

Winding Way Community Association

www.windingwayhoa.com

COLLECTION POLICY

Adopted November 25, 1996

PURPOSE: To define the process for handling the notification and processing of delinquent Association assessments.

PROCEDURE: When an Association member becomes 30 days delinquent in Association fees, the Management Company will send a notice of delinquency to the Association member as a reminder that they are now 30 days delinquent.

When the Association member becomes 60 days delinquent, the Management Company sends another reminder to the member reminding them that they are now 60 days delinquent and a \$5 late fee will be incurred. The notification also states that if the assessment is not brought up to date within 75 days, the item will be turned over to the Association Attorney for filing of lien on the property.

At the 75-day period, the Management Company contacts the Association treasurer for permission to file the lien. The treasurer has the authority to give permission to the Management Company to file the lien. The treasurer will then inform the Board at the next Board meeting of the lien approval.

The Management Company will then contact the attorney informing him to start lien processing on the delinquent Association member's property. The attorney will act as the collection agent for the Board, retaining the fee portion for himself and returning to the Management Company the delinquent fees.

ALTERNATIVE DISPUTE RESOLUTION

California Civil Code, Section 1354

Section 1354. Enforceability of CC&R's; Alternative Dispute Resolution Requirements:

- (a) The covenants and restrictions in the declaration shall be enforceable equitable servitudes, unless unreasonable, and shall inure to the benefit of and bind all owners of separate interests in the development. Unless the declaration states otherwise, these servitudes may be enforced by any owner of a separate interest or by the association, or by both.
- (b) Unless the applicable time limitation for commencing the action would run within 120 days, prior to the filing of a civil action by either an association or an owner or a member of a common interest development solely for declaratory relief or injunctive relief, or for declaratory relief or injunctive relief in conjunction with a claim for monetary damages, other than association assessments, not in excess of five thousand dollars (\$5,000), related to the enforcement of the governing documents, the parties shall endeavor, as provided in this subdivision, to submit their dispute to a form of alternative dispute resolution such as mediation or arbitration.

...Failure by any member of the association to comply with the prefiling requirements of Section 1354 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents.

NOTE: The full text of Section 1354 of the Civil Code is available upon request.