the trustee pursuant NRS 107.086(d)(1) or (2); or (2) the unit owner fails to pay any enforceable assessments pursuant to subsection 1 of NRS 116.3116 that become due during the pendency of foreclosure mediation pursuant to NRS 107.086, other than past due obligations as described in NRS 107.086(10).

7. Statement of Demand. Not later than 10 days after receipt of a written request from the unit's owner, the authorized agent of the unit's owner or the holder of a security interest on the unit for a statement of demand, the Association will furnish a statement of demand to the person who requested the statement setting forth the amount of the assessments for common expenses and any unpaid obligation of any kind, including management fees, transfer fees, fines, penalties, interest, collection costs, foreclosure fees and attorney's fees currently due from the unit's owner ("Demand"). The Demand remains effective for the period set forth in the Demand which must not be less than 15 business days after the date of delivery by the Association. The Association may charge a fee as authorized by law to provide the Demand, which at the time of adoption of this policy is not more than \$150 to prepare and furnish the Demand, and an additional fee of not more than \$100 to furnish the Demand within 3 days after receipt of a written request for a statement of Demand.

8. Payment Plan Compliance. Failure of a unit owner to remain current on assessments and obligations arising after the date of the Payment Plan, or failing to comply with the terms of the Payment Plan shall give the Board, the assessment collection attorney and/or its agent, the right to continue the collection process, including assessing Late Payment and Interest Fees, after providing a notice to the owner as provided for in the Payment Plan and proceeding to foreclose its lien pursuant to the Notice of Delinquent Assessment.

9. Reporting. The Board of Directors shall approve all write-offs of debt at Board Meetings. Additionally, the Community Manager shall provide timely updates and reports as necessary.

This revised policy was duly adopted by the Board of Directors at a noticed Board of Directors meeting on September 23, 2015.

  
\_\_\_\_\_  
Michele Attaway  
Vice President, Board of Directors

9/28/15  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Mike Heffner  
Secretary, Board of Directors

9/24/15  
\_\_\_\_\_  
Date



LAS VEGAS  
MAILING:  
6440 Sky Pointe Drive  
Suite 140-154  
Las Vegas, NV 89131  
702.531.3394 phone  
702.531.3396 fax

LAS VEGAS  
PHYSICAL:  
8440 W. Lake Mead Blvd  
Suite 210  
Las Vegas, NV 89128

RENO MAILING:  
1 East Liberty, 6th floor  
Reno, NV 89501  
775.419.0744 phone

[www.absolute-collection.com](http://www.absolute-collection.com)

### PRICE LIST

There are no upfront fees for Associations. Prices are charged to account for homeowner/interested party. Pricing is in compliance with current Statute. Shaded areas represent allowable charges in Superpriority language.

Pre-Lien Notice	\$150.00
Notice of Delinquent Assessment Lien	\$325.00
Pre-Notice of Default Letter	\$90.00
Notice of Default	\$400.00
Trustee Sale Guarantee Report (TSG)	At cost; currently \$190.00
Notice of Trustee Sale	\$275.00
Publishing and Postings	At cost; currently \$270.00
Conducting Foreclosure Sale/foreclosure fee	\$275.00
Payment Plan Monitor (one time fee)	\$30.00
Payment Plan Breach notice	\$25.00
Escrow Demand	\$150.00
Superpriority Demand	\$150.00
Statement of Account	\$150.00
Prepare and record deed	\$125.00
Bankruptcy Monitoring & proof of clam	\$100.00
Release of Lien/Superpriority Release	\$30.00
Violation Lien	\$325.00
NSF Fee	\$20.00
Mailing cost (1 <sup>st</sup> Class and Certified total)	\$10.00
Substitution of Agent	\$25.00
Expedite Fee	\$100.00
Certificate of Sale	\$30.00
Certificate of Redemption	\$30.00
Affidavit of Mailings	\$30.00
Recording Fees	At cost
Legal Fees/Judgements	At cost

*\*Post foreclosure fees available upon request.*

## EXHIBIT "B"

### REPAYMENT PLAN AND FORBEARANCE AGREEMENT CAUGHLIN RANCH HOMEOWNERS ASSOCIATION

THIS REPAYMENT PLAN AND FORBEARANCE AGREEMENT (the "Agreement") is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, ("Effective Date") by and between: (i) Caughlin Ranch Homeowners Association (the "Association"); and (ii) \_\_\_\_\_ and \_\_\_\_\_ ("Owner") the owners of the residential property located within the Association at \_\_\_\_\_, Reno, NV 895\_\_ ("Unit"). Owner and the Association are collectively referred to as the "Parties."

Pursuant to NRS 116.31162 as amended by SB280 and SB306, and the Association's Delinquent Assessment Collection Policy ("Policy"), the Association may not mail a notice of delinquent assessments or take any action to collect a past due obligation from a unit owner until the Association mails the unit owner, a schedule of fees, a Notice of Right to Contest the past due obligation, and a proposed repayment plan. On September 23, 2015, the Association's Board of Directors adopted this Revised Agreement as the proposed repayment plan to be offered to unit owners who have a past due obligation to the Association.

#### I. RECITALS

- A. The Unit is located within the Association and is subject to the Declaration of Covenants Conditions and Restrictions ("CC&R's") and all amendments and supplements thereto, as well as the rules and regulations adopted by the Association, including without limitation its Delinquent Assessment Collection Policy ("Rules and Regulations") and under applicable Nevada law (collectively referred to as the "Governing Documents")
- B. The Owner is obligated to pay assessments, construction penalties, fines, fees, collection costs and other charges levied pursuant to the Governing Documents and the Association's Board of Directors has the authority and obligation to collect such sums from Owner.
- C. As of the Effective Date of this Agreement, Owner has past due obligations to the Association in the amount of \_\_\_\_\_, inclusive of which includes all past due assessments, special assessments, late fees and interest as well as any other costs and fees now owed ("Past Due Obligation"). The Owner's failure to pay the Past Due Obligation is referred to herein as the "Existing Default."
- D. The Association has offered the repayment plan on the terms and conditions set forth in this Agreement. Owner may accept this Agreement by executing the same and delivering this Agreement to the Association by personal delivery, or certified or registered mail, return receipt requested, at 1070 Caughlin Crossing, Reno, NV 89519 within thirty (30) days of the Effective Date.
- E. By executing this Agreement, Owner requests that Association temporarily forbear from exercising its rights and remedies under the Governing Documents, and Association has agreed to temporarily forbear such rights, subject to the terms and conditions contained herein and without waiving any right to the Past Due Obligation.

NOW THEREFORE, for and in consideration of the mutual covenants herein, the Parties agree as follows:

## II. AGREEMENT

1. **Acknowledgement of Recitals.** The Parties acknowledge that the Recitals herein are true and correct statements of fact.

2. **Existing Defaults.** Owner acknowledges and agrees that: (a) Owner has defaulted on the obligations and terms of the Governing Documents; (b) the Past Due Obligation set forth above is owed by Owner to Association under the Governing Documents without any defense, right of setoff or counterclaim, and (c) the Association has the immediate right to exercise all rights and remedies provided under the Governing Documents including, without limitation, foreclosure of the Unit to satisfy the Past Due Obligation.

3. **Forbearance.** Subject to the terms and conditions of this Agreement, Association agrees to temporarily forbear from exercising its foreclosure and related remedies under the Governing Documents; provided, however, that such agreement to temporarily forbear by Association shall immediately terminate on the earlier of (i) a termination of this Agreement by Association in accordance with the terms hereof; or (ii) the occurrence of an Event of Default (as defined below). The period of time from the date of this Agreement until the termination of Association's forbearance as provided in the previous sentence is referred to herein as the "Forbearance Period." If this Agreement is terminated by reason of item (i) or (ii), above, then Association may exercise all of its rights on account of all Existing Defaults, as well as any additional Events of Default, including, without limitation, proceeding to a foreclosure sale of the Unit to satisfy the Past Due Obligation.

4. **Conditions Precedent.** Association's agreement to temporarily forbear from exercising its rights and remedies under the Governing Documents shall be effective when: (1) Association shall have received the fully executed original hereof by all owners of record of the Unit, which must be received by the Association within thirty (30) days of the Effective Date; and, (2) Association's receipt of the first payment required herein.

5. **Payment of Past Due Obligation.** Owner agrees to pay the entire Past Due Obligation within six months of the Association's mailing of this Agreement, by making six (6) equal monthly installments in the amount of \_\_\_\_\_ ("Monthly Installment"). The initial Monthly Installment must be made at the time this Agreement is provided to the Association. Thereafter, the Monthly Installments are due on the 1<sup>st</sup> day of each month thereafter, and are late if not paid by the 11<sup>th</sup> day of the month. All payments will be delivered to the Association at 1070 Caughlin Crossing, Reno, NV 89519. Owner understands and acknowledges that payment of the Past Due Obligation is in addition to Owner's responsibility to stay current on all obligations owed to the Association, including, without limitation, all assessments, fines, penalties and interest accrued after the Effective Date of this Agreement.

6. **Events of Default.** The occurrence of one or more of the following shall constitute an "Event of Default" within the meaning of this Agreement:

- a. Owner shall fail to abide by or observe any term, condition or covenant of this Agreement, including, without limitation, Owner fails to pay the initial Monthly Installment or any subsequent Monthly Installment by the 11<sup>th</sup> day of the month in which it is due.
- b. Owner fails to stay current on any obligation due to the Association which are enforceable as assessments pursuant to NRS 116.3116(1) other than the Past Due Obligation.
- c. Owner sells, conveys, or transfers ownership in the Unit in which case the entire Past Due Amount shall be paid to Association, along with the required transfer fee prior to such sale, conveyance or transfer.
- d. Any Owner becomes insolvent or makes an assignment for the benefit of creditors; or a custodian, trustee or receiver is appointed for any Owner or the Unit.
- e. Any other creditor of any Owner commences foreclosure proceedings against the Unit or otherwise exercises any of its rights or remedies as a result of a default by such Owner, or a judgment is entered in favor of any Owner; or
- f. There shall exist or occur any event or condition which Association in good faith believes impairs, or is substantially likely to impair, the prospect of payment.

Upon the occurrence of any Event of Default or at any time thereafter, Association may declare all amounts owed under this Agreement or the Governing Documents due and payable in full and terminate this Agreement and Association shall be entitled to the immediate exercise of all its rights and remedies available to it under all of the Governing Documents and applicable law.

7. **Costs, Expenses and Attorneys' Fees.** Owner shall pay to Association the full amount of all payments, advances, charges, costs and expenses, including attorneys' fees (including outside counsel fees and all allocated costs of Association's in-house counsel), expended or incurred by Association in connection with Past Due Obligation and any Event of Default set forth in this Agreement. Without in any way limiting the foregoing, Owner hereby reaffirms its agreement under the applicable Governing Documents to pay or reimburse Association on demand for certain costs and expenses incurred by Association, as allowed by the Governing Documents.

8. **No Waiver.** The execution of this Agreement and acceptance of any payment related hereto shall not be deemed to be a waiver of any Event of Default, including the Existing Defaults. Owner acknowledges that Association is not waiving the Existing Defaults, but is simply agreeing to forbear from exercising its rights with respect to the Existing Defaults to the extent expressly set forth in this Agreement. Owner acknowledges that Association has made no representations as to what actions, if any, Association will take after the Forbearance Period, and Association must and does hereby specifically reserve any and all rights and remedies it has with respect to the Existing Defaults and each other default or Event of Default that may occur.

9. **Release.** In consideration of the Association's agreements and forbearance from action as provided herein, Owner hereby releases, the Association, its officers, directors and agents, from any and all claims, demands, rights and causes of action of any kind, related to the Past Due Obligations.

10. **Legal Counsel.** Association has provided Owner thirty days to review this Agreement with its counsel of choice and recommends that Owner consult with its counsel of choice before executing this Agreement as it contains important provisions which may affect rights Owner has under Nevada law. Owner hereby warrant and represent to Association that they consulted with and received advice from legal counsel of their choice with respect to this Agreement or they have had an opportunity to consult with legal counsel of their choice and have made the decision not to consult with legal counsel.

11. **Cumulative Rights.** Each right, power or remedy herein conferred upon Association in the Governing Documents is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to Association at law or in equity. No delay or omission by Association in the exercise of any right, power or remedy shall impair any such right, power or remedy or the right of any such party to resort thereto at a later date. Nor shall any such delay or omission be construed to be waiver of any default.

12. **Severability of Provisions.** Any provision of this Agreement that is prohibited or unenforceable shall be ineffective to the extent of such portion without invalidating the remaining provisions of this Agreement.

13. **No Third Party Reliance.** No third party shall be entitled to rely upon this Agreement or to have any of the rights or benefits hereunder.

14. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes.

THE SIGNATURES BELOW ACKNOWLEDGE THAT EACH PARTY HAS READ AND UNDERSTANDS THE FOREGOING PROVISIONS AND THOSE SUCH PROVISIONS ARE REASONABLE AND ENFORCEABLE. EACH SIGNATURE BELOW ALSO ACKNOWLEDGES THAT HE/SHE HAS SIGNED THIS AGREEMENT AS HIS/HER/ITS OWN FREE AND VOLUNTARY ACT, THAT EACH PARTY ACKNOWLEDGES THAT THIS IS AN IMPORTANT AND BINDING LEGAL CONTRACT WHICH EFFECT EACH PARTIES RIGHTS UNDER NEVADA LAW.

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Caughlin Ranch Homeowners  
Association  
By: Its General Manager

## Exhibit "C"

### **NOTICE OF RIGHT TO CONTEST PAST DUE OBLIGATION CAUGHLIN RANCH HOMEOWNERS ASSOCIATION**

Pursuant to Caughlin Ranch Homeowners Association's ("Association") Revised Delinquent Assessment Collection Policy ("Policy") and the requirements of SB280, the Association Board of Directors hereby adopts the following notice of the right to contest past due obligations at a hearing before the executive board and the procedures for requesting such a hearing.

1. Pursuant to NRS 116.31162 as amended by SB280 and SB306, a unit owner in the Association has a right to contest a past due obligation at a hearing before the Association's executive board.
2. To exercise the right to contest a past due obligation at a hearing before the Association's executive board, the unit owner must hand deliver, certified or registered mail, return receipt requested, the attached "Contest of Past Due Obligation" form to the Association at 1070 Caughlin Crossing, Reno, NV, 89519.
3. The Contest of Past Due Obligation must be received by the Association within thirty (30) days of the date the Association mails its notice of past due obligations, along with a schedule of the fees that may be charged if the unit owner fails to pay the past due obligation and a proposed repayment plan.
4. The Association's Board of Directors will consider the Contest of Past Due Obligation in the executive session at its next regularly scheduled meeting provided the Contest of Past Due Obligations is received at the Association's office at least 10 days before the next regularly scheduled meeting. Contest of Past Due Obligations received within 10 days of the next regularly scheduled meeting will not be heard until the next subsequent regularly scheduled meeting. Normally scheduled meetings are listed on the Association's website at [www.caughlinhoa.com](http://www.caughlinhoa.com).
5. The unit owner contesting the past due obligation will have a reasonable opportunity to contest the past due obligation and address the Association's Board of Directors, or a committee appointed by the Association's Board of Directors. This will occur in an executive session unless the unit owner requests in writing that an open hearing be conducted by the executive board in its normal open meeting.
6. The unit owner will be entitled to attend the portions of the executive session or open meeting related to the past due obligation, but is not entitled to attend the deliberations of the Board of Directors.
7. If the unit owner requests in writing that an open hearing be conducted, the unit owner is entitled to present its contest with counsel, and to present evidence and testimony of witnesses, is entitled to due process, as set forth in the standards adopted by regulation by the Commission on Common Interest Communities.



**CONTEST OF PAST DUE OBLIGATION  
CAUGHLIN RANCH HOMEOWNERS ASSOCIATION**

1. Unit Address relating to past due obligation: \_\_\_\_\_

2. Name of Unit Owner(s): \_\_\_\_\_

3. Past Due Obligation being Contested: \_\_\_\_\_  
\_\_\_\_\_

4. Date of Notice of Past Due Obligation from the Association: \_\_\_\_\_

(This form must be received by delivered to the Association by hand deliver, certified or registered mail, return receipt requested, to 1070 Caughlin Crossing, Reno, NV, 89519 within 30 days of the Notice of Past Due Obligation).

5. Type of Past Due Obligation:

- Regular Assessment
- Special Assessment
- Fine
- Construction Penalty
- Interest
- Collection Costs and/  
or Attorney's fees
- Other

6. Amount of past due obligation being contested: \_\_\_\_\_

7. Basis for past due obligation being contested: (attach additional sheet(s) if necessary)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Do you request to address the Association's Board of Directors or Committee appointed by the Association's Board of Directors when they consider this Contest?

No       Yes       If Yes, would you like the matter discussed and considered in an executive session or an open meeting.

- Executive Session
- Open Meeting

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

By: \_\_\_\_\_