

Village at Rio Paseo Condominium Association
www.villageatriopaseo.org

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AAM Afterhours Emergency | 866.553.8290

BOARD OF DIRECTORS MEETING: EXECUTIVE SESSION
JANUARY 13, 2021 5:00 pm – 5:30 pm

EXECUTIVE SESSION IS CLOSED TO THE MEMBERSHIP; ALL ISSUES DISCUSSED IN EXECUTIVE SESSION ARE PRIVILEGED. ISSUES SHOULD NOT BE DISCUSSED WITH OTHERS OUTSIDE THE BOARD OF DIRECTORS, INCLUDING SPOUSES.

EXECUTIVE SESSION AGENDA

- Call to Order/Verification of Board Quorum
- Review & Approval of Previous Meeting Minutes
- Delinquency Review
 - Detailed Delinquency Report
 - Attorney Status Report
- New Business
 - Appeals:
 1. Milan/\$100 CC&R Violation appeal
- Update on Insurance Claim
 - Legal Opinion from Mark Sahl, Carpenter Hazelwood
- Adjournment



Boardvue.com



aamallaccess.com

Village at Rio Paseo Condominium Association

EXECUTIVE SESSION BOARD OF DIRECTORS MEETING

Via Zoom

Monday, December 14, 2020

EXECUTIVE MEETING MINUTES

Board Members Attending

Charlotte Morgan, President
Tracy Blake, Vice President
Sean McCarty, Secretary
Kathleen Schwartz, Treasurer
Michele Beauchamp, Director

AAM Representative(s)

Joanna Homer, Community Manager
Kim Sims, Area Manager
Jodi Roberts, Recording Secretary

Call to Order

Charlotte Morgan called the meeting to order at 5:02 p.m.

Delinquency Report - Joanna went over the delinquency report with the Board.

The Board asked what is the process to follow up and what are next steps and how we can foreclose on a homeowner.

Compliance - Joanna went over the compliance chart with the Board. Board asked how to submit a compliance violation. Joanna direct Board to send to her any issues they're seeing and she will look at them.

Adjournment

Tracy Blake adjourned meeting at 5:24 p.m.

Respectfully Submitted by,

Jodi Roberts, Recording Secretary on Behalf of the Village at Rio Paseo Condominium Association Board of Directors

Village at Rio Paseo

Delinquency Report

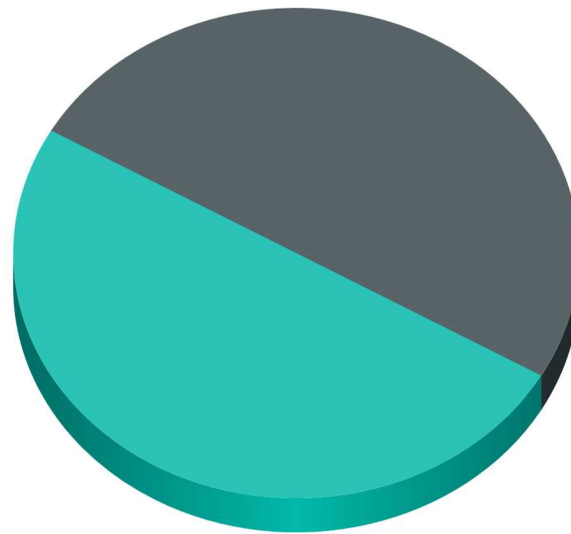
Posted Date 11/30/2020

Acct #	Type	Status	A/R Status	Resident Contact	Current	30 - 59 Days	60 - 89 Days	>90 Days	Balance
1391063	Owner	C	At Attorney	Cooper A/ K/ A Sarah M. Co	292.00	15.00	292.00	3,479.75	4,078.75
1226123	Owner	C	At Attorney	Matthews,Rob	292.00	15.00	292.00	2,384.25	2,983.25
1204159	Owner	C	At Attorney	Mendez,Jesus Alejandro	292.00	15.00	367.00	1,767.27	2,441.27
1110454	Owner	P		Busard,Mark	0.00	0.00	0.00	1,574.64	1,574.64
1110312	Owner	P		Johnson,Dianne J	0.00	0.00	0.00	1,127.88	1,127.88
1557601	Owner	C	Late Notice	Martin ,Juan	369.70	27.70	301.36	0.00	698.76
1544942	Owner	C	Late Notice	Wildes,Robert	369.70	15.20	152.00	0.00	536.90
1553934	Owner	C	Late Notice	Begay ,Lonnie	304.70	0.00	0.00	0.00	304.70
1362471	Owner	C	Late Notice	Chairez,Wendy	122.08	15.00	15.00	0.00	152.08
1575487	Owner	C		Lopez Diaz,Yudel	152.00	0.00	0.00	0.00	152.00
1392598	Owner	C	Late Notice	Temple,Jon	86.14	15.00	15.00	15.00	131.14
1528897	Owner	C		Trust,Victoria	0.00	0.00	0.00	120.40	120.40
1528896	Owner	C		Trust,Victoria	0.00	0.00	0.00	92.70	92.70
1344186	Owner	C		Cain,Jonathan G	55.00	0.00	0.00	0.00	55.00
1110303	Owner	C		Roberts,Tamara	0.00	50.00	0.00	0.00	50.00
1110301	Owner	C		Perkins,Kelbi	0.00	0.00	0.00	14.49	14.49
1110315	Owner	P		Cronk,Gary	0.00	0.00	0.00	5.48	5.48
1110336	Owner	C		Hildebrand,Chadlyn W	1.72	0.00	0.00	0.00	1.72
1110376	Owner	P		Lopez,Theodore C	0.00	0.00	0.00	0.09	0.09
Count: 19					2,337.04	167.90	1,434.36	10,581.95	14,521.25

Charge Code Summary

Description	G/L Acct #	Amount
AAM Collection Account Maintenance	12000	225.00
AAM Demand Fee	12000	455.00
AAM Notice of Lien	12000	585.00
Assessment	12000	11,789.99
CC&R Violation	12000	50.00
Demand Fee	12000	45.00
Key	12000	55.00
Late Fee	12000	1,274.78
Late Fee Interest	12000	5.48
Late Notice-Final	12000	36.00
		14,521.25

Village at Rio Paseo Condominium Association Overview



■ Demand (1)
■ Litigation - Money Judgment
■ Lawsuit (1)

Please note that due to the dynamic nature of the collection process, the above amounts should not be relied upon separately or collectively by the Board as a payoff. Should an owner request a payoff, please direct him/her to the Firm.

Historical Report

AAM, LLC



Village at Rio Paseo Condominium Association

Owner	Assn Acct No.	Firm Acct No.	Property Address	Area of Law	Stage
Rob Matthews	1226123	VILLAGERP.0011	14870 W. Encanto Blvd. #1008	HP Collections	Litigation - Money Judgment Lawsuit

Contact: kymberly.childers@carpenterhazlewood.com

12/22/2020	The Firm determined that personal money judgment lawsuit is appropriate. Lawsuit prepared for court filing and service by process server. Process server has up to 90 days to serve the lawsuit. Actual time to serve debtor(s) varies depending upon circumstances.				
12/08/2020	A PO Box address has been found. Will attempt to send demand letter to the PO Box and if no response, will move forward with lawsuit				
12/07/2020	No change in deed status as of 12/7/20				
11/30/2020	The Firm is initiating pre-lawsuit research. The Firm is reviewing debtor's ledger as well as checking for bankruptcy and military status to determine whether filing a lawsuit is appropriate.				
10/26/2020	Prepare and send second demand letter				
09/29/2020	Attempt to reach owner by phone. Firm determined none of the possible phone numbers are valid. Next step is to send Second Demand Letter. Called 602-788-0431 and 602-687-9131 both numbers are no longer in service. No other numbers found or provided.				
09/22/2020	No payments or communication received from owner. Collections will proceed and CHDB will attempt to contact owner via telephone				
07/29/2020	Research conducted. Owner has been confirmed as current owner per county records. Firm to proceed accordingly.				
07/28/2020	Attorney demand letter sent. Debtor has a minimum of 40 days to pay in full, set up a payment agreement, or respond. If no response, the Firm will verify ownership, review further, and may send a follow up letter or initiate pre-lawsuit research.				

Owner	Assn Acct No.	Firm Acct No.	Property Address	Area of Law	Stage
Sarah Marie Cooper	1391063	VILLAGERP.0010	14870 W. Encanto Blvd. #2060	HP Collections	Demand

Contact: kymberly.childers@carpenterhazlewood.com

Please note that due to the dynamic nature of the collection process, the above amounts should not be relied upon separately or collectively by the Board as a payoff. Should an owner request a payoff, please direct him/her to the Firm.

Historical Report

AAM, LLC



12/15/2020	Attorney demand letter sent. Debtor has a minimum of 40 days to pay in full, set up a payment agreement, or respond. If no response, the Firm will verify ownership, review further, and may send a follow up letter or initiate pre-lawsuit research.
12/07/2020	An alternate address has been obtained on background check. Thiensville Wisconsin. CHDB will attempt to send demand letter to this address
11/23/2020	Pulling another background to see if another address appears
10/23/2020	Account currently on hold status
08/28/2020	CHDB will place the account on a 60 day hold then pull another background to see if an alternative address is provided
07/30/2020	Received return mail from property address with no forwarding address; unable to locate additional addresses; continuing to research
07/22/2020	Pulling ledger to review for next step
06/30/2020	Attempt to reach owner by phone. Firm determined none of the possible phone numbers are valid. Next step is to send Second Demand Letter. No phone numbers found or provided.
06/25/2020	No response from debtor; pulling ledger and will make phone calls
05/01/2020	Research conducted. Owner has been confirmed as current owner per county records. Firm to proceed accordingly.
05/01/2020	Attorney demand letter sent. Debtor has a minimum of 40 days to pay in full, set up a payment agreement, or respond. If no response, the Firm will verify ownership, review further, and may send a follow up letter or initiate pre-lawsuit research.

Please note that due to the dynamic nature of the collection process, the above amounts should not be relied upon separately or collectively by the Board as a payoff. Should an owner request a payoff, please direct him/her to the Firm.

The Village at Rio Paseo Condominium Association
1600 W. Broadway Rd., Suite 200
Tempe, AZ 85282

January 4, 2021

Phone: 602-957-9191
Toll Free: 866-516-7424
Fax: 623-584-8906

MAIL TO:
Monique Millan
14870 W Encanto Blvd #1032
Goodyear, AZ 85395

RE: 14870 W Encanto Blvd #1032

Account# 1110296

Dear Monique Millan

Your request to appeal the fine for \$100.00 has been forwarded to the Board of Directors for review and response.

Sincerely,

Joanna Homer
Community Manager
Jhomer@AssociatedAsset.com
For the Board of Directors
The Village at Rio Paseo Condominium Association

The Village at Rio Paseo Condominium Association
1600 W. Broadway Rd., Suite 200
Tempe, AZ 85282

Phone: 602-957-9191
Toll Free: 866-516-7424
Fax: 623-584-8906

January 4, 2021

MAIL TO:
Douglas Johnson
14175 W Indian School Rd Ste B4-610
Goodyear, AZ 85395-8407

RE: 14870 W Encanto Blvd #1032

Account# 1110296

Dear Douglas Johnson

Please see enclosed a copy of letter sent in response to your tenants' appeal.

Sincerely,

Joanna Homer
Community Manager
Jhomer@AssociatedAsset.com
For the Board of Directors
The Village at Rio Paseo Condominium Association

A new violation has been submitted:

Village@RF

Page	Appeals (http://www.homeownerresources.com/hoa-and-community-forms/appeals/)
First Name	Monique
Last Name	Millan
Name of Association	AAM
Property Address	14870 W Encanto Blvd 1032
Account Number	Unknown
Phone	6023207921
Email	Smileresponsible@hotmail.com
Violation	\$100 Violation
Reason for Appeal	<p>I am a tenant of 5 years. I make sure that we follow all guidelines and do not disturb our neighbors or property around us. My property management failed to notify us of the warnings for corrective action. The only notice I received was the final with penalty - attached. I am requesting two things of the AAM board.</p> <ol style="list-style-type: none"> 1. Please consider a system to communicate with renters in the neighborhood so everyone is on the same page. 2. Remove the fine that was assessed. <p>Thank you for your consideration. Monique Millan - Unit 1032</p>
Attachment 1	
Attachment 2	
RUH?	True
Request ID	H63539

Village at Rio Paseo
1600 W. Broadway Rd., Suite 200
Tempe, AZ 85282

Douglas S Johnson
14175 W INDIAN SCHOOL RD STE B4-610
Goodyear, AZ 85395-8407

Property Address: 14870 W Encanto Blvd #1032
Account #: 1110296

Code	Date	Amount	Balance	Check#	Memo
Assessment	12/1/2020	277.00	277.00		Monthly Assessment
CC&R Violation	12/1/2020	100.00	377.00		09/16/20: Items Left Out
Payment	12/23/2020	-277.00	100.00	90130	CABLBox122320.dat
Assessment	1/1/2021	277.00	377.00		Monthly Assessment
Current	30 - 59 Days	60 - 89 Days	>90 Days	Balance:	377.00
150.00	0.00	0.00	0.00		



CARPENTER HAZLEWOOD
Carpenter, Hazlewood, Delgado & Bolen
ATTORNEYS AT LAW

PHOENIX AREA
1400 East Southern Avenue, Suite 400
Tempe, Arizona 85282-5691
T 480-427-2800
F 480-427-2801

Jonathan D. Ebertshauser, Esq.
Licensed in Arizona
jonathane@carpenterhazlewood.com
Direct: 480-427-2863

January 6, 2021

SENT VIA EMAIL ONLY

JHomer@AssociatedAsset.com; KSims@AssociatedAsset.com

Village at Rio Paseo Condominium
ATTN: Joanna Homer and Kim Sims
1600 W Broadway Rd #200
Tempe, AZ 85282

Re: Insurance Obligations

Dear Members of the Board of Directors:

We have been asked to provide guidance regarding the Association's insurance obligations set forth in the Declaration of Condominium and Declaration of Covenants, Conditions, Restrictions and Easements for the Village at Rio Paseo Condominium recorded in the official records of Maricopa County at Document No. 2005-1325333 ("Declaration"). As further set forth below, we believe the Association is obligated to insure the Common Elements and may, but is not required to, insure the Unit. However, it is our further understanding the Association currently insures both the Units and the Common Elements. Accordingly, the Association may be obligated to tender claims related to Unit damage to its insurance carrier if the amount of the damages to the Unit exceed the Association's insurance deductible.

The Association's insurance obligations are set forth in Section 10.5.2, which provides as follows:

- (a) **Property insurance on the Common Elements** insuring against all risks of direct physical loss commonly insured against or, as determined by the Board against fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than eighty per cent of the actual cash value of the insured property at the time the insurance is purchased

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and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies.

- (b) **Liability insurance in an amount determined by the Board** but not less than \$1,000,000.00 covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements.
Emphasis added.

As set forth above, the Declaration requires the Association carry insurance over the Common Elements and Section 10.5.13 of the Declaration requires the Association to pay for the premiums related to such insurance policies as a Common Expense. Pursuant to Section 2.13 of the Declaration, the “Common Elements” are all portions of the Condominium other than the Units. Accordingly, the Declaration does not require the Association to carry insurance over the individual Units. However, Section 10.5.3 of the Declaration provides as follows:

To the extent available, the insurance maintained under Paragraph 10.5.2(a), if determined by the Board, includes the Units or any portion of those Units but need not include improvements and betterments installed by Unit Owners or the personal property of Unit Owners.

We believe Section 10.5.3 authorizes, but does not require, the Association to carry insurance over the individual Units. Nevertheless, it is our understanding that the Association currently insures both the Common Element and the Units.¹ In the event that the Association discontinues its insurance over the Units, we suggest that the Association provide Owners notice of such decision in writing via prepaid US mail so that each Owner has an opportunity to obtain the necessary insurance coverage.

Although the Association currently voluntarily insures the Units, the Association is not responsible for the maintenance of the Units. Instead, Section 11.1 of the Declaration provides that “[e]ach Owner of a Unit shall maintain, repair, replace and restore at his own expense all portions of the Unit” Accordingly, a **strong argument supports the Association’s authority to pass the amount of the Association’s insurance deductible through to the Unit Owner benefitting from the insurance claim.**² A.R.S. § 33-1255(C)(2) further support’s this authority providing as follows:

¹ Pursuant to Section 10.5.7 of the Declaration, the insurance policy issued to the Association does not prevent a Unit Owner from obtaining insurance for him/her own benefit.

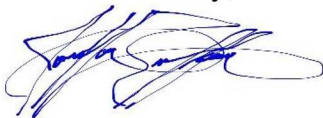
² Please not that pursuant to A.R.S. § 33-1253(I), the costs of repair or replacement in excess of insurance proceeds is a common expense. While we do not believe the deductible is an amount “in excess of insurance proceeds” an argument could nevertheless be made that A.R.S. § 33-1253(I) requires the Association to pay for the insurance deductible as a Common Expense.

Unless otherwise provided for in the declaration . . .[a]ny common expense or portion of a common expense benefitting fewer than all of the unit shall be assessed exclusively against the units benefitted.

We do not believe the Declaration requires the Association to assume expenses related to fewer than all of the Units as a Common Expense. Section 8.12 of the Declaration further supports this provide that “[t]he Board may levy as assessment against any Unit to reimburse the Association for costs incurred in bringing such Unit and its Owners into compliance with the provisions of the Constituent Documents.” Accordingly, to the extent that a Unit is damaged and the costs or repair exceed the Association’s insurance deductible, the Association should (1) inform the Unit Owner of the amount of the insurance deductible to be paid by the Owner, (2) tender a claim with the Association’s insurance carrier, and (3) distribute any proceeds from the claim for the repair of the damages. In the event that the Association’s insurance policy does not cover the damages claimed to a Unit, we believe the Owner of the Unit is responsible for all costs associated with the repair of that Owner’s Unit.

We hope this opinion is helpful to the Board and I welcome you to contact me directly with any further questions at 480-427-2863.

Sincerely,



Jonathan D. Ebertshauser, Esq.

for

CARPENTER, HAZLEWOOD, DELGADO & BOLEN, LLP