

**GLENSHIRE/DEVONSHIRE RESIDENTS ASSOCIATION**  
***DELINQUENT ASSESSMENT COLLECTION POLICY***

1. Regular assessments are due, in advance, on the first day of each year and delinquent if not received in the Associations office or Bank within thirty (30) days after the due date thereof. Special and Individual Assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received in the Associations office or Bank within thirty (30) days after it is due. A late charge of 10% shall be due on any such delinquent assessment.
2. If any portion of any such assessment or late charge remains unpaid thirty (30) days after the original due date thereof, a Pre-lien letter will be prepared and sent, by certified mail, to the delinquent record owner(s) at the owners=last mailing address provided to the Association. Such notice will include a detail of the total amounts delinquent, including but not limited to, assessments, late charges, interest and costs of collection, if any.
3. If all such amounts have not been paid sixty (60) days after the original due date thereof, a Notice of Delinquent Assessment (ALien@ will be prepared and recorded as to the delinquent lot and the owner(s) thereof and all resulting collection fees and costs will be added to the total delinquent amounts as the Association reserves the right to recover costs of collection. A copy of the Lien will be sent, by regular and certified mail, to the address as described in item (2) above.
4. All such amounts, and all other assessments and related charges for such lot thereafter due to the Association until all such amounts are paid, must be paid in full as a condition to curing and releasing such Lien and the Association shall not be required to accept any partial or installment payments from the Lien date to the time that all such amounts are paid in full.
5. If all such amounts have not been paid, in full, within thirty (30) days after the recordation of such Lien, 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 of such Lien, judicial foreclosure, or suit for money damages, all at the expense of such lot and the owner(s) thereof.
6. At the option of the Association, interest shall be due on all such amounts, once due and unpaid for thirty (30) days, at the rate of twelve percent (12%) per annum.
7. The Association shall charge a Returned check charge@of fifteen dollars (**\$15**) for all checks returned as A non-negotiable@ A insufficient funds@ or any other reason.
8. The Board of Directors of the Association may revise this policy, either generally or on a case by case basis, if it finds cause to do so.
9. The mailing address for overnight payment of assessments is the same as that for routine assessment payments unless otherwise noted.

## **NOTICE ASSESSMENTS AND FORECLOSURE**

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

### **ASSESSMENTS AND NONJUDICIAL FORECLOSURE**

The failure to pay association assessments may result in the loss of an owner's property without court action, often referred to as nonjudicial foreclosure. When using nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the lien is not paid. Assessments become delinquent 15 days after they are due, unless the governing documents of the association provide for a longer time. (Sections 1366 and 1367.1 of the Civil Code)

In a nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 1366 and 1367.1 of the Civil Code)

The association must comply with the requirements of Section 1367.1 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association. (Section 1367.1 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail. Among these documents, the association must send a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt. (Section 1367.1 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who

recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (Section 1367.1 of the Civil Code )

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

## PAYMENTS

When an owner makes a payment, he or she may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of payment and the person who received it. The association must inform owners of a mailing address for overnight payments. (Sections 1367.1 and 1367.1 of the Civil Code)

An owner may dispute an assessment debt by giving the board of the association a written explanation, and the board must respond within 15 days if certain conditions are met. An owner may pay assessments that are in dispute in full under protest, and then request alternative dispute resolution. (Sections 1366.3 and 1367.1 of the Civil Code)

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 1367.1 of the Civil Code)

## MEETINGS AND P A YMENT PLANS

An owner of a separate interest that is not a time-share may request the association to consider a payment plan to satisfy a delinquent assessment. The association must inform owners of the standards for payment plans, if any exist. (Section 1367.1 of the Civil Code)

The board of the directors must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 1367.1 of the Civil Code)