

**POLICIES & PROCEDURES AMENDMENT
AS APPROVED BY LTPA BOARD SEPTEMBER 19, 2021**

Collection of Dues and Assessments; Enforcement of Liens

Wording as of September 19, 2021

Assessments

All members are subject to the payment of the annual assessment which is fixed each year by action of the Board of Directors. The assessments are based on the operating costs of the Association. An annual budget is prepared. The rate of the annual assessment is approved by the Board by years end and posted on the website under schedule of fees. The rate is also included in the annual letter from the president. The annual assessment shall not exceed one percent of the assessed value of a member's property.

Assessment bills are mailed to all members in January of each year. Payments on assessments are due on receipt. A late fee of 10% will be applied to all assessments which are unpaid on April 1 and key cards will be deactivated. Thereafter, delinquent assessment payments will accrue interest at the rate of 10% per annum on the balance of the unpaid assessment. The member will be denied access to the Park and will be ineligible to use any Association amenities until the account is brought current.

Replacement as of September 20, 2021

Collection of Dues and Assessments; Enforcement of Liens.

- A. Assessments. All members are subject to the payment of regular assessments (also referred to as "annual assessments" or "dues") and special assessments (collectively, "Assessments"). The Assessments are based on the operating costs of the Association. An annual budget is prepared. Each year, the upcoming regular assessment is approved by the Board by year's end and posted on the website under schedule of fees. The amount of the regular assessment is also included in the annual letter from the president. The regular assessment shall not exceed one percent of the assessed value of a member's property.

- B. Generally. Regular assessments are mailed to all members in January of each year. Payments on Assessments are due on receipt. The Board of Directors is authorized and empowered to promulgate a schedule of reasonable late charges for any delinquent Assessments and may assess interest on all sums owed by the delinquent member(s). It is currently the Association's policy to apply a late fee of ten percent (10%) to all current Assessments which are unpaid on April 1 and to impose a ten percent (10%) per year charge each year thereafter on April 1 on the total amount of the remaining delinquency, representing both interest and late fee. The Association may in the future modify this policy by amendment to this procedure and policy. An example of a five (5) year delinquency calculation is shown in Table 1 below.

Annual Late Fee		10%		
Year	Notes	Annual Assessment	Cumulative Assessments	Late Fee
2017		\$300.00	\$300.00	\$30.00
2018		\$335.00	\$635.00	\$63.50
2019		\$335.00	\$970.00	\$97.00
2020		\$335.00	\$1,305.00	\$130.50
2021		\$335.00	\$1,640.00	\$164.00
Totals		\$1,640.00	\$1,640.00	\$485.00
			Total:	\$2,125.00

Table 1: Calculation of Delinquency

- C. Association Assessment Lien Rights. The amount of the Assessments, plus any costs of collection (including reasonable attorney’s fees), late charges, and interest assessed shall be a lien on the delinquent member’s lots in the subdivision (each a “Lot”) from and after the time the Association causes to be recorded in the Office of the County Recorder a Notice of Delinquent Assessment. The Notice of Delinquent Assessment shall state the amount of the Assessments and other sums imposed in accordance with the Lake Tahoe Park Association’s Bylaws, a legal description of the member’s Lot against which the Assessments and other sums are levied, and the name of the record owner of the member’s Lot against which the lien is imposed. An itemized statement of the Assessments and costs owed by the member shall be recorded together with the Notice of Delinquent Assessment. The decision to record a lien for delinquent Assessments shall be made only by the Board of Directors of the Association and may not be delegated to an agent of the Association. The Board of Directors shall approve the decision by a majority vote of the Board of Directors and the vote shall be recorded in the minutes of the meeting.
- a. In order for the lien to be imposed by foreclosure as provided in subsection D. d. ii., below, the Notice of Delinquent Assessment shall state the name and address of the trustee authorized by the Association to enforce the lien by sale. The Notice of Delinquent Assessment shall be signed by any officer of the Association or by the person designated by the Association for that purpose or if no one is designated, by the president of the Association. The president may delegate this authority to another officer or agent of the Association in a signed writing. A copy of the recorded Notice of Delinquent Assessment shall be mailed to every person whose name is shown as an owner of the Lot in the Association’s records.
 - b. A lien created pursuant to the Lake Tahoe Park Association’s Bylaws shall be prior to all other liens recorded against the member’s Lot subsequent to the Notice of Delinquent Assessment.
- D. Enforcement Remedies. Once Assessments become delinquent, the Association may elect to apply any or all of the following remedies:
- a. Loss of Membership Voting Rights. The delinquent member or joint members of record shall be ineligible to vote upon matters that come before the members of the Association. If the member or joint members of record is/are the owner of record of more than one building site, they shall only be eligible to vote upon matters that come before the members of the Association so long as all delinquent Assessments are paid and current for all building sites for which the member or joint members of record is/are the owner of record.

- b. Loss of Use of Association Facilities. If any Lots owned by the delinquent member or joint members of record are delinquent in payment of Assessments, their keycards will be deactivated, and the delinquent member or joint members of record (and their family, tenants, guests, etc.) shall be ineligible for and denied usage of the Association, beach, park, and other recreation facilities, amenities, and services offered by the Association.
- c. Enforcement of A Member's Personal and Contractual Obligation to Pay Assessments. The Association may bring a legal action directly against a delinquent member or joint members of record for breach of the personal and contractual obligation to pay Assessments and in such action the Association shall be entitled to recover the delinquent Assessments, accompanying late charges, interest, costs, and reasonable attorney's fees. Commencement of a legal action shall not constitute a waiver of any lien rights as described in subsection D. d., below.
- d. Imposition and Enforcement of Assessment Lien.
 - i. Issuance of Delinquency Notice; Contents. The Association may impose a lien against a delinquent member's Lot, by recording a Notice of Delinquent Assessment with the County Recorder, as described above, for the amount of the delinquent Assessments, plus any reasonable costs of collection of said Assessment (including reasonable attorney's fees), late charges and interest, after notifying the member in writing by certified mail, not less than thirty (30) days prior to recording a Notice of Delinquent Assessment, of the following (the "Delinquency Notice"):
 - (i) A general description of the collection and lien enforcement procedures of the Association and the method of calculation of the amount of the Assessments, a statement that the member has the right to inspect the Association books and records that pertain to the Lot's Assessments, and the following statement in capital letters: "IMPORTANT NOTICE: A LIEN IS A LEGAL RIGHT OR CLAIM AGAINST A PROPERTY BY A CREDITOR. IF A LIEN IS IMPOSED ON YOUR LOT BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, YOUR LOT MAY BE PLACED IN FORECLOSURE AND SOLD WITHOUT COURT ACTION."
 - (ii) An itemized statement of the charges owed by the member, including items on the statement which indicate the amount of any delinquent Assessment, the fees and reasonable costs of collection, reasonable attorneys' fees, any late charges, and interest, if any.
 - (iii) A statement that the member shall not be liable to pay the charges, interest, and costs of collection previously levied by the Association if it is subsequently determined that the Assessments were paid on time.
 - ii. Enforcement of Lien by Foreclosure. After the expiration of thirty (30) days following the recording of a Notice of Delinquent Assessment, the Association's lien may be enforced in any manner permitted by law, including sale by the court, sale by the trustee designated in the Notice of Delinquent Assessment, or sale by a trustee substituted pursuant to Civil Code section 2924(a). Any sale by the trustee shall be conducted in accordance with Civil Code sections 2924,

2924(b) and 2924(c) applicable to the exercise of powers of sale in mortgages and deeds of trust. The following specific limitations shall apply to the Association's authority to pursue foreclosure remedies as a means of collecting delinquent Assessments:

- (i) The decision to initiate foreclosure of a lien for delinquent assessments that has been validly recorded shall be made only by the Board of Directors of the Association and may not be delegated to an agent of the Association. The Board shall approve the decision by a majority vote of the Board and shall record the vote in the minutes of the meeting. The Board shall maintain the confidentiality of the member or members of the Lot to which the delinquent Assessments pertain by identifying the matter in the minutes by the parcel number of the Lot, rather than the name of the member or member(s). A Board of Directors vote to approve foreclosure of a lien shall take place at least thirty (30) days prior to any public sale of the Lot in question.
 - (ii) If the Board of Directors votes to commence foreclosure proceedings to collect delinquent Assessments, the Board shall provide notice of that decision by certified mail to the delinquent member. In the absence of written notification by the member to the Association, the address of the member's Lot may be treated as the member's mailing address.
 - (iii) Assessments and associated fees and costs may not be collected through the use of foreclosure remedies until the amount of the delinquent Assessments, exclusive of any late charges, fees, costs of collection, attorney's fees, and interest, equals or exceeds \$1,000.00 or the Assessments are more than thirty-six (36) months delinquent. Delinquent Assessments in a smaller amount may not be collected through the use of foreclosure remedies but may be collected through the use of any of the following other means: (a) a civil action, including in small claims court; (b) by recording a lien on the member's Lot (subject to the restrictions on foreclosure of that lien); or (c) any other manner provided by law, other than judicial or non-judicial foreclosure.
- e. Obligation to Record Lien Releases. If it is determined that a lien previously recorded against a Lot was recorded in error, the party who recorded the lien, within twenty-one (21) calendar days, shall record or cause to be recorded in the Office of the County Recorder a lien release or notice of rescission and provide the member who owns the Lot with a declaration that the lien filing or recording was in error and a copy of the lien release or notice of rescission. In addition, within twenty-one (21) days of the payment of the sums specified in the Notice of Delinquent Assessment, the Association shall record or cause to be recorded in the Office of the County Recorder a lien release or notice of rescission and provide the member with a copy of the lien release or notice that the delinquent Assessment has been satisfied.