

## Page 2 Collection Policy

If the debt has not been paid within the allotted time noted in the Pre-Lien Notice, then the association will record an Assessment Lien against the delinquent member with the Amador County Recorder. The requirements of filing this lien can be found in Civil Code Section 5675. Once this lien is recorded a copy of the document shall be mailed via certified mail to every person noted as the owner of the property in the association's records within 10 days. If the debt is paid in full after an Assessment Lien is recorded the association must record a Lien Release within 21 days of payment with the Amador County Recorder. A copy of this Lien Release shall be sent to the member via certified mail. Any costs that the association incurs in the recording of this lien and lien release will be added to the debt of the delinquent member.

The next and final step in the collection policy is **FORECLOSURE** on the members property that is listed in the Assessment Lien. In order for the Board of Directors to approve the foreclosure the debt has to be at least one year old or have a value of over \$1800.00, Civil Code Section 5720. The association can use Judicial Foreclosure or Non-Judicial Foreclosure. Judicial Foreclosure is when the association takes the member to court and a Judge orders the foreclosure. A Non-Judicial foreclose is when the association uses a professional organization that specializes in the foreclosure process without going to a court of law. There are many steps in the foreclosure process and any costs that the association incurs will be added to the debt of the delinquent member.

This Collection Policy shall be mailed to every member once a year and will be included with the annual assessment invoice.

**AMADOR PINES LANDOWNERS OF UNITS 2 AND 5, INC.  
DELINQUENT ASSESSMENT COLLECTION POLICY**

This policy was approved by the Board of Directors of the Amador Pines Landowners of Units 2 and 5, Inc., hereafter referred to as "association" in this document, on January 19, 2021. This policy meets the requirements of the California Civil Code, Sections 5600 thru 5740 and the Governing Documents of our association, CC&R's Article IV pages 10 thru 18.

All owners of lots within the jurisdiction of the association automatically become members of the association. The association shall levy regular and special assessments to its members on an annual basis sufficient to perform its obligation under its governing documents. Each owner of one or more lots has agreed to pay their assessments when they became a member of this association. There is no avoidance of payment of assessment obligation on the part of any member.

The association will mail an annual assessment invoice to each owner by May 15. Once the assessment is sent out to the member(s) it becomes a debt to that member. The payment of this assessment is due on or before July 1. If not paid the assessment becomes delinquent 15 days after the due date, July 16. A late fee of 10% of the annual assessment will be added to the delinquent account 30 days after the due date, August 1. Also on August 1, interest on the debt will begin to incur at an annual rate of 12%. Interest is imposed on the delinquent assessment, late fees and any cost that occurs while attempting to collect the debt. A monthly statement will be mailed to each member with a delinquent assessment showing the amount that is currently owed. The cost of mailing this statement will be added to the debt of the delinquent member.

At the Board of Directors bi-monthly meeting in September the treasurer of our association will provide a list of any delinquent assessments to the board. This list will consist of the Assessors Parcel Number (APN) for the individual lot(s) that have a delinquent assessment account. This list will not have the individual names of the members who are delinquent. The treasurer will request that the Board of Directors authorize her/him to begin the Assessment Lien process against those members who have not met their obligation to pay their annual assessment.

Once the Board of Directors has voted to allow the treasurer to begin the lien process the first step is to deliver a Pre-Lien Notice to the delinquent member via certified mail. The requirements of this notice can be found in Civil Code Section 5660. The amount owed to the association is itemized on this document and payment is due within 30 days after receiving this document. Any costs that the association incurs in the mailing of the Pre-Lien Notice will be added to the debt of the delinquent member. The refusal of the member to accept and sign for this document does not stop the lien process from going forward. Under Civil Code Section 5665 the member who has been notified of the debt via a Pre-Lien Notice has the right to submit a written request to the Board of Directors to discuss a payment plan for this debt.

**OVER**