

CALVADA AERO PARK ASSOCIATION

2015 ASSESSMENT AND FINE COLLECTION POLICY

1. Owner shall be responsible to pay all assessments and special assessments. If Owner becomes delinquent with respect to regular assessments or special assessments, then Owner shall be responsible to pay all assessments plus any collection related costs allowed by law. If Owner fails to pay assessments in a timely manner, the Association shall have the right to record a notice of delinquent assessment against the property, record a notice of default against the property, record a notice of sale against the property, and foreclose on the property pursuant to Nevada Revised Statutes Chapter 116, as described in more detail below. In addition, Owner shall be responsible to pay reasonable collection fees related to the collection of delinquent assessments. Attached is an approximate schedule of fees Owner shall be responsible to pay. The attached schedule of collection fees will be superseded by any regulations adopted by the Nevada Real Estate Division on the date such regulations become effective.

2. Owner shall be responsible to pay all fines. A schedule of fines is attached to this Collection Policy. If Owner fails to pay any fine, then Association may lien Owner's property and Association has the right to charge any amount allowed by law to collect unpaid fines from Owner. The Association does not have the right to foreclose on a lien for fines, unless the fines were imposed for a violation that that the Board deemed to pose an imminent threat of substantial adverse effect to the health, safety or welfare of the unit owners or residents of the community. Please be aware that fines are treated differently than assessments. Except as otherwise stated in this policy and Nevada law, the Association cannot foreclose on a lien for fines. However, the Association can foreclose on a property is Owner fails to pay for any common expenses in a timely manner.

3. Regular Assessments shall be due on the **1st day of January**.

4. Regular and special assessments shall be delinquent if not paid **within fifteen (15) days** of the due date.

5. There shall be a late charge of twenty five dollars (**\$25.00**) for any assessment that becomes delinquent.

6. The Association may charge interest at the rate allowed by law on any assessments more than sixty days past due. Per NRS 116.31153 "*... 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.*"

7. If an annual assessment remains unpaid by May 1, a notice of intent to lien may be sent to that Owner. A notice of intent to lien may be sent to any Owner who becomes delinquent in the payment of any assessment.

8. If an Owner does not pay the delinquent amounts in full by the deadline as provided in the notice of intent to lien, the Association may prepare and serve a notice of delinquent assessments and claim of lien as provided in NRS 116.3116, which shall be recorded with the Nye County Recorder and mailed to the unit Owner.

NRS 116.31162 - An Association may not mail to a unit's owner or his or her successor in interest a letter of its intent to mail a notice of delinquent assessments pursuant to paragraph (a) of subsection 1, mail the notice of delinquent assessment or take any other action to collect a past due obligation from a unit's owner or his or her successor interest unless, not earlier than 60 days after the obligation becomes past due, the association mails 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; (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.

9. A Notice of Default and Election to Sell ("Notice of Default") shall be recorded and mailed to an Owner that fails to pay in full all assessments due to the Association within the time required by the notice of lien referred to in paragraph 8 above.

10. If the assessments, or any portion thereof, remains unpaid 90 days or more after the recording of the Notice of default, the Association may record and mail a Notice of Sale setting forth the date for the sale of the unit of any Owner who fails to pay in full all assessments due to the Association within the time required by the Notice of Default.

11. An Owner shall be responsible for all reasonable collection fees, legal fees and costs the Association incurs in attempting to collect any delinquent assessments. The legal fees and collection costs associated with collecting unpaid assessments are significant. The more steps to collect delinquent assessments, the more legal fees and collection costs will be added to the delinquent Owner's account. For accounts turned over to collections, a \$200 administrative fee will be charged, payable to FCCMI. Thus, the Association strongly advises that all Owners ensure assessments are paid when due.

12. The Association may enter into good faith agreements with Owners to set up a payment plan for delinquent assessments. However, if an Owner refuses to enter into a payment plan acceptable to the Association or if an Owner fails to comply with the terms of a payment plan, the Association shall proceed to collect the delinquent assessments as set forth herein.

13. The Board must approve all write-offs of debt.

14. The community manager shall provide timely updates and reports as necessary.

15. The Association has the right to collect any delinquent assessments in any manner allowed by Nevada law.

16. This Assessment and Fine Collection Policy was adopted by the Board of Directors and supersedes any previous Collection Policy.

NOTE: Schedules of collection related fees are attached. For collection services provided by NAS, see Schedule B.

SEE REVERSE SIDE

Revised Collection Fees September 2011

Demand or intent to lien letter	\$135
Notice of delinquent assessment lien	\$325
Intent to notice of default letter.....	\$75
Notice of default	\$400
Intent to notice of sale letter	\$90
Notice of sale	\$275
Intent to conduct foreclosure sale	\$25
Conduct foreclosure sale.....	\$125
Prepare and record transfer deed.....	\$85
Payment plan agreement – One-time set-up fee	\$30
Payment plan breach letter	\$25
Release of notice of delinquent assessment lien	\$30
Notice of recession fee	\$30
Bankruptcy package preparation and monitoring	\$100
Mailing fee per piece for demand or intent to lien letter, notice of delinquent assessment lien, notice of default and notice of sale...	\$2
Insufficient funds fee.....	\$20
Escrow payoff demand fee	\$150
Substitution of agent document fee.....	\$25
Postponement fee	\$75
Foreclosure fee	\$150

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

Posting and publishing:.....\$300-500 per publication

Trustee’s sale guarantee:.....\$300-400

Recordings for notice of liens, notice of defaults and notice of HOA sale: . \$14-72

Mailing costs:

Actual cost of postage

Costs may not be all inclusive.

EXHIBIT “B”

CALVADA AERO PARK ASSOCIATION

**SCHEDULE OF FINES
YEAR 2015**

NRS 116.31031 POWER OF EXECUTIVE BOARD TO IMPOSE SANCTIONS FOR VIOLATIONS OF GOVERNING DOCUMENTS.

1) If a unit's owner, or a tenant or guest of a unit's owner, does not comply with the provision of the governing documents of an association, the executive board of the association may, if the governing documents so provide:

(a) Prohibit, for a reasonable time, the unit's owner, or the tenant or guest of the unit's owner, from:

- (i.) Voting on matters related to the common-interest community;
- (ii.) Using the common elements. The provisions of this paragraph do not prohibit the unit's owner, or tenant or guest of the unit's owner, from using any vehicular or pedestrian ingress or egress to go to or from the unit, including any area used for parking.

(b) Require the unit's owner, or the tenant or guest of the unit's owner, to pay a fine for each failure to comply that does not threaten the health and welfare of the common-interest community, **after being afforded an opportunity to a hearing**. The fine must be commensurate with the severity of the violation, but must not exceed \$100.00 for each violation or a total amount of \$1,000.00, whichever is less. However, if a violation is deemed by the Board to pose an imminent threat of substantial adverse effect to the health, safety or welfare of the unit owners or residents of the community, the Board may impose a fine of more than \$100 per week for such violation so long as the amount actually imposed is commensurate with the severity of the violation.

2) If a fine is imposed pursuant to subsection 1 and the violation is not cured within 14 days or a longer period as may be established by the executive board, the violation shall be deemed a continuing violation. Thereafter, the executive board may impose an additional fine for the violation for each 7-day period or portion thereof that the violation is not cured. Any additional fine may be imposed without notice and an opportunity to be heard.

3) The imposition of such fine must comply with the requirements of subsection 6 of NRS 116.31065.

ALL VIOLATIONS FOR WHICH A FINE MAY BE IMPOSED SHOULD BE EVALUATED BY THE BOARD AT A HEARING WITH ALL RELEVANT FACTS TO EACH SITUATION TAKEN INTO CONSIDERATION.