

Policies

Policy for the Collection of Assessments

Effective after January 1, 2006

This policy conforms to the requirements of relevant sections of the California Civil Code.

1. **Regular Assessments.** Regular assessments are levied for the fiscal year and divided into monthly installments, payable on the first day of each calendar month. Assessments become delinquent if not received by the bank by the 15th day of the month.
2. **Special Assessments.** The date(s) for paying a special assessment will be specified in the notice of a special assessment. Payments become delinquent fifteen (15) days after the date(s) specified.
3. **Reimbursement Assessments.** The date for paying a reimbursement assessment will be thirty (30) days after the mailing date of the notice of a reimbursement levy.
4. **Payment.** All regular assessment payments will be made payable to the Woodgate Glen Homeowner's Association. Payments are applied first to outstanding assessments, and then to late fees, interest, costs of collection, *etc.*
5. **Delinquent Assessments.** Assessments become delinquent after the 15th day of the month at which time a 10% late fee is imposed. Interest is added on all balances delinquent for thirty (30) days or more at a rate of 10% *per annum* (0.8333% per month).
6. **Notices.**
 - (a) A first delinquent notice will be sent to the homeowner immediately after the 15th of the month in which the delinquency first occurs. Homeowners will be notified of their dispute resolution rights, including a right to request a repayment plan and/or to "meet and confer" with the Board. Homeowners will have fifteen (15) days from the date on the notice of delinquency to request such a plan or meeting in writing.
 - (b) A second delinquent notice will be sent to the homeowner at the end of the 15 day grace period, whereupon the homeowner will be given an additional 15 days to respond before the Association takes legal action or sends the account to collections. Homeowners who fail to make a timely request for a repayment plan will incur sizable collection costs and fees for placing a lien on their property.
 - (c) The legal rights of homeowners under the California Civil Code, Section 1365.1 (b) will be found as an attachment to this policy.
7. **Enforcement of Obligation.** If the Association initiates collections action, the homeowner is legally responsible for all reasonable costs and expenses incurred in the collection of the delinquent account.

8. **Loss of Home to Foreclosure.** A delinquent account that exceeds \$1,800 in unpaid assessments (not including late fees, interest, or fines), or is more than twelve (12) months in arrears, whichever comes first, will cause that property to be placed in either judicial or non-judicial foreclosure.

Important Notice: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION.

9. An owner has ninety (90) days in which to redeem a foreclosed property.

10. **Obligation of Former Owners.** Former homeowners remain liable for any and all obligations related to delinquent assessments accruing during their ownership. The Association enforces such financial obligations whether or not the owner has sold the unit.

11. **Returned Checks.** There will be a twenty-five (\$25) dollar charge for all checks and drafts that are returned for insufficient funds.

12. **Rights of Homeowners.** A homeowner may request the Association to consider a payment plan to satisfy a delinquent assessment. The request must be mailed to Focus Real Estate and Investments, 3936 Mayette Avenue, Santa Rosa, CA 95405 within fifteen (15) days of the postmark on the notice of delinquency. If the homeowner refuses an offer of the Association's Standard Plan, the Board will arrange a meeting with the homeowner within forty-five (45) days of the postmark on the request to consider a plan. If an owner agrees to a plan and then defaults on any of its conditions, the Association will resume collection proceedings from the date prior to initiating the plan. Further late fees and interest will not accrue if the owner meets the payment conditions of the plan.

Homeowners have the right to request a receipt for these payments.

If a delinquent assessment and its penalties are disputed, homeowners have the rights set forth in Section 1367.1 of the California Civil Code.

(a) A homeowner who elects Alternative Dispute Resolution (ADR), set forth in Sections 1354, and 1363.810 through 1363.850 (inclusive) of the Civil Code must make the request in writing and may not do so more than twice in one year, and not more than three times in any period of five calendar years except by mutual consent of the Association and the homeowner.

(b) If some or all of the assessment is judged to have been levied in error, the owner will receive a refund plus reasonable interest, as set at the time of the judgment.