

TAHOE DONNER ASSOCIATION

Policies and Procedures
Regarding Assessment Collection, Delinquency and Foreclosure Actions

Each Property Owner's annual Regular Assessment is due at the beginning of each fiscal year on January 1st and becomes delinquent on March 3rd of the same fiscal year. Special and Special Individual Assessments (Architectural Standards, Covenants and Forestry Assessments, Fines and Inspection Fees) are due thirty (30) days after invoicing and delinquent thirty (30) days thereafter. Delinquent accounts are subject to the following schedule of procedures and charges. **(The actions indicated below will not be taken until at least the date specified but may occur later due to scheduling considerations.)**

Interest Amount: Interest charged will be equal to the maximum allowed by law (currently 12 percent per annum).

ANNUAL REGULAR ASSESSMENT

March 3: DELINQUENCY FEE (10 PERCENT OF REGULAR ASSESSMENT BALANCE) is charged to the account; also, interest begins to accrue on the delinquent assessment balance.

April 1: Notice of pending suspension of membership rights (eligibility for candidacy to serve as a director, to vote in any election, to access the amenities as a member) for failure to pay the assessment and of the member's right to a prior hearing thereon, and notice of intent to record a lien against the member's property to secure amounts owed, is sent to Owner(s) of Record via certified mail.

April 15: Assessment Lien recorded against property; The LIEN FEE amount (which may be changed by The Board as part of the annual budget) is charged to the account. If requested, hearing on pending suspension of membership rights must be completed at least five days prior to the suspension's effective date.

April 20: Effective date of suspension of membership rights, which shall remain in effect until the account is brought current.

May 1: Interest begins accruing on Delinquency Fee.

June 15: Delinquent accounts become subject to all appropriate collections/legal recourses, including FORECLOSURE of the assessment lien, to recover amounts owed. All costs and fees related to such actions, including attorneys' fees, become the property owner's obligation.

July 1: Interest begins accruing on Lien Fee.

SPECIAL AND SPECIAL INDIVIDUAL ASSESSMENT(S)

Days After Invoicing

60: DELINQUENCY FEE (10 PERCENT OF ASSESSMENT BALANCE) is charged to the account; also, interest equal to the maximum allowed by law (currently 12 percent per annum) begins to accrue on the delinquent assessment balance.

90: Notice of pending suspension of membership rights (eligibility for candidacy to serve as a director, to vote in any election, to access the amenities as a member) for failure to pay the

assessment and of the member's right to a prior hearing thereon, and, if applicable, notice of intent to record a lien against the member's property to secure amounts owed, is sent to Owner(s) of Record via certified mail.

- 105:** If applicable, Assessment Lien recorded against property; The LIEN FEE amount (which may be changed by The Board as part of the annual budget) is charged to the account. If requested, hearing on pending suspension of membership rights must be completed at least five days prior to the suspension's effective date.
- 110:** Approximate effective date of suspension of membership rights, which shall remain in effect until the account is brought current.
- 120:** Interest begins accruing on Delinquency Fee.
- 165:** Delinquent accounts become subject to all appropriate collections/legal recourses, including FORECLOSURE of the assessment lien, to recover amounts owed. All costs and fees related to such actions, including attorneys' fees, become the property owner's obligation.
- 180:** If applicable, interest begins accruing on Lien Fee.

TIMELINESS OF PAYMENTS

In relation to the imposition of penalties, etc., in accordance with this schedule shall be determined by:

- Official USPS postmark date appearing on the envelope in which a payment is received through the mail (private postage meter dates are ignored).
- Any other method of delivery (i.e. hand-delivered payments, overnight services, electronic payments) are considered delivered on date of receipt of payment.
- Send payments to: Tahoe Donner Association, ATTN: Accounting, 11509 Northwoods Blvd, Truckee, CA 96161

APPLICATION OF PAYMENTS

It is the Association's policy to apply payments received as follows:

- First, to the oldest unpaid Assessment.
- Second, to the Interest and Penalties (Delinquency Fee, Lien Fee, costs of collection, etc.) related to that oldest unpaid Assessment.
- Next, to the second-oldest Assessment, followed by the Interest and Penalties related to that second-oldest Assessment.

This sequence continues until the most recent Assessment is paid, the Interest and Penalties related to that most recent Assessment are then paid.