



Collection Policy

Effective

November, 2025

Purpose: The purpose of this Collection Policy (“Policy”) is to set forth the procedures and processes associated with collecting owner assessments and fees due and payable to DC Ranch. This policy will assist the Community Council and Ranch Association Boards of Directors and staff in their efforts to protect the community’s fiscal assets by outlining procedures for collecting monetary obligations due and payable to DC Ranch by owners. This Policy supersedes and replaces all prior Collection Policies.

Scope: Monthly assessments are due and payable in full on the first day of each month. All other assessment (i.e., special assessments and specific assessments) are due and payable as determined by the Boards of Directors. All other charges including, but not limited to, late fees, interest, attorneys’ fees and collection costs and fines are due as incurred. All assessments, late fees, interest, attorneys’ fees and collections costs due and payable to the DC Ranch, hereinafter “dues,” are subject to this policy.

Responsibility/Authority: While the Community Council has the obligation to collect assessments on behalf of the Ranch Association (per Council CC&Rs/9.14), the collection role has been delegated to Ranch Association, which cooperates with the Community Council in levying and collecting dues and assessments from the owners (per Ranch CC&Rs 7.12; Bylaws/3.17(b)).

Progression of Collection Efforts: The efforts to collect dues are to be completed as described in the following sections. Collection efforts may deviate from this Policy if recommended by legal counsel and authorized by the Boards of Directors. If a consensus cannot be reached, the Community Council Board of Directors shall prevail. Applicable attorneys’ fees and costs relating to the collection efforts of an account will be applied to that owner’s account at each step and at time of action.

30 Days Past Due: A rebill notice shall be sent to all owners whose accounts are deemed to be delinquent by thirty (30) days. The \$15 rebill fee will be charged to the owner’s account.

60 Days Past Due: A one-time late fee of \$15 and a \$15 rebill fee (\$30 total) shall be charged to the owner’s account that is delinquent by sixty (60) days. In addition, a letter will be provided to all owners whose accounts are deemed to be at least sixty (60) days’ delinquent notifying the owner(s) that a “Notice of

Claim of Lien” may be recorded if the account is not paid in full within thirty (30) days from the date of the notice in compliance with applicable law.

90 Days Past Due: At such time an owner’s account is deemed to be at least ninety (90) days’ delinquent, the account may be transferred to legal counsel for further collection efforts, including but not limited to, filing a foreclosure lawsuit. Legal counsel shall record a “Notice of Claim of Lien” with Maricopa County for all owners whose accounts are deemed to be delinquent by ninety (90) days. All applicable filing fees and attorneys’ fees to record the lien will be assessed to the owner and the owner’s lot. In addition to the recording of the “Notice of Claim Lien,” the owner’s privileges such as voting and rights to use the recreational amenities will be suspended.

Allocation of Payments Received: Unless an owner otherwise directs or as otherwise authorized by law, payments received will be applied in the following order: Unpaid assessments; late charges, collection fees, attorney’s fees and costs, other unpaid fees, charges and monetary penalties, or interest and late charges on any of those amounts.

Payment Plans: Reasonable payment plans will be considered at the discretion of Community Council.