

The Rancho Tehama Association

Assessment Collection Policy

Approved June 2, 2009

The effective and prompt collection of assessments is critical to the operation of The Rancho Tehama Association. It is only through this collection that bills are paid and property values maintained. Owners should be prompt with their payments. State law requires a disclosure of the following delinquent assessment fee collection policy established by the Board of directors in accordance with The Rancho Tehama Association CC&R's:

1. Assessments are due on the 1st day of the month and delinquent if not **received, in full, by the Association by the last business day of the same month.** Any special assessments are due according to the terms of the special assessments.
2. Assessments are delinquent at the close of business on the last business day of the month that they are due, and if not received, a **late charge of \$10.00** will be added.
3. When assessments are a minimum time period of **3 months past the due date**, the owner will receive a **"Last Notice"** from the management company, advising owner of the delinquency, and requesting immediate payment.
4. When assessments become delinquent by a **minimum time period of 4 months past the due date**, the account is referred to a collection agency and will then be liable for a **minimum of \$400.00 in additional fees.**
5. If payment is not received according to the specific guidelines of the pre-lien letter from the collection agency, a lien will be recorded against the owner's unit. **The charge to the owner for the preparation and recordation of the lien is a minimum of \$395.00.** This lien will encumber the property and, very likely, prevent the sale of the unit until all delinquencies and costs of collection are paid. All charges are subject to change without notice.
6. If an assessment becomes delinquent by more than **twelve (12) months or \$1,800.00**, a non-judicial *foreclosure* action may be commenced to enforce the lien. The owner of the property could lose ownership of the property if a foreclosure action is commenced. **Owners are also responsible for significant additional costs and fees if a foreclosure action is commenced against the property.**
7. The management company shall charge a "returned check charge" of twenty-five dollars (\$25.00) for all checks returned as "non-negotiable", "insufficient funds", or any other reason. **Additionally, the management company charges a minimum fee of \$75.00 for each account referred to the collection agency.**
8. All above-referenced notices will be mailed to the owner(s) of record at the last mailing address provided in writing to the Association by such owner(s).
9. The Board of Directors of the Association may revise this policy, either generally or on a case-by-case basis, after findings of good cause.