Title: Foreclosure

Purpose: This policy explains the procedure for foreclosing on a unit that is at least 120 days in arrears that complies by North Carolina House Bill 165.

I. Why Do Foreclose on a Unit
1. When a unit is at least 120 days in arrears of either monthly or special assessment payments.

II. What Steps Are Taken to Start Foreclosure Proceedings
1. The Holiday Beech Villa's Board of Directors MUST approve the foreclosure of any unit prior to Homeowner notification through a Foreclosure letter.
2. Thorough research of financial payments for unit in arrears, determining the accurate dollar amount homeowner owes.
3. A Foreclosure letter, sent via certified mail, to homeowner indicating total amount due, date on which amount is due.
4. Owner is notified in all letters preceding foreclosure letter that they are responsible for all attorney fees, CPA and court costs regarding the foreclosure on their unit.
5. Notify Holiday Beech Villas (HBV) President and Treasurer by fax, e-mail or in person of amount due and received approval for continuation of foreclosure proceedings.
6. Once approval from officers is given, notify HBV attorney, or attorney's representative (herein referred to as attorney), in writing, regarding unit number, unit owner, owners address and total amount due.
7. HBV's attorney will proceed with foreclosure.

III. Can a Homeowner Go On a Payment Plan to Payoff Debt
1. After receiving Foreclosure notification, if owner contacts HBV office with form of payment of debt owed, they will be referred to the HBV representative and that representative will exclusively work out a payment plan with owner. The HBV representative will then notify the office of payment plan. A payment plan **is not** guaranteed.

IV. When is the Foreclosure Discontinued
1. The foreclosure will not be discontinued until ten (10) days after the entire debt is satisfied.