

# VILLA PORTOFINO HOMEOWNERS ASSOCIATION

c/o Hilltop Community Executives  
P.O. Box 34398-830  
San Diego, CA 92163-4398  
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## VILLA PORTOFINO OWNERS' ASSOCIATION COLLECTION POLICY

### ASSOCIATION ASSESSMENT COLLECTION POLICY

The Association is responsible for managing and operating the common areas of the project, and for collecting annual Homeowners' Assessment. The timely collection of the assessments from all Homeowners is important to the management and operation of the project, and to the preservation of property values. Pursuant to California Civil Code Section 1365 (d), the Assessments had adopted the following policy for the collection of delinquent assessments.

1. Annual assessment shall be paid monthly in twelve (12) equal payments. Each installment is due on the first day of the month. Any installments not paid by the fifteenth (15<sup>th</sup>) of the month shall be delinquent and shall be assessed a late charge of \$10.00. If a check is returned for insufficient funds, the owner will be charged a **\$25.00 fee**.
2. Upon any installment becoming delinquent, the Association, through its designed agent, shall mail a notice to the owner via certified mail to pay the account in full within (30) days or a lien will be recorded against the owner's property. The owner's account will be charged \$35.00 for the 30-day pay or lien notice. Should the owner fail to bring the account current pursuant to the Association's demand, the Association will cause a lien to be recorded against the owner's property.
3. Within ten (10) days a lien is recorded for delinquent assessments, the Association will mail a copy of the lien to all record owners of the property by certified mail.
4. If an assessment account remains delinquent following recordation of a lien, the Association or its designated agent will diligently proceed with foreclosure pursuant to California Civil Code Sections 1367.1 and 1367.4. In lieu of foreclosure, or concurrently, a lawsuit may be filed against the owner personally if the Association concludes such action will enhance the prospect of recovering the delinquent assessments, or will otherwise be in the best interest of the Association.
5. All collections actions will comply with applicable provisions of the Davis Stirling Common Interest Development Act, California Civil Code Section 1350, et seq.

6. All attorney's fees, costs, late charges, interest, penalties, fines, charges, and expenses billed to the Association for any of the above activities shall be added to the owner's account and shall become the liability of the owner.
7. The Association may, prior to recording a lien or filing a lawsuit, declare the entire annual assessment for the delinquent property immediately due and payable if the Association concludes such action will enhance the prospect of recovering the delinquent assessments, or will otherwise be in the best interest of the Association.

Monetary payments received from a homeowner will be credited to balances on the homeowner's account in the following order:

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|--------------------------|--------------------------------|
| a. Emergency assessments | d. Monetary penalties or fines |
| b. Special assessments   | e. Late charges                |
| c. Regular assessments   | f. legal fees and cost         |
|                          | g. Interest                    |