

# MISSION PARK AT SANTA CLARA HOMEOWNERS ASSOCIATION

## DELINQUENCY POLICY

1. Assessments are due and payable in full on the first day of each month. All other charges including but not limited to late fees, interest, collection costs and fines are due as incurred. All assessments, late fees, interest and collection costs are subject to the Delinquency Policy.
2. Payments received will be applied in the following order: Unpaid principal including assessments and special assessments levied in accordance with the Declaration and Civil Code, late fees, collection fees, interest and CC&R's violation fees.
3. Any request for special consideration must be submitted to the Board prior to the assessment becoming more than 45 days past due.
4. NOTICE OF STATUTORY RIGHT OF ALTERNATIVE DISPUTE RESOLUTION ("ADR").  
California Civil Code Section 1366.3 provides for the resolution of disputes regarding non-payment of assessments through ADR as set forth in California Civil Code Section 1354, provided that the owner within thirty (30) days of the recording of a Notice of Delinquent Assessment, does all of the following:
  - a. Pays in full to the Association the amount of the assessments in dispute, late charges, interest and all reasonable fees and costs associated with the preparation and filing of a Notice of Delinquent Assessment (lien), including all mailing costs, and including reasonable attorney's fees not to exceed four hundred twenty-five dollars (\$425).
  - b. That during said thirty (30) days following the recording of the Notice of Delinquent Assessment (lien), the owner states to the Association in a written notice, mailed by certified mail, that the amount is paid under protest.

<u>ACTION TO BE COMMENCED</u>	<u>NUMBER OF DAYS AFTER DUE DATE</u>	<u>CHARGE TO HOMEOWNER'S ACCT.</u>
5. Late fee assessed on past due assessments	30	10%
6. Association sends a reminder notice for all outstanding charges on the account. (Assessments, late fees, interest, collection)	30	No Charge
7. An 'Intent to Lien' package is sent to the owners by certified mail. Charges incurred for this letter will be levied against the delinquent account. This includes:  Documents and processing provided in accordance with Civil Code including Account detail, Delinquency Policy, and Fine Policy.  A title check fee.	45	\$70.00
8a. A Notice of Delinquent Assessment Lien will be filed against the delinquent property and charges for its processing and recording will be levied against the delinquent account.	75 (or 30 days after Intent to Lien letter)	\$150.00
b. Copy of recorded document will be sent to owners of record by certified mail in accordance with Civil Code.		
9. Upon receipt of payment in full, a Release of Lien will be recorded. Copies will be sent to all owners of record.		\$25.00
10. Upon authorization of the Board of Directors, a Notice of Intent to Foreclose or a Notice of Impending Lawsuit will be sent to the owner. Delinquent owner will be liable for payment of fees and costs. Copies will be sent to the owners of record.	90 (or 30 days after Recording of Lien)	\$25.00
11. Account will be referred to the Association attorney or collection agent. All legal fees and costs of collection will be charged to the delinquent owner.	105	Legal fees and costs
12. Interest will be charged on assessments, late fees, and collection fees.	30	12% per annum
13. Copies of documents to multiple owners of record in accordance with Civil Code: a) One copy only b) Handling fee for additional copies and/or notary fees		No charge \$10.00

\*All fees may be subject to change.

For overnight payments, mail to:  
Merit Property Management, Inc.  
1 Polaris Way, Suite 100  
Aliso Viejo, CA 92656

Date: June 2004

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