

SEA COUNTRY - THE VILLAGES HOMEOWNERS ASSOCIATION
DELINQUENT ACCOUNT COLLECTION POLICY
APRIL, 2024

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 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&Rs and Civil Code Section 5320(a) & 5320(b), the following are the Association's assessment practices and policies:

1. Assessments, late charges, interest and collection costs, including any attorney's fees are both the personal obligation of the owner of the property at the time the assessment or other sums are levied (5740; 5650(a)) and a lien against the subject property.
2. 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 whether a statement is received.** All other assessments, including special assessments, are due and payable according to the terms set forth in the notice of special or other assessment.
3. Pursuant to the Declaration and California Civil Code Section 5600 there is hereby levied against any assessment account which is not paid in full as of the 15th day of the month (therefore considered delinquent) a late fee in the amount of \$10.00 which Bali Management is authorized and directed to charge to and collect from any delinquent homeowner.
4. The Association's agent is directed to send any homeowner who is more than thirty (30) days late in the payment of regular or special assessment, or other charges authorized by the Association's governing documents, including the costs of collection and any interest, (hereinafter referred to as "Assessments") a written notice (herein after referred to as "Delinquency Notice"), of the late fee and a request for immediate payment, which shall conform to Civil Code requirements. The Delinquency Notice shall state that if the account is not PAID IN FULL within thirty-five (35) days, a Lien will be recorded.
5. The Association's agent is directed to file a Lien against the delinquent unit as described in the Delinquency Notice if the homeowner's Assessments are not paid in full within thirty-five (35) days of the mailing date of the Delinquency Notice.
6. The Association's agent is directed to send any homeowner who is more than ninety (90) days late in the payment of Assessments a written notice (herein after

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referred to as “Final Demand”) that if the account is not paid in full within ten (10) days it will be turned over for legal action either in the form of a Small Claims Court action, Municipal or Superior Court action or to the Association’s attorneys for commencement of either judicial or non-judicial foreclosure and the homeowner will be liable for payment of all charges imposed by the Association’s attorneys and/or its agents to cover fees and costs charged to the Association; and that the Association shall not use the non-judicial foreclosure option to collect fines or penalties but only assessments, reasonable costs of collection, attorney’s fees, late charges and interest.

7. All homeowners have the right to request an itemization of the charges on their account and upon written request; Bali Management will provide an itemized list of charges and credits applied, as required by law. All owners are entitled to inspect the Association’s books and records to verify amounts owed.
(Corporations Code Section 8333)
8. All homeowners have the right, upon presentation of payment, to request and receive a receipt indicating the date, amount and recipient of payment.
9. Any homeowner may request special consideration and submit a payment plan proposal to be reviewed by the Board of Directors. Such request shall be in writing for consideration at the next Executive Session. Any homeowner may request a meeting with the Board of Directors to discuss a payment plan request. Such meetings shall be held in accordance with Civil Code provisions.
10. Overnight payments will be accepted Monday through Friday at the following address: c/o Bali Management, 385 Van Ness Ave Suite 105 Torrance, CA 90501.
11. Intermittent, irregular or payments for other than the full balance shall be applied first to the current assessments, second to assessment arrears, third to special assessments, fourth to late charges, fifth to collection and/or legal charges, sixth to penalty or remedial assessments and any extraordinary charges.
12. The Association shall have the right, pursuant to Civil Code Section 5650(b) to charge interest at the rate of 12% per annum for any balance 30 days or more late.
13. The collection practices of the Association and its agents are to be governed by state and federal fair debt collection laws and penalties may be imposed for failure to comply with those laws.
14. Fines or penalty assessments shall be levied according to the following schedule, pursuant to the Association’s governing documents and with appropriate disciplinary hearings required by law:

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Penalty Assessments/Violations

1st Violation	0 - \$250
2nd Violation (same offense)	\$50 - \$250
3rd Violation (same offense)	\$100 - \$250
Additional Violations (same offense)	\$250 +
Resident Parked in Visitor Parking	\$75.00
Street Sweeping Violation	\$75.00

15. Collection charges shall include, but not be limited to, the following charges which shall be subject to change without notice to the homeowners:

Delinquency Notice	\$115
Lien	\$325 Plus Filing Fee
Final Demand	\$125
Preparation of File for Small Claims, Legal Action or Foreclosure	\$100-400
Initiation of Small Claims Action	\$300
Preparation of Association Representative for Small Claims Appearance	\$200
Payment Plan Administration	\$25-50/per month
Foreclosure	Per Attorney Fee Schedule

16. When the Board is to meet to consider or impose a monetary charge as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting. (Civil Code Section 5855(a).)