



S.B.S. LIEN SERVICES

SIMPLY BETTER SERVICE

800.678.7171

WWW.LIENCOLLECTIONS.COM

Agreement and Authorization to Commence
Non-Judicial Foreclosure Proceedings
Declaration of Default & Demand For Sale

Date: _____

Homeowner's Association Name: _____

Delinquent Homeowner(s) name(s): _____

Delinquent Homeowner(s) complete **property** address: _____

Delinquent Homeowner(s) complete **mailing** address: _____

| | | |
|-----------------|--|---------------------------------------|
| Contact person: | <input type="checkbox"/> Mgmt. Company | <input type="checkbox"/> Board Member |
| Name | Company | |
| Address | | |
| Phone | Fax | e-mail |

Accounting of Delinquency Calculation:

Complete the following OR include accounting breakdown

REGULAR ASSESSMENT

Months delinquent on Regular Assessment: _____ through _____

Regular Monthly Assessment: Per month: \$ _____

Monthly Late Fee: Per month: \$ _____

Interest: 12% annually unless otherwise specified. OTHER: _____

SPECIAL ASSESSMENT

Months delinquent on Special Assessment: _____ through _____

Special Monthly Assessments: Per Month: \$ _____

Description of Special Assessment: _____

ADDITIONAL COSTS & FEES

Management Company Collection Cost: (Separate check ___yes ___no) TOTAL: \$ _____

Fines: (will be demanded but cannot be included in the lien) TOTAL: \$ _____

Description of Fine: _____

31194 La Baya Drive, Suite 106, Westlake Village, CA 91362

800.678.7171 or 818.991.4600 Fax 818.874.9500

e-mail: info@liencollections.com or visit www.liencollections.com

S.B.S. is a debt collector attempting to collect a debt and any information will be used for that purpose



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**AUTHORIZATION TO RECORD A LIEN
AND A NOTICE OF DEFAULT**

Re.: _____
(Please specify by entering the delinquent property address and account ID#)

The law requires the Board of Directors of the Association to approve the decision to lien the property by majority vote in an open meeting and said vote must be recorded in the minutes of that meeting.

The law requires the Board of Directors hold an executive meeting at which the decision to initiate foreclosure is made by a majority vote of the Board of Directors and said vote must be recorded in the minutes of the open meeting.

By signing this document the Board of Directors of _____
(The name of the HOA)

hereby instructs S.B.S. Lien Services (S.B.S.) to:

Please check only one of the options below and sign



OPTION 1: Upon expiration of the Pre-lien letter, move forward with the collection process by **recording a Lien** to secure the Association's interest; then once the delinquent assessments total \$1,800.00 or 12 months delinquent whichever comes first, **record a Notice of Default (NOD)*** provided that any of the following have not occurred:

- No active Bankruptcy (BK)
- No pending request for a payment plan from the homeowner
- No pending dispute by the homeowner, or any other unforeseen circumstances that may arise during the collection process.

If any of the above events occur, S.B.S. will advise the Association accordingly.

***S.B.S. will personally serve the homeowner with the Board's decision to initiate foreclosure proceedings. It is the opinion of this office that personal service by a professional process server will establish an independent witness to the Association's compliance with the code requirement.**



OPTION 2: Upon expiration of the Pre-lien letter, S.B.S. is to **record the Lien** only and **STOP** the collection process. Upon expiration of the Lien, S.B.S. will request additional instructions from the Board prior to proceeding with recording the Notice of Default.

Name of the authorized person

Title

Signature of the authorized person

Date

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Authorization to Commence Non-Judicial Foreclosure Proceedings
Declaration of Default & Demand For
Sale Consent and Authorization

_____ (the "Association") hereby appoints S.B.S. LIEN SERVICES (S.B.S.), as the Association's agent for the purpose of collecting delinquent assessments from Association Homeowners. S.B.S. is given full power and authority to act on behalf of and in the name of the Association and do all things in which S.B.S. deems appropriate to effect the collection of the delinquency. This process may include, but is not limited to, sending demand letters, recording of a Delinquent Assessment Lien and if necessary acting as trustee and proceeding with a non-judicial foreclosure. S.B.S. is hereby granted the authority to speak directly to the delinquent homeowner(s) on behalf of the Association. Association and its agents understand and agree that the Association is ultimately liable for the payment of S.B.S.'s fees and costs if not paid by the homeowner or recovered through a payment plan or a foreclosure sale of the property. Any and all fees and costs incurred by S.B.S. are the responsibility of the Association should the collection action result in the following: a completed foreclosure on behalf of the Association; a Senior Lien holder extinguishes the Association's Lien via a Trustee's Sale; other judicial or non-judicial action; or if the Association decides to file a court action to collect its costs after S.B.S. has performed the services described in this Agreement.

S.B.S. is being retained on an as-needed basis and S.B.S. makes no representations or warranties regarding the successful result of its collection efforts. S.B.S. has the option of declining to service the delinquency of any file presented by the Association. S.B.S. may, in its own discretion, terminate the servicing of any Association file at any time.

The Association represents to S.B.S. (and S.B.S. is relying on such representation) that in referring any matter to S.B.S. for collection of delinquent dues and assessments, the Association, in its assessment and delinquency determination, has complied with all applicable Federal and State rules and regulations including, but not limited to applicable provisions of California Law, Covenants Conditions and Restrictions (CC&R's), other Association governing documents and the Federal and State Fair Debt Collection Practices Act, if applicable. The Association represents that the Association's Board voted and approved the collection fees and costs charged by S.B.S. as described in S.B.S.'s fee schedule. The Association represents to S.B.S. that the Association has provided the Owners in the Association with the Association's annual collection policy as provided under applicable State and Federal law, and the Association's governing documents.

The Association and its agents understand and agree that S.B.S. must accept any partial payment made by the delinquent homeowner whether the payment is received prior to or after recordation of a Delinquent Assessment Lien or a Notice of Default. Association and its agents understand and agree any payment received from a delinquent homeowner, even a partial payment, must be applied by the Association to the outstanding delinquent (regular) assessments first. If after application of any payment(s), the outstanding amount of delinquent assessments is reduced below \$1,800.00 or the assessments secured by a lien, if any, are less than twelve (12) months delinquent, the Association is not authorized by Civil Code Section 5720 (b) (2) to utilize the non-judicial foreclosure process to enforce its rights against the delinquent homeowner(s). A deposit invoice will be sent to the Association in the event a partial payment is received and applied solely to assessments as a result of California Civil Code 5655. If the Owner and the HOA reach an agreement on a repayment plan and request S.B.S. to accept payments from the Owner and monitor and report the payments, S.B.S. will be entitled to a payment plan fee of \$350.00 every six (6) months that the repayment plan is in effect with the Owner.

If S.B.S., its agents, officers or employees are named party to a lawsuit or other legal proceeding involving the Association and/or a homeowner, the Association agrees to indemnify and hold harmless S.B.S., its agents, officers or employees from any and all claims, losses, judgments, fees, charges and costs, including attorney's fees, incurred by S.B.S., its agents, officers or employees with respect to such lawsuit or legal proceeding (including defending a lawsuit). In addition to the indemnification described herein, if S.B.S., its agents, officers or employees, are named as a party to any lawsuit, the Association, at its own expense, will retain the services of legal counsel, satisfactory to S.B.S., to represent S.B.S. in such proceeding. The fees and costs for such legal representation will be paid directly by the Association to legal counsel, or as otherwise agreed upon by the Association and S.B.S. This obligation of indemnification shall survive the termination of this Consent and Acknowledgment without time limitation. If any action is commenced to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs incurred, including fees and costs incurred by the prevailing party in any mediation or arbitration agreed to in the future by the parties to this Agreement. The person signing below is a current member of the Board of Directors or lawful agent of the Association with full power and authority to bind the Association to the terms hereof.

Print Name

Title

Authorized Signature

Date

S.B.S. Lien Services

Authorized Signature

Date