

OPERATING PROCEDURE # 102

LIENS AND FORECLOSURES

The Board of Trustees has adopted this Lien and Foreclosure policy to facilitate the consistent and fair collection of delinquent accounts. It is the responsibility of the Financial Administrator to initiate the process according to the guidelines set forth in this Operating Procedure. The actual foreclosure process shall be handled by SURFSIDE attorney. However, failure to follow this policy will not constitute a defense in any action brought by SURFSIDE against a member to foreclose SURFSIDE's lien and/or to collect any amount owed to SURFSIDE nor, in any way, invalidate or otherwise affect any action taken by or on behalf of SURFSIDE.

1. Lien Action
 - a. Accounts delinquent as of August 1st of each year shall be sent an "Intent to Lien" form letter by Certified Mail.
 - b. Accounts still delinquent as of September 1st shall have a Lien filed against the delinquent owner's property.
2. Foreclosure Action
 - a. Accounts remaining delinquent for a period of two (2) years shall be sent a "Notice of Intent to Foreclose" letter by registered mail.
 - b. Accounts which remain unpaid thirty (30) days after the mailing of the "Notice of Intent to Foreclose" letter shall be turned over to SURFSIDE attorney for foreclosure action.
 - c. SURFSIDE'S attorney has authority to collect a judgment in any way allowed by law, except that SURFSIDE'S attorney may not pursue sale of a member's lot in Surfside or other subdivisions over which SURFSIDE has authority, unless that action is approved by the Trustees.
 - d. All legal fees and court costs shall be paid by the delinquent property owner.
3. County Tax Foreclosures
 - a. On a case by case basis, the Trustees may authorize either of the following actions when, after consultation with SURFSIDE'S attorney, they determine that it is in the best interest of SURFSIDE to do so:
 - b. Pay amounts due Pacific County, and/or other taxing authorities, to prevent property subject to SURFSIDE's lien being sold for unpaid property taxes or other governmental assessments.
 - c. Bid at the County foreclosure sale to attempt to acquire property subject to SURFSIDE's lien. The Trustees shall establish the maximum bid amount in their authorization to bid.