



**Woodbridge Village Association
Delinquent Assessment 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&Rs) and the California Civil Code to enforce the members' obligation to pay assessments. All 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&Rs and Civil Code Section 1367.1 et seq., 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 in 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 1367.1 (a)). A Notice outlining some of the rights and responsibilities of Association members, is required to be given annually pursuant to Civil Code Section 1365.1 (a) and is distributed by the Association during the 60 day period immediately preceding the beginning of the Association's fiscal year.
3. Payments are posted as of the date received at the Association office. Assessments not received within thirty (30) 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. Additionally, an interest charge at the rate of 10% per annum will be assessed against any outstanding balance, including delinquent assessments, late charges, and costs of collection, which may include attorney fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current. Any returned checks shall also be assessed a fee of twenty-five dollars (\$25.00).
4. Any payments made shall be first applied to assessments owed, and only after the principal owed is paid in full, shall such payments be applied to late charges, interest, or collection expenses including attorneys' fees, unless the owner and Association enter into an agreement providing for payments to be applied in a different manner.
5. If an assessment becomes more than seventy-five (75) days delinquent, 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 regular mail, to the owner's mailing address of record advising of the delinquent status of the account and impending collection action, as well as the right to request a meeting with the Board and the right to dispute the charges through the Association's internal dispute resolution ("IDR") process pursuant to Civil Code Section 1367.1(c). The owner will be charged a seventy five dollar (\$75.00) fee for the pre-lien letter. The owner may also be charged a thirty dollar (\$30.00) title check fee.
6. If an owner fails to pay the amounts set forth in the pre-lien letter and does not request IDR within thirty (30) days of the date of the pre-lien letter, the Board shall decide, by majority vote in an open meeting, whether to authorize the collection agent to record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees, against the owner's property. The owner will be charged one hundred twenty five dollars (\$125.00) by the Association for its costs in preparing the matter to be sent to the collection agent. In addition to the above, if a matter is sent to the collection agent, the owner will be responsible for any and all costs of collection including costs incurred in collecting delinquent assessments, including attorneys' fees, over and above the Association's costs stated herein. The lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure (Civil Code Section 1367.1 (g)). In addition, the member's privileges to use the facilities shall be subject to suspension pursuant to Woodbridge Village Association CC&R's, Article XII, Section 1 (d). The member will be provided a duly noticed hearing on the proposed suspension, and if the member's privileges are suspended, all Facility Identification must be returned to the Association office. The member may be subject to additional fines, after a duly noticed hearing, if the member fails to return the Facility Identification cards.



**Woodbridge Village Association
Delinquent Assessment Collection Policy**

7. Once the matter has been transferred to the collection agent, it may be authorized to commence a non-judicial foreclosure action to enforce the lien when thirty (30) days has passed since the lien was recorded, by recording a Notice of Default. The Association may authorize the collection agent to commence foreclosure of your property if either (a) the delinquent assessment amount totals One Thousand, Eight Hundred Dollars (\$1,800) or more, excluding accelerated assessments and specified late charges and fees or (b) the assessments are delinquent for more than twelve (12) months. You could lose ownership of your property if a foreclosure action is completed. You will be responsible for significant additional fees and costs if a foreclosure action is commenced against your property.
8. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent owner(s) by identifying the matter in the minutes by only the parcel number of the owner's property. Prior to initiating any foreclosure sale on a recorded lien, the Association shall offer delinquent homeowners the option of participating in IDR or Alternative Dispute Resolution ("ADR").
9. An owner is entitled to inspect the Association's accounting books and records to verify the amounts owed pursuant to Corporations Code Section 8333.
10. In the event it is determined the owner has paid the assessments on time, the owner will not be liable to pay the charges, interests, and costs of collection associated with collection of those assessments.
11. An owner has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection agent for delivery to the Association pursuant to Civil Code Section 1363.810 et seq.
12. An owner has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 1369.510 et seq. before the association may initiate foreclosure against the owner's separate interest, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.
13. Any owner who is unable to pay assessments will be entitled to make a written request for a payment plan to the collection agent 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 if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien Letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with the Association's ability to record a lien on an owner's separate interest to secure payment for the owner's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved, additional late fees from the homeowner will not accrue while the owner remains current under the terms of the payment plan. If the owner breaches an approved payment plan, the Association may resume its collection action from the time the payment plan was approved. 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 costs incurred in collecting delinquent assessments, including attorneys' fees, must be paid in full.
15. All charges listed herein are subject to change upon thirty (30) days prior written notice.
16. The mailing address for overnight payment of assessments is: Woodbridge Village Association, 31 Creek Road, Irvine, California, 92604