

# Colonia Chit Chat

September, 2010

[www.coloniaencantada.net](http://www.coloniaencantada.net)



September 11, 2010

## Colonia Encantada Remembers

At last some cooler temperatures here – some cooler while we are waiting for the fine weather that we all enjoy fall through spring. Hopefully summer is drawing to a close and we can all enjoy the fine weather that is associated with Arizona.



## ARCHITUTURAL COMMITTEE CHANGES

Over the past few months, there were various Architectural issues that had to be dealt with by the Board due to the absence of Architectural Committee members who are traveling in the summer, and the head of the committee, Ron Cox, who is a seasonal member.

To better serve the needs of our residents, the following change has been put into effect.

The Board will be carrying out the functions of the Architectural Committee until the March 2011 elections. **Please submit Order for Service requests to Christopher Coffin.** We are certainly grateful to the committee members for their voluntary service, just as we are grateful to all who serve and give of their time. The fact is that there is marked improvement in community function when all committee chairs and Board members are full time residents. FYI: There are 38 seasonal owners, so we have 41 full time owners to help out on various committees. It has been a very busy summer here with renovations and lots of contractor activity at Unit 77, Unit 2, Unit 51, and Unit 56, and some of that activity is still in progress.

THE MOST IMPORTANT ACTION THAT NEEDS TO BE TAKEN IS FOR ANYONE WHO IS MAKING ANY EXTERIOR CHANGES TO EITHER THE LANDSCAPING or EXTERIOR

STRUCTURES IS TO FILL OUT A REQUEST FOR SERVICE FORM AVAILABLE AT THE GATE. **THIS IS MANDATORY.**

Please do not assume that because you see something at another unit that it is permissible.

Below is an article recently on front page of McCormick Ranch Property Owners Association newsletter. Thought it apt for this issue of Chit Chat to include since we fall under their guidelines. Probably you have received a copy of this recently in the mail.

And next is an article published in the Arizona Republic regarding HOAs and fee collections.

# THE RANCHER

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## Architectural Changes—Before You Do It, Submit It

The Architectural Control Committee (ACC) and Architectural Review Committee (ARC) are appointed committees comprised of residents of the community that serve to promote and ensure the high level of taste, design, quality and conformity that lies within our McCormick Ranch neighborhoods. Therefore;

prior to making any improvement to your property, you must request WRITTEN approval from the ACC (residential and commercial west of Pima Road) or the ARC (commercial east of Pima Road).

The two committees utilize the Declaration of Covenants, Conditions

Restrictions (CC&R's) as the guideline for approving all requests. These guidelines establish the process for review of proposed additions or modifications.

Architectural guidelines apply to any additions or alterations

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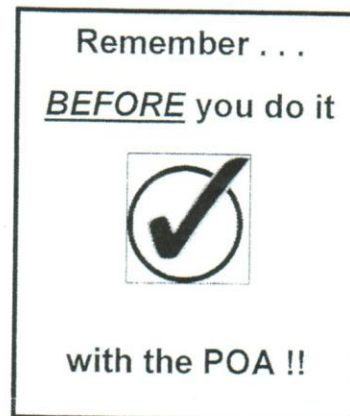
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including decks, awnings, exterior material, paint colors, auxiliary buildings, fencing, antennas or satellite dishes, lot grading, driveways, landscaping, tree removal and other additions or alterations not mentioned here.

Every homeowner should have received a copy of the CC&R's when they entered into escrow to purchase the property. If you have lost or misplaced your copy, please call our office to receive a replacement copy (\$20), or you may download a free copy using the *Documents* tab at [www.mccormickranchpoa.com](http://www.mccormickranchpoa.com).

The ACC meets the first and third Wednesday of every month. Plans must be submitted the Thursday before the meeting so that the ACC Members may spend time reviewing the submittals. Direct all approval requests to Chris Campbell, Director of Regulations.

When making your request please remember it is the philosophy of the ACC to promote good design rather than block creativity; however, the written guidelines provide a basis for treating all homeowners fairly.



# Hardball tactics by HOAs criticized

Some owners hounded to pay dues; others not

By J. Craig Anderson  
THE ARIZONA REPUBLIC

Arizona homeowners associations are not accepting a resident's foreclosure as an excuse when it comes to collecting unpaid dues, assessments and fines.

Already forced to raise member dues and cut services to cope with unprecedented delinquency rates, HOAs also are turning to skip traces, collection agencies, process servers and out-of-state attorneys to collect what is owed.

But amid the crackdown, not all debtors are being pursued with equal vigor. The recently foreclosed-on family that lives in the area is far more likely to be subjected to draconian collection tactics than an out-of-state or out-of-country investor.

HOA managers and their critics agree that the system is inequitable. Managers say it's an unfortunate byproduct of their responsibility to get the most out of their collection efforts. Critics say all debtors should be treated equally.

# Tactics by HOAs to collect late dues criticized

**HOMES**  
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Many Koepke, an attorney for Scottsdale-based Elmark & Elmark LLC, a firm specializing in HOA law, said that as with any business, HOAs have to decide which debts are worth pursuing and which ones are lost causes.

Often, that means going after debtors whose location is known and nearby, though a number of larger HOAs have retained attorneys in other states and even in some other countries, such as Canada.

HOA critic George Staropoli said he has a problem with the way HOAs pick and choose which homeowner debts to pursue and which ones to ignore. Staropoli, of Scottsdale, operates a blog and website critical of the HOA community-management industry and its attorneys.

Staropoli said that even beyond proximity, the use of a cost-benefit analysis is fundamental

**Not off the hook**

Even if homeowners lose a home to foreclosure, their HOA obligation is not written off. Homeowners must pay their HOA dues until the trustee sale or face the possibility of a lawsuit or other aggressive collection efforts.

**More online**

As HOAs struggle financially, homeowners pay the price. [news.azcentral.com](http://news.azcentral.com)

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**ments and swimming pools**

Jim Belfiore, a Valley real-estate analyst who serves on an HOA board of directors, said the HOA in his small community in the Ahwatukee Foothills has taken pains to make sure it treats all debtors equally.

However, ignoring the thousands of dollars owed by current and former residents isn't an option, he said.

Because HOAs are non-profit organizations, every unpaid dollar is a dollar the community cannot afford to lose, Belfiore said. As a result, HOA boards have no choice but to obey their fiduciary duty to pursue unpaid debts.

"I know it's challenging for people being foreclosed on and being pursued for their past-due payments," he said. "But it's very challenging for board members, too."

Amanda Shaw, president of Phoenix-based community-management firm Associated Asset Management, said HOAs have

been forced to pursue delinquent dues payers more diligently because so many have skipped out on their payments.

Shaw explained how the foreclosure crisis has compounded the financial troubles. Over the past 18 months, 120,000 Phoenix-area HOA members have received foreclosure notices, which often prompt the homeowners to move out in anticipation of a trustee sale and the loss of their home. However, in all but 10,000 cases, the lender has yet to complete the foreclosure process, she said. Until that happens, HOA dues and assessments remain the responsibility of the original homeowners.

Shaw said she believes homeowners who leave without catching up on their HOA payments understand that they are skipping out on a debt. Still, many of them are surprised when they receive a bill for 12 or more months of unpaid dues, covering a time period stretching long past the

sale date printed on the foreclosure notice.

Repeated postponement of foreclosure-sale dates has become commonplace, leading to long stretches of time in which homes are often abandoned and HOA bills ignored.

Even after a home is foreclosed on, HOAs still can and will pursue former homeowners for the amount owed, Shaw said, adding that rumors that mortgage lenders have been picking up the tab are false.

"It strays with the person and not the home," she said.

Koepke said mortgage lenders could improve the current situation significantly by stopping the practice of delaying thousands of scheduled foreclosures for months on end.

"There's no statute in Arizona that says you have to foreclose when you say you're going to," she said. "In some cases, the homeowners could have lived there for another year."



Unit 67 \$515,000.00

Unit 75 \$789,000.00

Unit 77 \$695,000.00

Unit 1 ~SOLD \$409,100.00

Anyone who is planning on **listing their home for sale or for rent** can get updated rules and regulations at the gate. The new **sign and open house** policy is also available at the gate.



We just want to be sure that ALL owners are aware of the recent amendment additions to the governing documents. The Rules and Regulations Committee is in the final process of updating the white binders. The revised rental/lease agreement rules have been revised in the updated binders. Hard copies have not yet been distributed but are available from Larry Heywood, the property manager at [Larry@heywoodrealty.com](mailto:Larry@heywoodrealty.com) or 480.820.1519.



Unit 1 is scheduled for a Sheriff sale as of this writing and Unit 24 is back on the schedule for a Sheriff Sale slated for November 15, 2010. The remainder of the membership is to be complimented for ZERO delinquencies.



There are several painting contractors who will be roaming the neighborhood in an attempt to review the units here so that they can submit bids for the 2011 cycle. So please don't be alarmed if you see some strangers walking with clipboards. We anticipate a much more organized process this cycle because only ONE contractor will be employed to do the work and it will be much easier to keep track of the progress as well as maintaining a consistency in paint colors. The other good news that we anticipate is that there is going to be a substantial warranty on the work. There is also a chance that the time between cycles might be extended, but that is yet to be confirmed.

The next regularly scheduled Board meeting will be October 18, at 3:00 p.m. in the clubhouse.

See Ya'll Soon!