



## Collection Agreement

This Collection Agreement (the “Agreement”) is made and entered into as of the date of all signatories below have executed the Agreement (the “Effective Date”), by and between \_\_\_\_\_ (the “Association”) and United Assessment Recovery, Inc. (“UAR”).

### 1. Purpose of the Agreement

The Association hereby appoints UAR as its agent and trustee to collect amounts due and owing the Association pursuant to Nevada law. Such amounts include, but are not limited to, delinquent assessments, fines for violations, and amounts incurred pursuant to NRS 116.310312.<sup>1</sup>

### 2. Express Authorizations

The Association expressly authorizes UAR to prepare, execute, and sign all documents related to the collection process. Specifically, the Association expressly authorizes UAR to prepare and execute the: 1) Intent to Lien Letter, 2) Notice of Delinquent Assessment, 3) Notice of Fine Assessment, 4) Notice of Lien pursuant to NRS 116.310312, 5) Notice of Default and Election to Sell, 6) Intent to Notice of Sale, 7) Notice of Sale, 8) Foreclosure Deed, and/or 9) Sale Postponements.

The Association expressly authorizes UAR to charge fees and incur costs in the collection process, including but not limited to: 1) ordering property reports and updates, 2) publishing and posting the foreclosure sale, and 3) conducting the foreclosure sale.

The Association expressly authorizes UAR to communicate verbally and in writing with the delinquent homeowner in an effort to collect the debt. The Association further authorizes UAR to offer and execute payment plans or extensions to payment plans up to twelve (12) months in duration without obtaining consent of the Association. Any payment plan or extension greater in duration than twelve (12) months must be authorized in writing by the Association.

The Association expressly authorizes UAR to charge fees and incur costs set forth in the attached schedule of fees and outlined in NAC 116.470. The Association shall incur all collection fees and costs at the time the collection actions have been performed by UAR. Payment of the collection fees and costs shall be due and payable: (1) at such time as the Association forecloses; (2) as Owners make payments directly to the Association or UAR<sup>2</sup>; (3) if the Association terminates this agreement, cancels the collection file, or elects not to foreclose on its lien; or (4) if a lender submits a payment. The Association specifically acknowledges that the deferred payment of collection fees and costs is adequate consideration for the execution of the Agreement. Generally, the Association's fees are collected directly from the Owner. If Nevada law changes with respect to fees that may be charged related to the collection process, this document shall be deemed to change to conform to Nevada law. The Association agrees to pay UAR all outstanding

<sup>1</sup> This Agreement shall be applicable to collection accounts received by UAR on or after the date of execution of this Agreement. Collection activity for accounts received prior to the execution of this Agreement shall be governed by the terms contained in the Agreement under which the collection activities began.

<sup>2</sup> The Association agrees to deliver amounts received by the Association to UAR's office in accordance with the provisions of Section 3 of this Agreement.

fees and costs, including actual costs incurred by UAR and fees charged by UAR in the event the Association elects not to foreclose or continue utilizing UAR in the collection process.

### **3. Payments**

UAR shall deposit all payments received into a trust account maintained by UAR. Funds received shall be applied in the following order: 1) to third party hard costs; 2) to the non-superpriority portion of the Association's lien, with a 50/50 split between the Association assessments and UAR's fees; and 3) to the superpriority portion of the Association's lien, with a 50/50 split between the Association assessments and UAR's fees, until both parties are paid in full or unless specifically noted on the payment. The Association expressly authorizes UAR to apply any "super priority" payments in accordance with the "super priority" amounts outlined in NRS 116.3116.

### **4. Parties Obligations**

Prior to recording a Notice of Delinquent Assessment or Notice of Lien for Fines, the Association shall provide UAR with copies of its Articles of Incorporation, Bylaws, recorded Covenants, Conditions, and Restrictions (CC&Rs), and any amendments thereto. The Association shall provide UAR with the unit owner's known addresses and shall notify UAR in writing of 1) any change in mailing address, 2) if regular assessments increase or if any special assessments become due, and 3) of any bankruptcy activity of which the association is notified. The Association shall provide UAR with a current account ledger for each delinquent account the Association transfers to UAR for collection activity. The Association authorizes UAR to immediately start collection efforts after UAR receives the account ledger.

UAR shall provide the Association with access to monthly reports for each delinquent account. The Association agrees to restrict access to these reports to board members only. The Association may request updated progress reports at any time during the collection process by requesting the same in writing.

### **5. Termination**

This Agreement may be terminated by either party, with or without cause, upon not less than thirty (30) days prior written notice to the other party. Upon termination, UAR shall continue with the collection of the open accounts referred to UAR unless the Association gives written notice to withdraw the open accounts from UAR. If the Association terminates UAR and chooses to withdraw all open accounts, the Association shall be liable for and make payment to UAR for all outstanding collection fees and costs on the open accounts. UAR shall provide to the Association an invoice for payment of any and all outstanding collection fees and costs for all open accounts once written notice to withdraw the open accounts is received. The Association shall remit to UAR the amount of any and all outstanding collection fees and costs payable to UAR no later than thirty (30) days from the date of UAR's invoice. The Association expressly authorizes UAR to continue collections on withdrawn accounts if the Association fails to remit payment for the open accounts as discussed above.

UAR may decline any new delinquent collection account at its sole discretion. UAR may terminate a collection account with no charge to the Association at its sole discretion.

**6. Force Majeure.**

No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement results from any cause beyond its reasonable control and without its fault or negligence, such as: acts of God; acts of civil or military authority; embargoes; epidemics; war; riots; insurrections; fires; explosions; earthquakes; floods; unusually severe weather conditions; labor problems; or, in the case of computer systems, any failure in electrical or air conditioning equipment. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay.

**7. Miscellaneous**

The Association represents to UAR (and UAR is relying on such representation) that in referring any matter to UAR for collection of delinquent assessments, fines, or other charges, the Association has complied with all applicable Federal and State rules and regulations, including but not limited to, applicable provisions of the Nevada Revised Statutes; Covenants, Conditions and Restrictions (CC&Rs); other Association governing documents; and the Federal and State Fair Debt Collection Practices Act, if applicable.

The Association acknowledges and agrees that UAR has made no promises, representations, or guarantees regarding the outcome/success of UAR’s collection efforts, and that UAR has told the Association that it is not possible for UAR to guarantee the outcome of any collection effort. UAR’s comments about the outcome of any of the Association’s matters are expressions of opinion only.

Any dispute arising out of this Agreement shall first be submitted to mediation as a condition precedent to proceeding with arbitration. If the dispute cannot be resolved in mediation, any dispute arising out of this Agreement shall be resolved by binding arbitration pursuant to the rules of the Judicial Arbitration and Mediation Services under its Streamlined Rules. The prevailing party shall be entitled to recover its costs and/or fees in enforcing this Agreement.

Association

United Assessment Recovery, Inc.

\_\_\_\_\_  
Printed Name of Authorized Representative

\_\_\_\_\_  
Printed Name of Authorized Representative

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Signature of Authorized Representative

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Signature of Authorized Representative

\_\_\_\_\_  
Title

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Date

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Title

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Date