

Foreclosure of a Delinquent Assessment Lien – Step by Step

- 1) Association levies assessment
- 2) Assessment becomes delinquent per Civil Code/governing documents
- 3) Association (via board or manager) may send notices of delinquency per governing documents/association collection policy
- 4) Written Notice of Lien (or “Pre-Lien Notice”) is sent via certified mail – must meet requirements set forth in Civil Code section 1367.1
- 5) At least 30 days elapse
- 6) If assessment is debt not paid, board must determine whether to foreclose; decision to foreclose must be made by majority vote of the Board and noted in minutes of next open board meeting (by reference to parcel number)
- 7) Association must offer to participate in “meet and confer” or ADR with owner prior to initiating foreclosure
- 8) Board decides whether to proceed with judicial or non-judicial foreclosure; notice of Board’s decision provided by personal service
 - If judicial foreclosure – complaint for judicial foreclosure prepared, filed and served and lawsuit commences
 - If non-judicial foreclosure, proceed with steps 9 through 12, below
- 9) Notice of Default prepared and recorded
- 10) Copy of Notice of Default sent to all interested parties (including junior lienholders) by certified mail and served on owner or owner’s legal representative
- 11) Foreclosure sale date scheduled and Notice of Trustee’s Sale recorded
- 12) Property sold at foreclosure sale to highest bidder or to association if no third party bidder