



NOTICE OF PROPOSED RULE CHANGE

LAKE MISSION VIEJO ASSOCIATION

Civ. Code § 4360

All Owners and occupants of properties within the Lake Mission Viejo Association (“**Association**”) are bound to comply with the restrictions and requirements contained in the Association’s governing documents. The governing documents include, among others, the Association’s recorded Declaration of Covenants, Conditions and Restrictions (“**Declaration**”), Bylaws, and any operating rules adopted by the Association’s Board of Directors (“**Rules**”) pursuant to its authority under the Declaration, Bylaws and California Civil Code.

The Board of Directors has proposed changes to the Rules as described below (“**Proposed Rule Change**”). This notice is being provided to all Owners in satisfaction of Civil Code § 4360. The Proposed Rule Change is described below, together with its purpose and effect.

****Note – the entire text of the Proposed Rule Change is enclosed/attached to this notice.***

PROPOSED UPDATED ASSESSMENT COLLECTION POLICY

The Association is required to provide Owners with information concerning the Association’s policies and practices in enforcing lien rights and other legal remedies for an Owner’s default in the payment of assessments owed to the Association. The Association is also required to provide a “Notice of Collection Procedure” within the Association’s annual policy statement that is distributed to all Owners pursuant to Civil Code section 5730.

The Association will be utilizing collection remedies which have been available to the Association under the Declaration and California law, but which have not been routinely utilized by the Association in the past (e.g., the recording of delinquent assessment liens). The purpose of the Proposed Rule Change is to update the Association’s existing Delinquency Policy (now the Association’s “Assessment Collection Policy”) to incorporate these remedies, and to provide valuable information to all Owners to encourage the timely payment of assessments. The Assessment Collection Policy will also enclose the statutory Notice of Collection procedure referenced above.

If adopted, the effects of the Proposed Rule Change will be to (a) replace the Association’s existing Delinquency Policy with the proposed Assessment Collection Policy, and (b) to have the Assessment Collection Policy (rather than the Association’s Fee Schedule) specify the types of late charges, interest, collect costs and fees that may be imposed on a delinquent account, pursuant to the Declaration and the California Civil Code.

UPCOMING MEETING WHEN BOARD MAY ADOPT THE PROPOSED RULE CHANGE

Pursuant to *Civil Code* § 4360(b), a decision whether to adopt the Proposed Rule Change will be made at the Board’s upcoming meeting scheduled for August 10, 2022. That decision will be made after consideration of any comments made by Owners. If you have any comments regarding the Proposed Rule Change that you would like the Board to consider, please bring them to the Board’s attention at the meeting, or in advance via email to info@lakemissionviejo.org.

If the Board decides to adopt the Proposed Rule Change, general notice of the same will be posted/provided within fifteen (15) days following the above-referenced meeting.

Enclosures:
Assessment Collection Policy (Proposed)