

Lanesend Homeowners Association

Assessment and Billing Collection Policy

Prompt payment of Assessments by all owners is critical to the financial health of the Association, and to the enhancement of the property values of our homes. Your Board of Directors takes very seriously its obligation under the Declaration of Covenants, Conditions and Restrictions (CC&R's) and the California Civil Code to enforce the members' obligation to pay assessments. The policies and practices outlined shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. Therefore, pursuant to the CC&R's and Civil Code Section 1365 (d), the following are the Association's assessment practices and policies:

1. Regular monthly assessments are due and payable on the first day of each month. A courtesy billing statement is sent each month to the billing address on record with the Association. **However, it is the owner of record's responsibility to pay each assessment in full each month regardless of the receipt of a statement.** All other assessments, including special assessments, are due and payable on the date specified by the Board on the Notice of Assessment which date will not be less than thirty (30) days after the date of notice of the special assessment.
2. Assessments, late charges, interest and collection costs, including any attorney fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied (Civil Code Section 1367(a); Civil Code Section 1367.1(a)).
3. Assessments not received within fifteen (15) days of the stated due date are delinquent and shall be subject to a late charge of ten dollars (\$10.00) for each delinquent assessment per unit.
4. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorneys' fees, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner.
5. A first notice of past due assessment will be prepared and mailed on assessments not received within thirty (30) days of the stated due date. A fifteen dollar (\$15.00) charge for the late letter will be made against the delinquent member's account. Additionally, an interest charge at the rate of 12% per annum will be assessed against any outstanding balance including delinquent assessments, late charges, and cost of collection, which may include attorney fees. Such interest charges shall continue to be assessed each month until the account is brought current.
6. If an assessment is not received within forty-five (45) days of the stated due date, the Association will send a pre-lien letter to the owner as required by Civil Code Section 1367.1(a), by certified and first class mail, to the owner's mailing address of record advising of the delinquent status of the account and impending collection action. The owner will be charged an eighty-five dollar (\$85.00) fee for the pre-lien letter. The owner may also be charged a twenty-five dollar (\$25.00) title check fee.
7. If an owner fails to pay the amounts set forth in the pre-lien letter within thirty (30) days of the date of that letter, a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection including attorneys' fees may be assessed against the owner's property. The owner will be charged a one hundred eighty-five dollar (\$185.00) fee for the preparation and recordation of the lien. After the expiration of thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure (Civil Code Section 1367 (e); Civil Code Section 1367.1(g)).
8. If an owner, within thirty (30) days from the date of recordation of the lien, pays to the Association, under protest, all amounts required by Civil Code Section 1366.3 (the amount of assessments, late charges, interest, all fees and costs to date of preparing and filing the lien), the owner may request resolution of the assessment dispute by Alternative Dispute Resolution as outlined in Civil Code Section 1354, by civil action, or by other procedures available through the Association.

9. If the balance due is not paid within thirty (30) days of recordation of the lien, the matter may be turned over to an attorney for legal action, including an action to foreclose the assessment lien and/or for a money judgment. The owner will be charged one hundred dollars (\$100.00) for preparing the matter to be sent to counsel.
10. An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed pursuant to Corporations Code Section 8333.
11. In the event it is determined that the owner has paid the assessments on time, the owner will not be liable to pay the charges, interest, and costs of collection associated with the collection of those assessments.
12. Any owner who is unable to pay assessments will be entitled to make a written request for a payment plan to be considered by the Board of Directors. An owner may also request to meet with the Board in executive session to discuss a payment plan. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests.
13. Nothing herein limits or otherwise affects the Association's rights to proceed in any lawful manner to collect any delinquent sums owed to the Association.
14. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and legal fees must be paid in full to the Association.
15. The delinquent owner will be responsible for all costs of collection, including attorneys' fees, incurred by the Association to collect any delinquent sums (Civil Code Section 1366 (e)).
16. All charges listed herein are subject to change without notice.

Fee and Penalty Procedures

The following charges may be assessed in accordance with the Association's Assessment and Billing Collection Policy:

Late Charge	\$10.00
Late Letter Fee	\$15.00
Pre-Lien Letter	\$85.00
Additional Pre-Lien Letters	\$25.00 each
Title Check Fee	\$25.00
Lien Fee	\$185.00
Lien Release	\$25.00
Payment Plan Admin. Fee	\$25.00
Attorney Package Preparation	\$100.00
Returned Check Fee	\$25.00

In addition to the above, if a matter is sent to counsel for legal action, or to a collection service for foreclosure or other action, the owner will be responsible for any attorneys' fees and costs incurred by such action.

**The mailing address for overnight payment of assessments is:
C/O Keystone Pacific Property Management
16845 Von Karman Ave., Suite 200
Irvine, CA 92606**