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Office of the Homeowners' Association Ombudsman
UTAH DEPARTMENT OF COMMERCE

MARGARET W. BUSSE
Executive Director

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Division Director

ADVISORY OPINION NO. 2026-30

Applicant Name:	Gutu Aliu
Association Name:	Shadow Ridge Condominium Owners' Association
Association Type:	Condominium Association
Governing Statutes:	Utah Condominium Ownership Act Utah Revised Nonprofit Corporation Act
Issued Date:	07/17/2026

LEGEND OF DEFINED TERMS

Association	Shadow Ridge Condominium Owners' Association
CC&Rs	Enabling Declaration and Declaration of Covenants, Conditions and Restrictions for Waterside II Condominiums (later renamed Shadow Ridge Condominium Owners' Association), dated January 31, 1990, as subsequently amended
Board	Board of Directors or Management Committee
Bylaws	Bylaws of Shadow Ridge Condominium Owners' Association, dated September 13, 1995, as subsequently amended
Governing Documents	The Declaration (CC&Rs), Bylaws, and Rules/Policies of the Association
Ms. Aliu	Gutu Aliu
Office	Office of the Homeowners' Association Ombudsman
Rules	Shadow Ridge Condominiums Community Rules, updated January 2026, as subsequently amended

Summaries of each legal question are included at the start of each section. These summaries aim to provide a clear and straightforward answer to the question and should be read in conjunction with the complete analysis.

INTRODUCTION & BACKGROUND FACTS

A dispute has arisen between Ms. Aliu and the Association regarding the Association's recording of a lien against Ms. Aliu's unit. Ms. Aliu fell behind on her monthly assessments beginning in November 2025, and the Association subsequently took a series of collection actions, including issuing a notice of intent to lien, recording a lien against her property, and retaining legal counsel to pursue the arrears. Ms. Aliu disputes the validity of the lien and the notice she received related thereto. The Association contends that its actions were taken in full compliance with the Governing Documents and applicable law. The material facts and timeline, as presented to the Office, are as follows:

- On January 31, 1990, the CC&Rs were recorded with the Salt Lake County Recorder.
- During the 2025 calendar year and before November 1, 2025, Ms. Aliu's standard monthly assessment was $206.00. During this period, Ms. Aliu’s account was delinquent multiple times. As of the end of October 2025, however, the account ledgers reflected a credit balance of $14.00.
- On November 1, 2025, the $206.00 monthly assessment for November was billed to Ms. Aliu's account. The existing $14.00 credit balance was automatically applied to the charge, reducing the month's balance to $192.00. Ms. Aliu did not pay the remaining $192.00 balance, and the account fell into arrears.
- On December 5, 2025, Ms. Aliu made a partial payment of $250.00 toward her delinquent account balance.
- On January 27, 2026, the Association sent an email to Ms. Aliu notifying her of an outstanding balance and attaching an account ledger reflecting a past-due balance of $435.00.
- On February 20, 2026, the Association drafted a Notice of Intent to Lien addressed to Ms. Aliu, identifying a balance of $701.71 and stating that a lien would be recorded and legal fees assessed if the balance was not paid by March 5, 2026.
- On March 2, 2026, the Association recorded a Notice of Claim of Lien against Ms. Aliu's property on behalf of the Association for $928.76, plus ongoing assessments, late fees, and a $250.00 lien cost.
- On March 9, 2026, USPS attempted to deliver certified mail containing the lien notice to Ms. Aliu's residence. The delivery attempt was unsuccessful, and a notice was left indicating that Ms. Aliu could retrieve the letter from the post office.
- On March 23, 2026, USPS made a second attempt to deliver the certified mail containing the lien notice to Ms. Aliu's residence. That delivery attempt was also unsuccessful, and another notice was left at the residence informing Ms. Aliu that the letter should be picked up from the post office.
- On April 6, 2026, the Association's legal counsel drafted a formal demand letter identifying an outstanding balance of $3,830.39.
- On April 10, 2026, USPS attempted to deliver the attorney's certified demand letter to Ms. Aliu's residence. The delivery attempt was unsuccessful, and a notice was left at Ms. Aliu’s home indicating that the letter could be picked up at the post office.
- On April 15, 2026, USPS made a second attempt to deliver the attorney's certified demand letter to Ms. Aliu’s residence. That delivery attempt was also unsuccessful, and another notice was left on her door.
- On April 16 and April 20, 2026, Ms. Aliu submitted two payments through her bank's bill-pay system totaling $1,420.00. These payments included restrictive endorsements seeking application of the payments solely to the delinquent assessments.
- On April 20, 2026, Ms. Aliu emailed the Association’s Accountant stating that she had missed payments, had since issued payments toward the balance, and requested an updated monthly statement or account ledger.

- On April 28, 2026, the Association's Accountant replied to the applicant's email, stating that the payments had not yet been received at the Association's P.O. Box. The Accountant attached an updated account ledger reflecting the accelerated balance of $3,830.39 and provided the attorney's April 6 demand letter. Ms. Aliu replied the same day, disputing the assessed legal fees, the acceleration of the 2026 assessments, and the recorded lien.
- On April 29, 2026, Ms. Aliu emailed the Association's legal counsel disputing the debt and the lien. The attorney responded the same day, attaching a copy of the Rules, the notice of intent to lien, and the recorded lien.
- On April 30, 2026, Ms. Aliu submitted her request for an Advisory Opinion to the Office.
- On May 1, 2026, Ms. Aliu submitted a formal Request for Verification of Debt under the FDCPA to both the Association's legal counsel and its management. On the same date, the Association generated an updated account ledger, crediting $1,420.00 in payments and reflecting a remaining balance of $2,410.39.
- On May 4, 2026, the Association's legal counsel emailed Ms. Aliu the updated account ledger in response to her FDCPA verification request.
- On June 9, 2026, Ms. Aliu emailed the Association disputing the application of the previous payments. Specifically, Ms. Aliu argued that the April payments were intended solely for the delinquent assessment amounts, as indicated in the restrictive endorsements.
- On June 10, 2026, the Association responded to Ms. Aliu's email, indicating that the April payments had been applied in accordance with the terms of the Governing Documents, which controlled over the restrictive endorsements included on the payments.

Since the dispute remains unresolved, the Office issues this Advisory Opinion pursuant to Utah Code § 13-79-104.

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Analysis of Questions Presented & Governing Legal Principles

This dispute raises the following legal question for the Office: (1) What are the requirements when an association imposes a lien for unpaid assessments?

1. What are the Requirements When an Association Imposes a Lien for Unpaid Assessments?

Summary: Under Utah Code § 57-8-44,[1] an association holds an automatic lien on a unit for unpaid assessments from the moment the declaration is recorded, and while Utah Code § 57-8-42 requires that collection notices be fair and reasonable, neither that provision nor Utah Code § 57-8-44 specifies any particular delivery method. Ms. Aliu argued that the Association violated Utah law by sending the demand letter and lien notice by certified mail rather than email, as it had previously done. The Association responded that notice was properly given through both prior emails identifying the balance due and certified mail for the formal demand and lien. Because the lien was already perfected by the recorded declaration and certified mail is a reasonable and standard delivery method under Utah Code § 57-8-42, Ms. Aliu's failure to retrieve the certified letters did not render the Association's notice improper, and the Association did not violate Utah law in imposing the lien for unpaid assessments.

General Legal Principle: Under Utah Code § 57-8-24, an association has the power to charge unit owners their share of the property's common expenses. Utah Code § 57-8-24(2) requires an association to assess these costs based on each owner's percentage of interest in the common areas. A unit owner cannot avoid paying these costs by abandoning their unit or by refusing to use the common areas, as outlined in Utah Code § 57-8-26.

If an association has to take steps to collect an unpaid assessment, it can recover its costs. Under Utah Code § 57-8-49(1), if an association files a lawsuit to collect an unpaid assessment or enforce a lien, the court may order the losing party to pay the prevailing party's court costs and reasonable attorney's fees. If the association wins, it can also recover the costs of collecting the judgment. In a nonjudicial foreclosure, Utah Code § 57-8-49(2) allows the association to recover all costs and reasonable attorney's fees incurred in the collection effort. This includes the costs of preparing, recording, and foreclosing a lien.

To ensure assessments are paid, the law gives the association an automatic lien on a unit. Under Utah Code § 57-8-44(1)(a), an association has a lien on a unit for any unpaid assessment. Unlike many other types of liens, the association does not need to take any special action to create this lien. It exists automatically as part of the condominium's legal framework. The lien is perfected simply by recording the declaration with the county recorder. "Perfected" means the lien is legally valid against other parties. No separate document needs to be filed to create the lien each time an assessment goes unpaid. However, while the lien is automatically perfected upon recording of the declaration, an association seeking to enforce the lien for unpaid assessments will file a separate notice identifying the lien amount owed to the association by the delinquent homeowner. This notice will then be provided to the homeowner in accordance with the governing documents and Utah Code § 57-8-42.

The lien covers more than just the unpaid assessment itself. Under Utah Code § 57-8-44(1)(a)(ii), unless the declaration says otherwise, the lien also secures the costs of collecting the unpaid assessment. These costs include court costs, reasonable attorney fees, late charges, and interest. The lien also covers

[1] Ms. Aliu references the Utah Community Association Act in the information provided to the Office. However, the Association is governed under the Utah Condominium Ownership Act, and the provisions of the Community Association Act cited by Ms. Aliu are inapplicable to the situation.

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any other amount the association can recover under the declaration, the statute, or a court decision. Under Utah Code § 57-8-44(1)(a)(iii), the lien can also cover fines imposed under Utah Code § 57-8-37. However, a fine is only included in the lien if the time to appeal has passed and the owner did not appeal, or if the fine is upheld after an appeal.

If an assessment is payable in installments, the lien is not limited to the overdue installment. Under Utah Code § 57-8-44(2), the lien covers the full amount of the assessment from the time the first installment becomes due. The association can change this by stating otherwise in a notice of assessment. This means that even if only one installment is missed, the lien secures the entire assessment amount.

However, an association can only use a lien if the association itself is properly registered with the state. Utah Code § 57-8-13.1 requires an association to register with the Office and keep its information updated. If an association fails to do this, it cannot create new liens or enforce existing ones. Once the association fixes its registration, it can enforce its liens again. But there is a catch: if a unit is sold to an independent third party while the association is not registered, any old liens are erased, and no new liens can be created for past events.

Ultimately, the board decides whether and how to pursue a collection case. Utah Code § 57-8-10.7(1) requires the board to exercise its reasonable judgment. The association does not have to take legal action if the board, in good faith, decides that it is not in the association's best interest. They can consider hardship, expense, or other reasonable factors when making this choice.

Application to Matter: In this matter, Ms. Aliu argues that the Association has violated Utah law by recording a lien against her property. Specifically, Ms. Aliu argues that because the Association sent notice of the lien and demand for payment by certified mail rather than by email, as it had previously communicated with her, she did not receive the required notice, and the Association's actions therefore violated Utah law. The Association contends that the lien complies with all applicable laws and the Governing Documents. Additionally, the Association argues that notice was properly provided at each step, including several emails in which the arrears were identified, as well as the certified letters regarding the demand for payment and the lien.

While Ms. Aliu argues that the Association failed to provide her with proper notice or elected to send notice by a method they had not generally used, that does not mean the Association failed to comply with Utah law. Utah Code § 57-8-44 does not include any specific notice requirements or methods that must be followed. Therefore, when the Association provided notice to Ms. Aliu regarding the lien notice, it only had to ensure that the notice was fair and reasonable under Utah Code § 57-8-42. Sending both the demand letter and the notice of lien by certified mail to ensure they are delivered and received by Ms. Aliu is a standard practice and is reasonable under the circumstances. The fact that Ms. Aliu did not follow up with the post office to collect the certified letters in a timely manner after they were unable to be delivered to her home does not render the Association's method unreasonable. Additionally, the Association's evidence shows that Ms. Aliu was notified of the delinquency via email on January 27, 2026. The fact that the Association elected to proceed through more formal channels after not receiving payment in response to the email notice does not mean it did not comply with Utah law. Further, as discussed above, the Association has a perfected lien against Ms. Aliu's unit by virtue of the recorded CC&Rs, and standard lien requirements are inapplicable under the specific provisions of Utah Code § 57-8-44.

Ms. Aliu further disputes that she was provided the Rules, which authorize the $ 20-per-month late fee. The Association contends that the Rules are provided to all homeowners and that Ms. Aliu therefore had notice of the late fee. However, based on the information provided to the Office, the late fee provision did not arise in the 2026 Rules. The $20 late fee for late assessment payments, charged on the 6th of each month, has been in the Rules since at least 2023. Therefore, whether Ms. Aliu received the latest version is irrelevant, as the late payment fee appears to be a long-standing Rule. Therefore, there is nothing impermissible under Utah law for the Association to charge a late fee that has not changed for at least the previous 3 years in its Governing Documents, the existence of which Ms. Aliu knew or should have known.[2] Further, evidence provided by the Association demonstrates that Ms. Aliu had been assessed the $20 late fee multiple times before the 2026 Rules came into effect, further supporting the Association's position that Ms. Aliu was aware of the late fee. Similarly, Ms. Aliu argues that she did not receive the required 10-day notice for the Association to accelerate the totality of the annual assessments as required by Section 4.07 of the CC&Rs. However, the evidence provided to the Office demonstrates that the Association provided Ms. Aliu with notice of the delinquency via email on January 27, 2026. Ms. Aliu did not respond to that notice or clear the delinquency until the lien notice was recorded against her property several months later. This email provided sufficient notice for the Association to proceed with the acceleration and lien for the entire annual assessment under both Section 4.07 of the CC&Rs and Utah Code § 57-8-44.

Finally, Ms. Aliu states that the email address provided on the Office's registration website for the Association is out of date and that the Association is therefore not in compliance with Utah Code § 57-8-13.1. The Association argues that Ms. Aliu's reliance on an incorrect email to communicate with the payoff contact does not mean the Association is not in compliance with the statute's requirements, especially when Ms. Aliu had also been communicating with the correct Association email during the same period. Based on the information provided to the Office, the email address used in the parties' communications matches the one that appears on the registration website. Therefore, there is no evidence that the Association is not properly registered under Utah Code § 57-8-13.1 or that it failed to update the information as required by the statute if there was a change. Accordingly, the Association is not precluded from imposing and enforcing the lien on that basis. Ultimately, while Ms. Aliu may disagree with the Association's steps, nothing that has occurred violated Utah law. The Association provided fair and reasonable notice to Ms. Aliu of the delinquency, lien notice, and enforcement action. The lien notice was properly recorded after providing notice of the delinquency and in the amounts authorized by the Governing Documents and Utah law. Therefore, the Association's actions did not violate Utah law, and the lien and amounts due comply with the statutory requirements.

[2] A critical component of living within a condominium association is the obligation and expectation of all homeowners to obtain a copy of the governing documents, read them, and understand them. If a homeowner does not have a copy of the documents, Utah law requires an association to provide them to all homeowners. Accordingly, the fact that a homeowner does not seek to obtain or understand the governing documents does not mean they are not bound by the requirements contained therein. Additionally, arguments that a homeowner did not receive copies of the governing documents, even though they have existed for several years and no evidence shows that requests for the documents were made by the homeowner, do not preclude enforcement of those documents by the association for violations.

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CONCLUSION

Based on the information provided by the parties and the governing Utah statutes, the Office concludes as follows:

1. **Assessment Liens:** Ms. Aliu argued that the Association violated Utah law by sending the demand letter and lien notice by certified mail rather than email, as it had previously done. The Association responded that notice was properly given through both prior emails identifying the balance due and certified mail for the formal demand and lien. Because the lien was already perfected by the recorded declaration and certified mail is a reasonable and standard delivery method under Utah Code § 57-8-42, Ms. Aliu's failure to retrieve the certified letters did not render the Association's notice improper, and the Association did not violate Utah law in imposing the lien for unpaid assessments.

Erin Rider (Jul 17, 2026 09:28:49 MDT)

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INFORMATION REGARDING ADVISORY OPINIONS

This document is an Advisory Opinion issued by the Office of the Homeowners' Association Ombudsman as an alternative dispute resolution method pursuant to Utah Code § 13-79-104. The Office's jurisdiction is limited to alleged violations of state statutes, as outlined in Utah Code § 13-79-103 and Utah Code § 13-79-104. The opinions here are based on a review of the specific facts provided and may not correspond with outcomes in other cases where circumstances or laws differ. This opinion is not legal advice, does not establish an attorney-client relationship, and does not represent the official views of the State of Utah or the Department of Commerce. All parties are encouraged to seek legal counsel to protect their interests.

While this Advisory Opinion is not legally binding on any party, it could have potential consequences if the matter proceeds to litigation. Under Utah law, the opinion and related findings are not admissible as evidence in court, except for the specific purpose of evaluating attorney fees and costs. If a cause of action discussed in this opinion is litigated and resolved according to it, the prevailing party may recover reasonable attorney fees and court costs incurred from the date this opinion was issued. A court may also impose a civil penalty if it finds that the opposing party knowingly and intentionally violated the law. The decision to grant such awards rests within the court's discretion.

NOTICE TO ASSOCIATIONS

Condominium Associations must register with the Department of Commerce through the Office of the Homeowners' Association Ombudsman under Utah Code § 57-8-13.1, and Community Associations must register under Utah Code § 57-8a-105. Due to an updated registration system, any association that registered prior to September 2025 is required to complete a new registration, regardless of whether they have previously registered with the Department of Commerce. All associations must also renew their registration annually. Information about this process and the registration application is available at https://commerce.utah.gov/hoa/new-registration/.

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