

Cielo Dorado Homeowners Association (CDHA)

Billing Procedures And Collection Policy

(Adopted June 17, 2020)

- A. Aviation fuel readings will be taken by Cushman & Wakefield | PIREs (CW) to prepare fuel billing and/or fuel credit account report. Fuel shall be billed separately and due and payable as notated on the billing notice.
- B. CW will post charges for CDHA home and lot owners (billed monthly in twelve (12) equal installments) which include:
 - 1. Annual Assessment
 - 2. Road Fund Fee
 - 3. Irrigation fee (optional) (EBID Rights Required)
- C. On the 25th-27th of each month, CW will send a paper-notice to those Owners who have been assessed “additional” fees as they may apply for that month. These fees will be due and payable on the date and time as noted on the notice. It is the responsibility of the individual owner to bring any questions or requests to CW for presentation to the CDHA Board of Directors (B.O.D.)
 - 1. Aviation Fuel Charges
 - 2. Late Fees
 - 3. Interest
 - 4. Any Miscellaneous additional fees and charges such as lot mowing, common area damage, legal fees, etc.
- D. Unless payment arrangements have been approved by the B.O.D., any Lot Owner who receives irrigation and has a past due balance that reaches Collection Process *Step 7* shall be removed from the irrigation schedule until such time as all past fees are collected and the account is current.
- E. All fees are due and payable upon the first (1st) day of the month, and delinquent on the 25th day of the month.

Collection Process

- Step 1:** Cushman & Wakefield | PIREs (CW) is authorized by CDHA to apply a late fee and generate a notification to the owner when a receivable balance exceeds the 24th day of the month (*i.e. fees Due October 1st; Late fee applied October 25th*)
- Step 2:** CW will issue a First letter of Notification to a delinquent account on the 25th day of the month.
- Step 3:** If account continues to be delinquent for an additional ten days from the first notification, CW may apply 12% interest per annum in addition to any flat late fee charges (the current flat rate fee is \$30.00).
- Step 4:** If account continues to be delinquent and payment is not received in full 60-days from the first notice sent of delinquent status, CW notifies the B.O.D. for approval to prepare a letter of legal action. Lot Owner will be assessed for any fees associated with collection including attorney and other administrative fees.
- Step 5:** If account is not paid in full it will remain in “delinquent status” until all sums are paid. Late fees and interest may continue to accrue.
- Step 6:** Subject to step 4, a lien may be filed against the lot if a lot owner fails to pay all sums as of 90-days from the date of first notification and/or if the amount owed is in excess of \$1,000.00.
- Step 7:** Any Lot owner in arrears a minimum of \$1,000.00 and also is on the irrigation schedule, shall lose irrigation services until such time as all past due fees, regular and “additional”, are paid in full and the account is current.

Partial Payments may halt further collection action if an acceptable payment plan for the payment of the remaining balances are submitted, in writing, and approved by the B.O.D. The Account must, otherwise, be kept current. It is the responsibility of the Owner to submit any questions or requests to CW for presentation to the B.O.D. Failure to adhere with the payment plan will result in an immediate resumption of the collection process and cessation of irrigation services.

(Note: The terms and conditions of the payment plan will be negotiated between the Owner and the B.O.D. and will consider the amount owed and reason for delinquent status).

Order of application of partial payments received:

- Aviation Fuel Charges
- Late Fees
- Interest
- Road Fund
- Basic Assessment
- Irrigation Services
- Miscellaneous Fees and Charges.