



Cielo Vista Homeowners' Association Delinquency & Collection Policy

Adopted March 2013

We, the Board of Directors for Cielo Vista Homeowners' Association of Hollister, Inc., hereby resolve to accept the following policy for the collection of assessments. The authority for this procedure is provided in the Covenants, Conditions and Restrictions of this Association and California Civil Code and shall be consistently implemented by the managing agent.

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 under the Declaration of Covenants, Conditions and Restrictions (CC&R's) and the California Civil Code 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&R's and Civil Code, the following are the Association's assessment practices and policies:

1. Assessments, late charges, interest and collection costs, including any attorneys' fees, are the personal obligation of the owner of the property at the time the assessment or other sums are levied.
2. Regular yearly assessments are due and payable on the first day of January each year. A courtesy billing statement is sent 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 on the date specified by the Board on the Notice of Assessment, which date will not be less than thirty (30) days after the date of notice of the special assessment.
3. Any payments made shall be first applied to assessments owed, and only after the assessments owed are paid in full, shall such payments be applied to late charges, interest, and collection expenses, including attorneys' fees, unless the owner and the Association enter into an agreement providing for payments to be applied in a different manner.
4. Assessments not received within thirty (30) days of the stated due date are delinquent and shall be subject to a late charge of ten dollars (\$10.00) for each delinquent assessment per lot.
5. An interest charge at the rate of 12% per annum will be assessed against any outstanding balance, including delinquent assessments, late charges, and cost of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.



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6. Late fees will be assessed against any outstanding balance, including delinquent assessments, late charges, and cost of collection, which may include attorneys' fees. Such interest charges shall accrue thirty (30) days after the assessment becomes due and shall continue to be assessed each month until the account is brought current.
7. If a special assessment is payable in installments and an installment payment of that special assessment is delinquent for more than thirty (30) days, all installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to a late charge and interest as provided above.
8. If an assessment is not received within thirty (30) days after the assessment becomes delinquent, the Association or its designee, in the event the account is turned over to a collection agent, will send a pre-lien letter to the owner as required by Civil Code, by certified and first class mail, to the owner's mailing address of record advising of the delinquent status of the account and impending collection action. The owner will be charged a fee for the pre-lien letter.
9. If an owner fails to pay the amounts set forth in the pre-lien letter within thirty (30) days of the date of that letter, the Association will authorize the service for collection to record a lien for the amount of any delinquent assessments, late charges, interest and/or costs of collection, including attorneys' fees against the owner's property. The owner will be charged for the fees and costs of preparing and recording the lien. Thirty (30) days following recordation of the lien, the lien may be enforced in any manner permitted by law, including, without limitation, judicial or non-judicial foreclosure.
10. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and costs of collection, including attorneys' fees, must be paid in full to the Association.
11. The mailing address for payments of assessments by overnight delivery is shown below. Please note that should an account be referred to a collection service, the collection service will provide the new address for overnight payments.

Cielo Vista Homeowners' Association
c/o P.O. Box 2137
Hollister, CA 95024-2137