

PARK WEST COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION 16-07

**REGARDING POLICIES AND PROCEDURES FOR
THE COLLECTION OF ASSESSMENTS**

WHEREAS, Section 55-513 of the Virginia Property Owners Association Act and the Association's Governing Documents empower the Board of Directors to assess certain remedies, including monetary charges and suspension of privileges, against Members of the Association who are responsible for violating the Association's Governing Documents; and

WHEREAS, Article V, Section 1, et seq., of the Declaration personally obligates each Member to pay annual and special assessments to fund the common expenses of the Association; and

WHEREAS, Article V, Section 6 of the Declaration sets forth the remedies of the Association for the nonpayment of assessments; and

WHEREAS, Article X, Section 6 of the Declaration sets forth the notification procedure for the Association to any Member; and

WHEREAS, The Association is authorized to establish orderly procedures for the billing and collection of assessments,

NOW, THEREFORE, BE IT RESOLVED THAT the following policies and procedures are established and adopted regarding the collection of assessments, as follows:

1) TERMS

- a) 'VPOAA' refers to the Virginia Property Owners' Association Act.
- b) 'Member' refers to person or entity who is a record owner (resident or non-resident) of a fee or undivided fee interest in any Lot within the Community.
- c) 'Board of Directors' refers to the entity vested with the affairs of the Corporation, identified as the Park West Community Association.
- d) For Notices to Members, in addition to the Declaration, Article X, Section 6 the following also applies.
 - i) Notices may be delivered by hand to the Member.
 - ii) Charges may be applied to the Member's account for all costs associated with mailing notices. Charges will be in accordance with the Managing Agent's current contract charge sheet (Attachment A in the Managing Agent Contract).

- e) 'Annual Maintenance Assessment Quarterly Due Date' refers to the specific date each quarterly assessment is due. The quarterly assessment due dates are: January 1st, April 1st, July 1st, and October 1st of each calendar year.

2) ASSESSMENT OBLIGATIONS

- a) The Association or the Managing Agent will mail a notice to every Member which will inform the Member of the amount of the upcoming annual maintenance assessment to include any additional fees or assessments identified. The notice will be delivered in accordance with paragraph 1.D (hand delivered or via first class mail). No Member will be excused of the obligation to pay the maintenance assessment in the event that such notice is not received. Each Member has a legal duty to seek out information regarding the assessment if such notice is not received.
- b) All Members have the option to pay the annual maintenance assessment at once or in quarterly payments. All quarterly payments of the annual maintenance assessment shall be due and payable on the Annual Maintenance Assessment Quarterly Due Date as specified in paragraph 1.E. This includes any and all previous balances, fees, special assessments, etc. that might be applied to the Member's account.
- c) The Association or the Managing Agent will mail a notice to every Member not using the automated check handling service of the amount of each quarterly maintenance assessment to include any additional fees. The notice will be delivered in accordance with paragraph 1.D (hand delivered or via first class mail).
- d) In addition to the requirements specified in the Declaration, Article X, Section 6; all Members should consider providing the Association with their current telephone number and e-mail address for alternate contact methods.
- e) Any Member receiving a late charge will receive an option to negate the late charge by electing to use the automated check handling service provided by the Managing Agent (Summit Management Services, Inc.).
- f) Any special maintenance assessments will be levied in accordance with the Declaration, Article V, Section 2. Assessment payment options (if any) will be announced in conjunction with the meeting of the members duly called for the purpose of voting for the assessment(s).

3) FACTORS APPROPRIATE FOR ASSESSMENTS

- a) Lien for Nonpayment of Assessments -- Any assessment which is not paid on the Due Date shall, together with interest thereon and the cost of collection thereof, become a continuing lien upon the property belonging to the Member against whom such assessment is levied. (Declaration, Article V, Section 6)

- b) Returned Check Charge – It the Association receives a check from a Member which fails to be paid in due course by the Member’s banking institution, any and all fees associated with the returned check shall be applied and posted to the Member’s account.

4) TIMELINE FOR NON-PAYMENT OF ASSESSMENTS

- a) Tabular representation of the details listed below:

Action or Activity	Timeline (after the Assessment Due Date)
Assessment Determined Late	10 Days
First Letter (Late Notice)	30 Days, sent via first class mail. Charge applied to Member’s account (\$10)
5% Late Fee	60 Days. Charge applied to Member’s account (\$12.75 in 2016, \$14 in 2017)
Second Letter (Delinquent Notice)	60 Days, sent via certified mail, return receipt requested. Charge applied to Member’s account (\$15)
Third Letter (Notice of Hearing)	90 Days, sent via certified mail, return receipt requested. Charge applied to Member’s account (\$12)
Fourth Letter (Notice of Adjudication)	No Later Than 7 Days after the Hearing Date, sent via certified mail, return receipt requested. Charge applied to Member’s account (\$12)
Send to Attorney	180 Days
Interest of 8% per annum	Starts at 10 Days, charge applied to Member’s account starting at 180 Days

- b) 10 Days after Due Date.
 - i) Any installment of the annual assessment not paid to the Association within ten (10) days after the Due Date shall be considered late.
 - ii) Upon a specific resolution from the Board of Directors, interest of eight percent (8%) per annum may be assessed to the Member and posted to the Member’s account until payment of the full amount occurs. (Declaration, Article V, Section 6).
- c) 30 Days after Due Date.
 - i) Interest of eight percent (8%) per annum shall be assessed to the Member and posted to the Member’s account until payment of the full amount occurs. (Bylaws Article XI).
 - ii) A Notice of Late Assessment letter will be delivered in accordance with paragraph 1.D (hand delivered or via first class mail to the Member at the address of record with the Association). As of December 20, 2016 the charge per Attachment A is ten (10) dollars.

- d) 45 Days after Due Date.
 - i) Any installment of the annual assessment not paid to the Association within forty five (45) days after the Due Date shall be considered delinquent.
- e) 60 Days after Due Date.
 - i) A late fee of 5% may be imposed for any assessment or installment. (VPOAA, Section 55-513.3).
 - ii) A Notice of Delinquent Assessment will be delivered in accordance with paragraph 1.D via certified mail, return receipt requested, to the Member at the address of record with the Association. As of December 20, 2016 the charge per Attachment A is fifteen (15) dollars.
- f) 90 Days after Due Date.
 - i) The Board of Directors will issue a Notice of Hearing for Delinquency. The Notice of Hearing will be delivered in accordance with paragraph 1.D (hand delivered or via registered or certified mail, return receipt requested at least 14 days prior to the scheduled hearing to the Member at the address of record with the Association). The hearing will be in accordance with the VPOAA and Declaration requirements for such letter, specifics regarding this letter may be found in the Enforcement of Rules and Regulations Resolution. As of December 20, 2016 the charge per Attachment A is twelve (12) dollars.
 - ii) The hearing results will be documented in a Notice of Adjudication or a Notice of Directors Adjudication as appropriate no later than seven (7) days after the hearing. The notice shall be delivered in accordance with paragraph 1.D (hand delivered or mailed by registered or certified mail, return receipt requested, to the Member at the address of record with the Association). As of December 20, 2016 the charge per Attachment A is twelve (12) dollars.
- g) 180 Days after Due Date.
 - i) The entire balance of the annual assessment shall be and is hereby accelerated and due in full.
- h) Greater than 180 Days after Due Date.
 - i) The Association shall employ an attorney to collect the past-due balance. The Member shall be responsible for the payment of, and will be assessed any and all reasonable attorney's fees and related costs (e.g., court costs, service fees, mailings, etc.) incurred to collect any past-due balance. Ordinarily the eight percent (8%) per annum interest will be added to the Member's account from the initiation date at this milestone date.

5) **PRIORITIZATION OF PAYMENT COLLECTION**

- a) Payments received by the Association from a delinquent Member shall be credited in the following order of priority:
 - i) Any attorney's fees, court costs, and other costs of collection;
 - ii) Late penalties;
 - iii) Interest;
 - iv) Charges assessed against a Member resulting from a violation of the governing documents;
 - v) Any returned check charges;
 - vi) Any special assessments; and
 - vii) Quarterly assessments.
- b) All charges due must be paid in full before privileges will be reinstated for the Member and guests of the Member. "All Charges" shall include, but are not limited to, paragraph 5.A.

RESOLVED and adopted by the Board of Directors for the Park West Community Association at a duly convened meeting held on DECEMBER 20TH, 2016 and incorporated into the Book of Resolutions of the Association. This Resolution replaces Resolution 16-01 earlier approved on April 29, 2016 by said Board of Directors.

By: Mark J C Griffin 20 DEC 2016
Mark Griffin, President of the Board of Directors DATE

Attest: Joan Murphy Dec 20, 2016
Joan Murphy, Secretary of the Board of Directors DATE

