

PROCEDURE No. 2

ASSESSMENT COLLECTION POLICY

1. Assessments are due on January 1 of the year and are delinquent on February 1.
2. If any portion of the assessment is unpaid by February 1 of the year, a late charge of \$10.00 will be added to the amount due. In the case of foreclosed properties acquired by the foreclosing authority or any agent thereof, the late charge will be added 30 days from the date acquired by the foreclosing authority or its agent. As long as the amount due in the current year is less than \$1.00, the late fee will not apply for that year, and the amount due will be added to the next year's assessment invoice.
3. If any portion of the amount due is not paid by March 1 of the year, interest in the amount of 1% per month will be added to the total amount due.
4. A notice of delinquency will be mailed to be sent within the first two weeks in February. Such notice will include a statement of charges owed if paid by March 1 and an estimate of interest charges to be added if paid March 1 to March 31.
5. At the discretion of the Treasurer, a second late notice may be sent after April 1st. The purpose of this second late notice is to avoid the expenses involved in the pre-lien process outlined in (6) below. A second late notice is not required prior to taking the steps outlined in (6) below.
6. If any portion of the amount due is not paid by April 1 of the year, interest in the amount of 1% will be added to the total amount due. If the Association does not have a lien applied to the property for the current property owner, a "Notice of Delinquent Assessment, Intent to Lien" will be prepared and sent by Certified mail to the delinquent owner of record at the owner's mailing address of record, and to any secondary addresses the owner may have designated. Such notice will include an itemized statement of charges owed, including the assessment(s), any past due amounts, late charges, interest, mailing, notary and/or legal, documentation preparation, and duplicating fees. Such notice shall also contain a statement of the owner's right to "meet and confer" (or rights under the Association's "Dispute Resolution Procedure" for assessments and the statement required by the Davis-Stirling act in Civil Code 5660.
7. At the Board's next meeting following April 1, the Board must authorize the recording of a lien by a majority vote. The vote must be recorded in the minutes of the meeting. Such minutes may not disclose the name of the delinquent owner, and can only refer to the property by its lot/tract number, or Assessor's Parcel Number (APN).
8. If any portion of the amount due remains unpaid 30 days following the date of the pre-lien Notice referred to in (6) above, and the Board has included the APN on a resolution providing for filing of the lien, the lien shall be recorded.
9. After the lien is recorded, the address and APN will be published on the POA's web site, and a list of current property addresses with recorded liens will be distributed to Neighborhood Watch Block Captains in order to obtain information including, but not limited to, whether the property is currently occupied and whether the property has a dwelling on it or is an empty lot.
10. Payment plans notwithstanding, all such amounts due shall be paid in full as a condition to curing and releasing the lien.

11. Upon full payment of all amounts due, the Association shall provide the property owner a lien release form, and any other paperwork required to release the lien, or at the discretion of the Treasurer and receipt of payment of recording fees, the Treasurer will cause the lien release to be recorded.
12. When the amount owed, composed of assessments, late fees, interest, collection and legal fees exceeds \$1,800, the Association may, without further advance notice, proceed to take any and all additional enforcement remedies as the Association, in its sole discretion, deems appropriate, including, without limitation, non-judicial foreclosure (based on the amount set by California State Law), or suit for money damages, all at the expense of such lot and the owner(s) thereof.
13. The Association may charge a "return check charge" of twenty five dollars (\$25.00) for all checks returned for any reason, including "insufficient funds" and "non-negotiable".
14. The Board of Directors of the Association may revise this policy, either generally or on a case-by-case basis if it finds good cause to do so.