



---

One Glen Lake Drive, Pacific Grove, CA 93950  
831.642.2441 ✦ <http://theglenofpg.com>

## **ASSESSMENT & FORECLOSURE POLICY**

This policy outlines some of the rights and responsibilities of owners of property in The Glen. Please refer to the sections of the Civil Code or governing documents for further information. You may wish to consult a lawyer if you dispute an assessment. In this policy, “we” and “our” refer to the association acting through its board of directors and “you” refers to you as the owner of record of a unit.

### **ASSESSMENTS and LATE FEES**

Interest accrues on unpaid assessments 30 days after they are due. Interest on delinquent payments run at the rate of 12% per annum (not compounded). A late charge will be assessed of 10% of the delinquent amount.

### **FORECLOSURE**

The failure to pay association dues or assessments may result in the loss of your property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, we may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues (exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection) is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or for assessments more than 12 months delinquent, we may use judicial or nonjudicial foreclosure subject to the conditions set forth in Section 1367.4 of the Civil Code.

When using judicial or nonjudicial foreclosure, we record a lien on your property. Your property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 1366, 1367.1, and 1367.4 of the Civil Code) In a judicial or nonjudicial foreclosure, we may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. We may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a member or a member's guests, if the governing documents provide for this. (Sections 1366 and 1367.1 of the Civil Code) We must comply with the requirements of Section 1367.1 of the Civil Code when collecting delinquent assessments. If we fail to follow these requirements, we may not record a lien on your property until we have satisfied those

requirements. Any additional costs that result from satisfying the requirements are our responsibility. (Section 1367.1 of the Civil Code)

At least 30 days prior to recording a lien on your property, we must provide you with certain documents by certified mail including a description of our collection and lien enforcement procedures and the method of calculating the amount. We must also provide an itemized statement of the charges owed by you. You have a right to review our records to verify the debt. (Section 1367.1 of the Civil Code) If a lien is recorded against your property in error, the person who recorded the lien is required to record a lien release within 21 days and to provide you certain documents in this regard. (Section 1367.1 of the Civil Code) Our collection practices may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

### **PAYMENTS**

When you make a payment, you may request a receipt and we are required to provide it. On the receipt, we must indicate the date of payment and the person who received it. We must inform you of a mailing address for overnight payments. (Section 1367.1 of the Civil Code) You may dispute an assessment debt by submitting a written request for dispute resolution to us as set forth in Article 5 (commencing with Section 1368.810) of Chapter 4 of Title 6 of Division 2 of the Civil Code. In addition, we may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 2 (commencing with Section 1369.510) of Chapter 7 of Title 6 of Division 2 of the Civil Code, if so requested by you. Binding arbitration is not available if we intend to initiate a judicial foreclosure. You are not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 1367.1 of the Civil Code)

### **MEETINGS & PAYMENT PLANS**

You may request us to consider a payment plan to satisfy a delinquent assessment. We must inform you of the standards for payment plans, if any exist. (Section 1367.1 of the Civil Code) We must meet with you if you make a proper written request for a meeting to discuss a payment plan when you have received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the association, if they exist. (Section 1367.1 of the Civil Code) You may provide written notice by facsimile transmission or United States mail to us of a secondary address. If a secondary address is provided, we shall send any and all correspondence and legal notices required pursuant to this article to both the primary and the secondary address.

Adopted this 16<sup>th</sup> day of March, 2010



Glen Grossman

Secretary, The Glen of Pacific Grove Homeowners Association, Inc.