

Sec. 6.2 (p. 8): 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:
foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same, provided same is cost effective in the sole discretion of the Board of Directors; B.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
Amend Section 6.2 to conform strictly to A.R.S. § 33-1807(A) (\$1,200 / 1-Year Assessment Foreclosure Floor).

3. foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same, provided same is cost effective in the sole discretion of the Board of Directors;

B. issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

C. procure and maintain liability and hazard insurance on property owned by the Association in the amounts required by the Declaration or otherwise determined by the Board of Directors in their sole discretion;

D. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

E. cause the Common Area, and any other areas for which the Association is responsible, to be maintained; and

F. send the information required by ARTICLE VII below to a prospective purchaser of a Lot upon receipt of the required notice of pending sale.

Section 6.3 Right of Class B Member to Disapprove Actions

So long as the Class B Membership exists, the Class B Members shall have a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Class B Members, would tend to impair rights of Declarant or the Class B Members under the Declaration or these Bylaws, interfere with development or construction of any portion of the Covered Property, diminish the level of services being provided by the Association or otherwise conflict with the plans, goals and objectives of Declarant or the Class B Members as they determine same in their sole discretion.

A. Notice. The Association, the Board, and each committee shall give the Class B Members written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting). Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Association's Secretary, which notice complies as to Board meetings with all provisions hereof, and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth with reasonable particularity the agenda to be followed at such meeting.

B. Opportunity to be Heard. The Association, the Board, and each committee shall give the Class B Member the opportunity at any meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective