

Eagles Bluff - Canada Hills 14 Homeowners' Association
Notice of a Fine or Other Sanction

MARKUP #1 ->

[Date]

[Name of Owner]
[Address]
[Address]
[City, State ZIP]
VIA: Registered, Return Receipt Mail

RE: Lot # _____, Imposition of Fine and Sanctions for Violation of the Declaration of Covenants, Conditions and Restrictions and/or Rules for Eagles Bluff – Canada Hills Village 14

Dear _____:

After the hearing conducted on _____, the Board of Directors determined that it was appropriate to impose a fine and/or sanction against you for your violation of the Declaration/Rules of Eagles Bluff – Canada Hills Village 14.

[The Board's decision is to include:
(a)The CC&R, Policy or Rule in violation (b) the amount of the fine, and any other sanctions imposed; (c) the amount of time for the Owner of the Lot to abate the violation, to avoid additional fines or sanctions; (d) the probationary length of time in which any subsequent violations of the same CC&R, policy or regulation of the Association Rules will result in automatic fines or sanctions]

This fine must be paid in full, within 30 days of the date of this notice. Any fine which is not paid within that time, will accrue a monthly late charge of 1.5% of the amount of the fine or \$15.00, whichever is greater.

In addition, if the fine and any late fee is not paid when due, the Association reserves the right to place a lien against your Lot for such unpaid fines and late fees, and may either bring an action against you personally to collect the unpaid amounts or to foreclose its lien against your Lot. Any administrative and attorney fees incurred by the Association in collecting these fines will also be your responsibility.

Board of Directors of Eagles Bluff
Canada Hills Village 14 Homeowners' Association

Enclosures:
Notice of Violation
Notice of Hearing

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. i (p. 3): Assessment Lien Foreclosure Lacks Mandatory A.R.S. § 33-1807(A) Threshold: Clause authorizes lien foreclosure without the mandatory 1-year or \$1,200 principal-assessment threshold and exclusion of fines/late charges.

Statutory / Legal Reference: A.R.S. § 33-1807(A) (\$1,200 / 1-Year Assessment Foreclosure Floor)

Statutory Comparison: Under A.R.S. § 33-1807(A), a planned community association may not foreclose an assessment lien unless the owner has been delinquent in the payment of assessments for a period of one year or in the amount of \$1,200 or more (whichever occurs first), excluding reasonable collection fees, attorney fees, charges for late payment, and monetary penalties.

CURRENT WORDING IN DOCUMENT:

In addition, if the fine and any late fee is not paid when due, the Association reserves the right to place a lien against your Lot for such unpaid fines and late fees, and may either bring an action against you personally to collect the unpaid amounts or to foreclose its lien against your Lot.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section i to conform strictly to A.R.S. § 33-1807(A) (\$1,200 / 1-Year Assessment Foreclosure Floor).

ISSUE #1